

Alpha Dhabi Holding PJSC

DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

ALPHA DHABI HOLDING PJSC

Reports and consolidated financial statements for the year ended 31 December 2025

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Alpha Dhabi Holding PJSC

DIRECTORS' REPORT

31 DECEMBER 2025

Alpha Dhabi Holding PJSC

DIRECTORS' REPORT

For the year ended 31 December 2025

The Directors have pleasure in submitting their report together with the audited consolidated financial statements of Alpha Dhabi Holding PJSC ("the Company") and its subsidiaries (together referred to as "the Group") for the year ended 31 December 2025.

Principal activities

The Group is one of the fastest growing Abu Dhabi based investment holding conglomerates, with businesses spread across healthcare, real estate, construction, and hospitality, amongst others. The Group is a strategic contributor to the UAE economy and is committed to driving continuous growth for its stakeholders through investments in strong businesses, which support innovation and diversity.

Results and appropriation of profits

Revenue for the year was AED 78,775 million (2024: AED 63,396 million) and profit attributable to the Owners of the Company for the year was AED 8,014 million (2024: AED 8,888 million). The major movements in retained earnings for the year were:

	2025 AED '000
At 1 January	29,805,745
Profit for the year attributable to the Owners of the Company	8,014,161
Transfer to statutory reserve	(801,416)
Disposal of partial interest in subsidiaries	245,501
Acquisition of non-controlling interests	(349,577)
Others	(107,003)
At 31 December	36,807,411

Directors

The Directors of the Company are as follows:

Mr. Mohamed Thani Murshed Alrumaithi	Chairman
Mr. Syed Basar Shueb	Member
Mr. Hamad Salem Alameri	Managing Director
Mr. Sultan Dahi Alhemeiri	Vice Chairman
Ms. Sofia Lasky	Member

Release

The Directors release the management and the external auditor from any liability in connection with their duties for the year ended 31 December 2025.

Approval

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 10 February 2026.

Acknowledgement

To the best of our knowledge, the financial information included in these consolidated financial statements presents fairly, in all material respects, the financial position, results of operations and cash flows of the Group as of, and for, the years presented therein.

For and on behalf of the Board of Directors



Managing Director



Alpha Dhabi Holding PJSC

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ALPHA DHABI HOLDING PJSC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Alpha Dhabi Holding PJSC (the “Company”) and its subsidiaries (together referred to as the “Group”), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for opinion

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

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 12 February 2025.

Key audit matters

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

We have fulfilled the responsibilities described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

ALPHA DHABI HOLDING PJSC continued

Report on the Audit of the Consolidated Financial Statements continued

Revenue recognition

Revenue recognition is considered to be a key area of focus given there are multiple revenue streams associated with the Group which come from various decentralised operational locations. In addition, there are a number of different IT systems and applications in place for the recording of revenue transactions. The Group has a variety of customer contracts and revenue arrangements that require careful consideration and judgement to determine the appropriate revenue recognition. Further, revenue is also a key performance indicator for the Group's performance. During the year ended 31 December 2025, total revenue of the Group amounted to AED 78,775 million (note 32).

We reviewed the revenue recognition policies applied by the Group to assess their compliance with the requirements of IFRS Accounting Standards. For each material operational location with significant revenue streams, we performed, or involved component auditors in the performance of procedures to obtain understanding of the design and operating effectiveness of the controls relating to the revenue recognition process for certain subsidiaries, substantive audit procedures which included overall analytical procedures at the Group and subsidiary level, and testing on transactions throughout the year, to assess whether revenues were properly recognised.

Business combinations within the scope of IFRS 3

During the year, the Group acquired control over the entities disclosed in note 41 which were determined to be business combinations as defined by IFRS 3. External valuation specialists were engaged by the Group to perform the purchase price allocation exercise, and fair valuation and identification of acquired assets and liabilities. The acquisition of businesses is a key audit matter as these are significant transactions during the year which require significant judgement and estimation regarding the allocation of the purchase price to the assets and liabilities acquired and adjustments made to align accounting policies of the newly acquired assets / businesses with those of the Group.

We performed, or involved component auditors to perform, the following procedures:

- Reviewed the share purchase agreements and ownership structures before and after the acquisitions to assess if the acquisitions fulfilled the requirements of business combination under IFRS 3;
- Obtained the provisional purchase price allocation reports for material acquisitions prepared by the external valuers engaged by the Group;
- Involved our, or the components auditor's, internal valuation specialists in reviewing the reports. The review included discussions with management and consideration of the reasonableness of inputs used in the valuation and assumptions made, such as the cash flow projections, discount rate, terminal growth rate the identification of intangible assets and the useful life of tangible and intangible assets;

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

ALPHA DHABI HOLDING PJSC continued

Report on the Audit of the Consolidated Financial Statements continued

Business combinations within the scope of IFRS 3 continued

- Assessed the independence, qualification and expertise of external valuation specialists engaged by the Group and read the terms of their engagement to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work; and
- Assessed whether the business combinations were properly accounted for by the Group, including the determination of the dates of acquisitions and the fair values of the considerations transferred, in accordance with IFRS 3, and assessed the adequacy of all related disclosures, as required by IFRS Accounting Standards.

Impairment assessment of goodwill

The Group has recognised goodwill amounting to AED 4,831 million arising from the acquisition of subsidiaries operating in multiple segments under business combinations within the scope of IFRS 3 (note 7).

Management carries out impairment assessments of goodwill annually. Goodwill impairment testing is considered a key audit area given the significant estimates and assumptions involved in determining the value in use of the respective cash generating units ("CGU"). Assumptions used relate to future cash flows, revenue growth rates, expected inflation rates and discount rates.

As part of our audit procedures, we performed, or involved component auditors to perform the following for CGUs with significant goodwill:

- Tested, with involvement of internal valuation specialists, the methodologies and inputs used by the Group in the discounted cash flow models for impairment testing including key assumptions relating to growth rates, inflation rates and discount rates;
- Analyzed the sensitivity of available headroom in the respective CGUs to changes in certain assumptions;
- Compared actual performance of cash generating units to the assumptions applied in discounted cash flow models to assess the historical accuracy of management's estimates; and
- Assessed the adequacy of disclosure in line with the requirements of the IFRS Accounting Standards.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

ALPHA DHABI HOLDING PJSC continued

Report on the Audit of the Consolidated Financial Statements continued

Other information

Other information consists of the information included in the Directors' report other than the consolidated financial statements and our auditor's report thereon. We obtained the Directors' report prior to the date of our audit report and we expect to obtain the annual report after the date of our auditor's report. Management is responsible for the other information.

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

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

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

ALPHA DHABI HOLDING PJSC continued

Report on the Audit of the Consolidated Financial Statements continued

Auditor's responsibilities for the audit of the consolidated financial statements continued

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

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

ALPHA DHABI HOLDING PJSC continued

Report on the Audit of the Consolidated Financial Statements continued

Auditor's responsibilities for the audit of the consolidated financial statements continued

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

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Law No. (32) of 2021 as amended, we report that for the year ended 31 December 2025:

- i) we have obtained all the information and explanations we considered necessary for the purposes of our audit;
- ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (32) of 2021 as amended, and the Articles of Association of the Company;
- iii) the Group has maintained proper books of account;
- iv) the consolidated financial information included in the Directors' report is consistent with the books of account and records of the Group;
- v) investments in shares and stocks are included in note 10 and 12 to the consolidated financial statements and include purchases and investments made by the Group during the year ended 31 December 2025;
- vi) note 18 reflects the disclosures relating to material related party transactions and the terms under which they were conducted;
- vii) based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened, during the financial year ended 31 December 2025, any of the applicable provisions of the UAE Federal Law No. (32) of 2021 as amended or of its Articles of Association which would materially affect its activities or its consolidated financial position as at 31 December 2025; and
- viii) Note 34 reflects the disclosure related to social contributions made during the year.

For Ernst & Young



Raed Ahmad
Registration No 811

10 February 2026
Abu Dhabi, United Arab Emirates

Alpha Dhabi Holding PJSC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

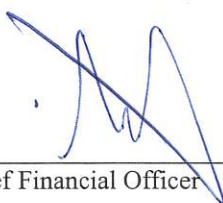
As at 31 December 2025

	Notes	2025 AED '000	2024 AED '000
ASSETS			
Non-current assets			
Property, plant and equipment	5	19,665,139	16,677,356
Intangible assets	6	3,380,631	2,688,973
Goodwill	7	4,831,411	4,249,695
Biological assets		12,828	15,886
Investment properties	8	29,308,860	24,778,884
Right-of-use assets	9	2,851,104	2,005,252
Investment in associates and joint ventures	10	17,414,961	18,336,419
Investment in financial assets	12	1,457,930	1,026,623
Deferred tax assets	14	217,193	131,677
Trade and other receivables	15	2,202,273	1,812,706
Total non-current assets		81,342,330	71,723,471
Current assets			
Investment in financial assets	12	13,991,516	13,161,803
Contract assets	13	19,670,733	12,540,636
Trade and other receivables	15	34,795,683	26,307,414
Inventories	16	11,158,820	11,531,142
Development work-in-progress	17	12,458,310	8,087,291
Due from related parties	18	745,145	5,387,271
Cash and bank balances	19	40,259,041	28,780,404
Total current assets		133,079,248	105,795,961
TOTAL ASSETS		214,421,578	177,519,432
EQUITY AND LIABILITIES			
Equity			
Share capital	20	10,000,000	10,000,000
Statutory reserve	21	2,465,263	1,663,847
Merger reserve	22	11,619,043	11,619,043
Other reserves	23	(795,280)	(803,116)
Retained earnings		36,807,411	29,805,745
Equity attributable to the Owners of the Company		60,096,437	52,285,519
Hybrid equity instruments	24	1,815,646	1,815,646
Non-controlling interests		42,130,182	38,226,704
Total equity		104,042,265	92,327,869


CONSOLIDATED STATEMENT OF FINANCIAL POSITION continued

As at 31 December 2025

	Notes	2025 AED '000	2024 AED '000
EQUITY AND LIABILITIES continued			
Non-current liabilities			
Lease liabilities	9	2,511,414	1,777,313
Employees' end of service benefits	26	1,429,386	1,235,689
Bank borrowings	27	21,852,106	17,364,923
Non-convertible sukuks and hybrid notes	28	14,017,121	5,430,838
Deferred tax liabilities	14	600,896	560,988
Trade and other payables	31	5,197,665	4,141,527
Total non-current liabilities		45,608,588	30,511,278
Current liabilities			
Lease liabilities	9	417,624	233,270
Due to related parties	18	619,650	1,114,963
Bank borrowings	27	4,347,453	3,842,511
Non-convertible sukuks and hybrid notes	28	144,500	1,430,324
Contract liabilities	30	21,243,988	18,551,787
Current tax liabilities	14	1,964,974	805,260
Trade and other payables	31	36,032,536	28,702,170
Total current liabilities		64,770,725	54,680,285
Total liabilities		110,379,313	85,191,563
TOTAL EQUITY AND LIABILITIES		214,421,578	177,519,432



Group Chief Financial Officer



Managing Director



Chairman

The attached notes 1 to 47 form part of these consolidated financial statements.

Alpha Dhabi Holding PJSC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	Notes	2025 AED '000	2024 AED '000
Revenue	32	78,775,047	63,395,936
Direct costs	33	(59,995,862)	(49,960,433)
GROSS PROFIT		18,779,185	13,435,503
General, administrative and selling expenses	34	(4,824,841)	(4,005,942)
Share of results of associates and joint ventures	10	622,976	607,724
Impairment of financial and other assets		(177,233)	(67,815)
Other income	35	3,951,893	2,752,814
Gain on derecognition and partial disposal of investment in associates and joint ventures	10	146,511	1,417,680
(Loss) / gain on change in equity of an associate	10	(862,828)	718,185
Finance costs, net	36	(900,696)	(676,253)
Profit before tax		16,734,967	14,181,896
Income tax	14	(1,702,839)	(668,033)
PROFIT FOR THE YEAR		15,032,128	13,513,863
Profit for the year attributable to:			
Owners of the Company		8,014,161	8,888,462
Non-controlling interests		7,017,967	4,625,401
		15,032,128	13,513,863
Basic and diluted earnings per share (AED)	38	0.79	0.88

The attached notes 1 to 47 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 AED '000	2024 AED '000
Profit for the year		15,032,128	13,513,863
Other comprehensive income / (loss)			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Fair value gain / (loss) arising on hedging instruments, net of tax		34,084	(29,353)
Exchange differences arising on translation of foreign operations, net of tax		257,775	(741,164)
Share of other comprehensive income / (loss) of associates and joint ventures	10	107,816	(37,317)
Net loss on debt instruments, hedging instruments and translation of foreign operations reclassified to profit or loss, net of tax		(38,672)	(18,466)
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Fair value gain on investments in equity instruments designated as FVTOCI, net of tax		149	105,750
Share of other comprehensive loss of associates and joint ventures	10	(272,150)	(18,803)
Total other comprehensive income / (loss)		89,002	(739,353)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		15,121,130	12,774,510
Total comprehensive income for the year attributable to:			
Owners of the Company		8,018,283	8,659,232
Non-controlling interests		7,102,847	4,115,278
		15,121,130	12,774,510

The attached notes 1 to 47 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	<i>Attributable to the Owners of the Group</i>						<i>Hybrid equity instruments</i>	<i>Non-controlling interests</i>	<i>Total equity</i>
	<i>Share capital</i> <i>AED '000</i>	<i>Statutory reserve</i> <i>AED '000</i>	<i>Merger reserve</i> <i>AED '000</i>	<i>Other reserves</i> <i>AED '000</i>	<i>Retained earnings</i> <i>AED '000</i>	<i>Total</i> <i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Balance at 1 January 2024	10,000,000	1,219,424	11,619,043	(1,173,328)	20,353,498	42,018,637	1,815,646	32,142,748	75,977,031
Profit for the year	-	-	-	-	8,888,462	8,888,462	-	4,625,401	13,513,863
Other comprehensive (loss) / income for the year	-	-	-	(250,721)	21,491	(229,230)	-	(510,123)	(739,353)
Total comprehensive (loss) / income for the year	-	-	-	(250,721)	8,909,953	8,659,232	-	4,115,278	12,774,510
Non-controlling interests arising from acquisition of subsidiaries (Note 41.2 and 41.3)	-	-	-	-	-	-	-	121,475	121,475
Additional contribution from shareholders and non-controlling interests (Note 42)	-	-	-	-	428,993	428,993	-	654,542	1,083,535
Acquisition of non-controlling interests (Note 42)	-	-	-	-	(36,351)	(36,351)	-	(93,711)	(130,062)
Dividend (Note 40)	-	-	-	-	(2,000,000)	(2,000,000)	-	(2,056,157)	(4,056,157)
Coupon paid on hybrid equity instrument (Note 24)	-	-	-	-	(103,289)	(103,289)	-	-	(103,289)
Disposal of partial interest in subsidiaries (Note 42)	-	-	-	8,608	3,309,689	3,318,297	-	3,342,529	6,660,826
Transfer to statutory reserve	-	444,423	-	-	(444,423)	-	-	-	-
Transfer of reserves to retained earnings	-	-	-	612,325	(612,325)	-	-	-	-
Balance at 31 December 2024	10,000,000	1,663,847	11,619,043	(803,116)	29,805,745	52,285,519	1,815,646	38,226,704	92,327,869

Alpha Dhabi Holding PJSC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY continued

For the year ended 31 December 2025

	<i>Attributable to the Owners of the Group</i>						<i>Hybrid equity instruments</i>	<i>Non-controlling interests</i>	<i>Total equity</i>
	<i>Share capital</i>	<i>Statutory reserve</i>	<i>Merger reserve</i>	<i>Other reserves</i>	<i>Retained earnings</i>	<i>Total</i>			
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Balance at 1 January 2025	10,000,000	1,663,847	11,619,043	(803,116)	29,805,745	52,285,519	1,815,646	38,226,704	92,327,869
Profit for the year	-	-	-	-	8,014,161	8,014,161	-	7,017,967	15,032,128
Other comprehensive income / (loss) for the year	-	-	-	9,753	(5,631)	4,122	-	84,880	89,002
Total comprehensive income for the year	-	-	-	9,753	8,008,530	8,018,283	-	7,102,847	15,121,130
Non-controlling interests arising from acquisition of subsidiaries (Note 41.1 and 41.3)	-	-	-	-	-	-	-	886,556	886,556
Non-controlling interests arising from acquisition of assets (Note 41.4)	-	-	-	-	-	-	-	1,089,724	1,089,724
Additional contribution from non-controlling interests (Note 42)	-	-	-	-	-	-	-	558,712	558,712
Disposal of partial interest in subsidiaries (Note 42)	-	-	-	-	245,501	245,501	-	610,820	856,321
Acquisition of non-controlling interests (Note 42)	-	-	-	-	(349,577)	(349,577)	-	(4,746,302)	(5,095,879)
Dividend (Note 40)	-	-	-	-	-	-	-	(1,592,978)	(1,592,978)
Coupon paid on hybrid equity instrument (Note 24)	-	-	-	-	(103,289)	(103,289)	-	-	(103,289)
Disposal of subsidiaries (Note 37)	-	-	-	-	-	-	-	(5,901)	(5,901)
Transfer to statutory reserve	-	801,416	-	-	(801,416)	-	-	-	-
Transfer of reserves to retained earnings	-	-	-	(1,917)	1,917	-	-	-	-
Balance at 31 December 2025	10,000,000	2,465,263	11,619,043	(795,280)	36,807,411	60,096,437	1,815,646	42,130,182	104,042,265

The attached notes 1 to 47 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

		2025 AED '000	2024 AED '000
	Notes		
OPERATING ACTIVITIES			
Profit before tax		16,734,967	14,181,896
Adjustment for non-cash charges:			
Depreciation of property, plant and equipment	5	1,801,017	1,391,454
Amortisation of intangible assets	6	312,337	241,901
Depreciation of right-of-use assets	9	387,500	195,580
Depreciation of investment properties	8	729,482	664,473
Provision for employees' end of service benefits	26	334,297	344,542
Re-measurement of biological assets		(1,957)	(2,620)
Share of results of associates and joint ventures	10	(622,976)	(607,724)
Gain on derecognition and partial disposal of associates and joint ventures	10	(146,511)	(1,417,680)
Interest expense on lease liabilities	36	100,660	101,051
Gain on disposal of property, plant and equipment		(3,144)	(4,100)
Loss / (gain) on lease cancellations and modifications	9	(49,348)	31,706
Net changes in fair value of derivative financial instruments		1,866	(5,419)
Net changes in fair value of investments carried at fair value through profit or loss (FVTPL)	35	(3,153,246)	(1,561,895)
Gain on disposal of investment properties		(41,677)	(128,874)
Gain on disposal of assets held for sale	37	(16,600)	-
Gain on the settlement of the consideration receivable	41	(167,000)	-
Gain on bargain purchase of a subsidiary	41	(71,184)	-
Finance income	36	(1,338,799)	(1,072,774)
Finance costs	36	2,138,835	1,648,023
Impairment of intangible assets	6	2,594	6,618
Impairment of investment properties	8	189,206	260,244
Reversal of impairment of development work-in-progress	17	(19,025)	(29,564)
Dividend income	35	(222,468)	(641,771)
Write-off of property, plant and equipment	5	22,127	414
Write-off of development work-in-progress	17	14,239	18,329
Write-off of intangible assets	6	106	235
Provision for slow moving and obsolete inventories	16	2,810	28,654
Amortisation of non-convertible sukuk	28	11,867	1,424
Reversal of provision against debt instrument at amortised cost	12	(115)	(242)
Loss / (gain) on disposal of subsidiaries	37	28,665	(2,671)
Loss / (gain) on change in equity of an associate	10	862,828	(718,185)
Other income		(18,366)	(18,733)
Impairment of financial and other assets		177,348	67,959
Impairment of property, plant and equipment	5	326	13,855
Operating cashflows before movement in working capital		18,079,357	12,922,694
Movement in working capital:			
Inventories		(1,283,350)	(999,113)
Trade and other receivables		(10,857,701)	(6,116,871)
Contract assets		(6,994,976)	(3,616,512)
Due from related parties		4,599,124	(4,733,200)
Development work-in-progress		(1,808,451)	(722,739)
Contract liabilities		2,464,421	6,077,165
Trade and other payables		7,257,853	7,639,724
Due to related parties		(851,447)	145,556
Cash generated from operating activities		10,604,830	10,596,704
Employees' end of service benefits paid	26	(197,705)	(184,101)
Income tax paid	14	(776,810)	(111,292)
Net cash generated from operating activities		9,630,315	10,301,311

Alpha Dhabi Holding PJSC

CONSOLIDATED STATEMENT OF CASH FLOWS continued

For the year ended 31 December 2025

	Notes	2025 AED '000	2024 AED '000
INVESTING ACTIVITIES			
Purchases of property, plant and equipment	5	(2,773,035)	(3,074,677)
Proceeds from disposal of property, plant and equipment		17,701	26,369
Purchases of investment properties	8	(2,617,617)	(1,751,318)
Proceeds from disposal of investment properties	12	114,882	364,747
Proceeds from disposal of investments in financial assets		5,820,520	982,059
Purchases of intangible assets	6	(176,673)	(52,522)
Proceeds from disposal of biological assets		5,015	5,773
Dividend received from associates and joint ventures	10	194,171	43,683
Dividend income received	35	222,468	641,771
Purchases of investments in associates and joint ventures	10	(660,055)	(1,138,044)
Proceeds from disposal of intangible assets		2,008	-
Proceeds from disposal of investments in associates and joint ventures	10	43,776	-
Proceeds from partial disposal of subsidiaries		1,948,000	4,996,995
Proceed from disposal of subsidiaries, net of cash disposed	37	3,377	(2,678)
Purchases of investments in financial assets	12	(3,871,931)	(1,833,680)
Deposit placed with banks		(5,606,517)	(457,465)
Net movement in restricted cash		(2,441,996)	1,820,232
Finance income received		1,261,319	1,041,208
Cash acquired / (paid) on acquisition of assets, net	41	135,787	(6,679)
Cash paid on acquisition of subsidiaries, net	41	(69,819)	(340,394)
Cash paid for purchase of additional stake in subsidiaries	42	(2,862,438)	(130,062)
Cash acquired on addition of share of Joint operations		180,559	
Advances given for the acquisition of investment property under development		(486,456)	(1,885,858)
Net cash used in investing activities		(11,616,954)	(750,540)
FINANCING ACTIVITIES			
Repayment of bank borrowings		(19,621,272)	(8,941,091)
Proceeds from borrowings		23,414,863	13,106,565
Dividend paid to holders of non-controlling interests		(1,592,954)	(2,056,157)
Coupon paid on hybrid equity instruments	24	(103,289)	(103,289)
Finance costs paid		(1,055,011)	(1,616,237)
Payment of lease liabilities	9	(491,601)	(268,999)
Additional contribution from non-controlling interest		558,712	458,735
Redemption of non-convertible sukuk	29	(2,018,075)	(455,878)
Proceeds from non-convertible sukuk	29	6,556,098	1,824,553
Dividends paid	40	-	(2,000,000)
Payment for borrowing costs		(22,314)	(19,600)
(Payment) / Receipt for derivative financial instruments		(75)	11,926
Net cash generated from / (used in) financing activities		5,625,082	(59,472)
NET INCREASE IN CASH AND CASH EQUIVALENTS		3,638,443	9,491,299
Effect of foreign exchange rate changes		(142,880)	332,438
Cash and cash equivalents at the beginning of the year		21,884,320	12,060,583
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	19	25,379,883	21,884,320

CONSOLIDATED STATEMENT OF CASH FLOWS continued For the year ended 31 December 2025

	Notes	2025 AED '000	2024 AED '000
Non-cash transactions:			
Fair value of derivative adjusted against hedge item	28	194,554	(18,393)
Carrying value of the investment in an associate derecognised on dilution	10	1,375,384	2,621,199
Additions to investment in financial assets	12	-	4,038,879
Additions to investment in associates and joint ventures		-	1,388,997
Partial disposal of a subsidiary		-	1,781,000
Additions to investment properties	8	3,295,689	456,834
Property, plant and equipment	5	-	624,800
Additions to bank borrowings		734,600	-
Additions to non-convertible sukuks and hybrid notes		1,826,914	-
Additions to property, plant and equipment due to share of Joint Operations		2,887	-
Additions to derivative financial liability		59,515	-

The attached notes 1 to 47 form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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 and its 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”) carried out both in the UAE and abroad include:

- 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;
- Chemicals production; and
- Hotels and restaurants.

2 MATERIAL ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“IFRSs”) as issued by the International Accounting Standards Board (“IASB”) and the applicable provisions of U.A.E. Federal Decree Law No. (32) of 2021.

Accounting convention

These consolidated financial statements have been prepared on the historical cost basis except for financial assets carried at fair value through other comprehensive income, fair value through profit or loss, derivative financial instruments and biological assets that have been measured at fair value at the end of each reporting period, as explained in the accounting policies given below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of a financial asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realizable value (‘NRV’) in IAS 2 or value in use in IAS 36.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.1 BASIS OF PREPARATION continued

Functional and presentation currency

These consolidated financial statements are presented in United Arab Emirates Dirhams (AED) which is the functional currency of the Company and the presentation currency of the Group and all values are rounded to the nearest thousand only except when otherwise indicated.

Going concern

The directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved where the Company has:

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

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

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not its voting rights in an investee are sufficient to give it power, including:

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

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

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

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.1 BASIS OF PREPARATION continued

Basis of consolidation continued

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

Changes in the Group's ownership interests in existing subsidiaries

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

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

These consolidated financial statements include the financial performance and position of the following subsidiaries:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<i>Below are the subsidiaries of Alpha Dhabi Holding PJSC :</i>				
Alpha Dhabi Commercial Investment – Sole Proprietorship LLC	United Arab Emirates	Industrial and commercial enterprises investment, institution and management.	100%	100%
Alpha Dhabi Industries Holding LLC	United Arab Emirates	Industrial and commercial enterprises investment, institution and management.	100%	100%
Trojan Construction Holding LLC (formerly "Alpha Dhabi Construction Holding LLC")	United Arab Emirates	Infrastructure and commercial enterprises investment, institution and management.	51%	51%
Alpha Dhabi Health Holding LLC	United Arab Emirates	Health services and commercial enterprises investment, institution and management.	100%	100%
Alpha Dhabi Partners Holding LLC	United Arab Emirates	Commercial enterprises investment, institution and management.	100%	100%
Alpha Dhabi Hospitality Holding LLC	United Arab Emirates	Entertainment and commercial enterprises investment, institution and management.	100%	100%
Alpha Dhabi Investment Management LLC	United Arab Emirates	Investment holding.	100%	100%
Alpha Dhabi Energy Holding LLC	United Arab Emirates	Investment holding.	100%	100%
Alpha Dhabi Climate Capital RSC LTD	United Arab Emirates	Investment holding.	100%	100%
Alpha Dhabi Real Estate Holding LLC	United Arab Emirates	Investment holding.	100%	100%
<i>Below are the subsidiaries of Alpha Dhabi Industries Holding LLC:</i>				
NMDC Group PJSC (i)	United Arab Emirates	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.	76.68%	66.91%
Sogno Commercial Investment – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
Was Two Commercial Investment Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
W Solar Investment - Sole Proprietorship LLC	United Arab Emirates	Clean energy business.	100%	100%
Emirates Gateway Security Services LLC	United Arab Emirates	Public security guarding services. onshore and offshore oil and gas fields and facilities services.	95%	95%
C D Properties – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
<i>Below are the subsidiaries of Alpha Dhabi Real Estate Holding LLC:</i>				
Sogno Two – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
Sogno Three – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
Sublime Two – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
Sublime Commercial Investment – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
Enigma Commercial Investment – Sole Proprietorship LLC	United Arab Emirates	Investment holding.	100%	100%
Aldar Properties PJSC*	United Arab Emirates	Development, sales, investment, construction, leasing, management and associated services for real estate, operation of hotels, schools, marinas, restaurants, beach clubs and golf courses.	31.63%	31.63%
ADH Reem SPV Limited	United Arab Emirates	Investment holding	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<u>Below are the subsidiaries of Alpha Dhabi Climate Capital RSC LTD:</u>				
Mawarid Holding Investment LLC (i)	United Arab Emirates	Forestry, tourism, and agriculture.	100%	90%
Alpha Water Treatment Systems LLC SPC	United Arab Emirates	Contracting and maintaining infrastructure for sewerage, irrigation, water desalination, and distribution networks.	100%	100%
<u>Below are the subsidiaries of Alpha Dhabi Hospitality Holding LLC:</u>				
Murban Energy Limited	United Arab Emirates	Gas and oil transmission engineering consultancy and oil & gas production facilities operation and maintenance services and investment in other companies.	100%	100%
ADMO Lifestyle Holding Limited (i)	United Arab Emirates	Investment holding.	70.24%	57.44%
C 2 R Real Estate Investment – Sole Proprietorship LLC	United Arab Emirates	Real estate investment, development, institution and management.	100%	100%
ADH Side Car Holding RSC LTD	United Arab Emirates	Special purpose vehicle.	100%	100%
Branch of “Trojan General Contracting LLC”	Russia	Hospitality services.	100%	100%
ADH Infra I SPV Limited	United Arab Emirates	Investment holding	100%	100%
National Corporation for Tourism and Hotels PJSC (ii)	United Arab Emirates	Own, manage and invest in hotels and leisure complexes and to undertake other related business	73.73%	-
<u>Below are the subsidiaries of Alpha Dhabi Partners Holding LLC:</u>				
ADH Investments RSC Ltd	United Arab Emirates	Investment holding.	100%	100%
ADH IFI RSC LTD	United Arab Emirates	Investment holding.	100%	100%
ADH Jackpot SPV Limited	United Arab Emirates	Investment holding	100%	100%
<u>Below is the subsidiary of Branch of “Trojan General Contracting LLC”:</u>				
Churchill LLC	Russia	Retail sale of beverages.	100%	100%
<u>Below is the subsidiary of Trojan Construction Holding (formerly "Alpha Dhabi Construction Holding LLC"):</u>				
Trojan Construction Group – Sole Proprietorship LLC	United Arab Emirates	Real estate and construction services.	100%	100%
<u>Below are the subsidiaries of Trojan Construction Group – Sole Proprietorship LLC:</u>				
Trojan General Contracting LLC	United Arab Emirates	Building projects contracting.	100%	100%
Royal Advance Electromechanical LLC	United Arab Emirates	Electromechanical services.	100%	100%
Al Maha Modular Industries LLC	United Arab Emirates	Ready-made building manufacturing.	100%	100%
Hi-Tech Concrete Products LLC	Kingdom of Saudi Arabia	Construction.	100%	100%
Trojan Developments LLC	United Arab Emirates	Real estate.	100%	100%
National Projects and Construction LLC	United Arab Emirates	Construction.	100%	100%
Reem Emirates Aluminium LLC	United Arab Emirates	Design, manufacture, sell and install unitised aluminium and glass curtain walls, windows, sliding doors and architectural finishes.	100%	100%
Trojan Property Investments LLC	United Arab Emirates	Real estate enterprises investment, institution and management.	100%	100%
Ersa General Contracting LLC	United Arab Emirates	Building projects contracting.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<i>Below are the subsidiaries of Trojan Construction Group – Sole Proprietorship LLC:</i> continued				
Hi-Tech Concrete Products LLC	United Arab Emirates	Building and selling of properties and lands and general contracting.	100%	100%
Hi-Tech Emirates for General Contracting LLC	United Arab Emirates	Building projects contracting.	100%	100%
Hi-Tech Line Building Construction LLC	United Arab Emirates	Building projects contracting.	100%	100%
Phoenix Timber Factory LLC	United Arab Emirates	Timber products.	100%	100%
Reem Ready Mix LLC	United Arab Emirates	Building projects contracting.	60%	60%
Trojan Egypt Contracting	Arab Republic of Egypt	Building projects contracting.	100%	100%
Reem Emirates General Contracting LLC- Dubai	United Arab Emirates	Design, manufacture, sell and install unitised aluminium and glass curtain walls, windows, sliding doors and architectural finishes.	100%	100%
7E – Sole Proprietorship LLC	United Arab Emirates	Building, project management and self-owned property management services, design services and security systems consultancy.	100%	100%
Taj Dhabi Company Limited	Kingdom of Saudi Arabia	Building projects contracting.	100%	100%
Mais Interior Design LLC	United Arab Emirates	Interior design related works.	60%	60%
Trojan Tunnelling – Sole Proprietorship LLC	United Arab Emirates	Bridge and tunnelling contracting works.	100%	100%
Trojan Alsahra General Transport LLC – OPC	United Arab Emirates	Passengers and materials transport, heavy machinery and equipment renting, petroleum materials and wastewater transportation.	100%	100%
Reem Emirates Egypt for Contracting Co.	Arab Republic of Egypt	Building projects contracting.	100%	100%
Trojan General Trading LLC	United Arab Emirates	General trading.	100%	100%
Al Mutaqdema Holding LLC	Kingdom of Saudi Arabia	Building projects contracting.	100%	100%
Trojan International RSC Ltd	United Arab Emirates	Investment holding.	100%	100%
Trojan Projects Management LLC – OPC	United Arab Emirates	Project management services.	100%	100%
Mais Technical Decoration LLC	United Arab Emirates	Interior design implementation works.	60%	60%
National Projects and Construction SPC (iii)	Oman	Construction and maintenance of railways	100%	-
<i>Below is the subsidiary of W Solar Investment Sole Proprietorship LLC:</i>				
W Solar Investment SPV RSC Ltd	United Arab Emirates	Special purpose vehicle.	100%	100%
<i>Below are the subsidiaries of Mawarid Holding Investment LLC:</i>				
Mawarid Centre for Research and Scientific Laboratories LLC	United Arab Emirates	Veterinarian hospital and research activities.	100%	100%
Aqua Power Technology LLC	United Arab Emirates	Trading in agricultural machinery, equipment and supplies.	100%	100%
Barari Facilities Management LLC (formerly "Campaign Facilities Management Services LLC")	United Arab Emirates	Facilities management services.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<i>Below are the subsidiaries of Mawarid Holding Investment LLC</i> (continued)				
Barari Natural Resources LLC	United Arab Emirates	Forest and park management, parks construction and maintenance and trading in agricultural machinery.	100%	100%
Mawarid Al Muthahida Investment owned by Mawarid Holding Investment – Sole Proprietorship LLC	United Arab Emirates	Investment, and management of tourist enterprises, commercial and industrial enterprises and agricultural enterprises.	100%	100%
Mawarid International Investment LLC	United Arab Emirates	Commercial, agricultural, industrial enterprises investment, institution and management.	100%	100%
Al Ain Fodder Factory LLC	United Arab Emirates	Manufacture farm animal feeds, its concentrates and supplements.	100%	100%
Khattar Restaurant & Café – Sole Proprietorship LLC	United Arab Emirates	Restaurant and cafe.	100%	100%
Desert Gate Restaurant – Sole Proprietorship LLC	United Arab Emirates	Tourist restaurant.	100%	100%
Desertology Spa – Sole Proprietorship LLC	United Arab Emirates	Relaxation and massage centre.	100%	100%
Desertology – Sole Proprietorship LLC	United Arab Emirates	Women personal care and beauty, health club.	100%	100%
Barari International Limited Company	Kingdom of Saudi Arabia	Land preparation and irrigation systems works and maintenance.	100%	100%
Emirates Safety Laboratory LLC	United Arab Emirates	Compliance certification for building construction products.	100%	100%
Mawarid Security Services LLC	United Arab Emirates	General security services and public security guarding services.	100%	100%
Mawarid Hotels and Hospitality LLC	United Arab Emirates	Management of hotels, tourist resorts and hotel apartments.	100%	100%
Mawarid International Development Company LLC	United Arab Emirates	Real estate development construction, consultancy project development and project management services. Investment, institution and management of tourist, entertainment, and real estate enterprises.	100%	100%
Mawarid Nurseries LLC	United Arab Emirates	Growers and importers of all kinds of ornamental plants with most species of palms, trees, shrubs, ground covers and fruit plants in its portfolio.	100%	100%
Mawarid Services Company LLC	United Arab Emirates	Facilities management services, land reclamation for agricultural purposes, wholesale of plants and trees saplings trading, fighting agricultural epidemics, agricultural enterprise investment, institution and management tourist enterprises investment.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<i>Below are the subsidiaries of Mawarid Holding Investment LLC</i> (continued)				
Telal Resort LLC	United Arab Emirates	Management and development of hotels, resorts, and other tourist enterprises; operation of hunting preservations for sport purposes; and investment in, incorporation and management of tourist enterprises.	100%	100%
Mawarid Desert Control LLC	United Arab Emirates	Land preparation and irrigation systems works and maintenance.	100%	100%
Desert Control Liquid Natural Clay LLC	United Arab Emirates	Land preparation and irrigation systems works and maintenance.	100%	100%
Desert Gate Lounge Snacks LLC	United Arab Emirates	Restaurant.	100%	100%
Magtech Holding Limited	United Arab Emirates	Holding ownership of equity and non-equity assets, including shares, debentures, bonds and other forms of securities.	100%	100%
Barari Adventures LLC SPC	United Arab Emirates	Tourist camp services, wholesale of tanned leather trading, wholesale of bones, hoofs and horns trading, organising and conducting desert adventures and hunting weapons reserves.	100%	100%
Mawarid IP Holding Limited (iii)	United Arab Emirates	Special Purpose Vehicle- Holding ownership of MHI Group Intellectual Properties.	100%	-
<i>Below are the subsidiaries of Murban Energy Limited:</i>				
Lindere Villa Limited	Republic of Seychelles	Management of presidential villas.	100%	100%
Murban Investment Limited	British Virgin Islands	Investment holding.	100%	100%
<i>Below are the subsidiaries of C D Properties – Sole Proprietorship LLC:</i>				
Sandstorm Motor Vehicles Manufacturing LLC	United Arab Emirates	Motor vehicles manufacturing.	65%	65%
Perfect Alpha Auto Services LLC	United Arab Emirates	Motor vehicles repairing services.	65%	65%
<i>Below are the subsidiaries of NMDC Group PJSC:</i>				
NMDC Energy PJSC	United Arab Emirates	Engineering procurement and construction.	77.00%	77.00%
Emarat Europe Fast Building Technology System Factory LLC	United Arab Emirates	Manufacturing and supply of precast concrete.	100%	100%
National Marine Dredging Company (Industrial)	United Arab Emirates	Manufacturing of steel pipes and steel pipe fittings.	100%	100%
ADEC Engineering Consultancy LLC	United Arab Emirates	Consultancy services in the fields of civil, architectural, drilling and marine engineering along with related laboratory services.	100%	100%
Abu Dhabi Marine Dredging Co. S.P.C.	Kingdom of Bahrain	Offshore reclamation contracts, services for fixing water installation for marine facilities and excavation contracts.	100%	100%
National Marine and Infrastructure India Private Limited	Republic of India	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<u>Below are the subsidiaries of NMDC Group PJSC:</u> (continued)				
NMDC INFRA - L.L.C - O.P.C (formerly "Emarat Europe General Contracting LLC OPC") (iv)	United Arab Emirates	Building projects contracting, maintenance and equipment installation.	100%	-
NMDC SPC (iii)	Oman	Marine services	100%	-
NMDC LTS - L.L.C - S.P.C	United Arab Emirates	Logistics and technical services	100%	100%
Al Jarafat Al Bahriye	Kingdom of Saudi Arabia	Dredging and associated land reclamation works, civil engineering, port contracting and marine construction.	100%	100%
<u>Below are the subsidiaries of NMDC Energy PJSC:</u>				
National Petroleum Construction Co. (Saudi) Ltd.	Kingdom of Saudi Arabia	Engineering procurement and construction.	100%	100%
NPCC Engineering Limited	Republic of India	Engineering.	100%	100%
ANEWA Engineering Pvt. Ltd.	Republic of India	Engineering.	80%	80%
NPCC Services Malaysia SDN	Malaysia	Engineering, procurement and construction.	100%	100%
Al Dhabi for Construction Projects	Republic of Iraq	Engineering, procurement and construction.	100%	100%
<u>Below are the subsidiaries of NMDC Energy PJSC:</u> continued				
NMDC Marine Services LLC SPC	United Arab Emirates	Marine logistic services.	100%	100%
<u>Below is the subsidiary of Emarat Europe Fast Building Technology System Factory LLC:</u>				
Emarat Europe General Contracting LLC OPC (iv)	United Arab Emirates	Building projects contracting, maintenance and equipment installation.	-	100%
<u>Below is the subsidiary of NMDC Logistics and Technical Services LLC SPC:</u>				
EMDAD LLC (ii)	United Arab Emirates	Oil and gas industrial related services	70%	-
<u>Below are the subsidiaries of EMDAD LLC:</u>				
EMDAD Services LLC (ES)	United Arab Emirates	Oil and gas industrial related services	100%	-
EMDAD Energy Industries LLC (EEIS)	United Arab Emirates	Oil and gas industrial related services	100%	-
Intergulf General Contracting LLC (IGC)	United Arab Emirates	Oil and gas industrial related services	100%	-
EMJEL Oilfield Services LLC (Emjel)	United Arab Emirates	Oil and gas industrial related services	100%	-
<u>Below are the subsidiaries of Aldar Properties PJSC:</u>				
Pivot Engineering & General Contracting Co. (WLL)	United Arab Emirates	Engineering and general construction works.	65.20%	65.20%
Aldar Lifestyle – Sole Proprietorship LLC	United Arab Emirates	Hospitality services.	100%	100%
C2i Holding Limited	United Arab Emirates	Special purpose vehicle.	100%	100%
C2i Holding Sole Proprietorship LLC	United Arab Emirates	Real estate lease and management services.	100%	100%
Aldar Projects LLC	United Arab Emirates	Project management services.	100%	100%
Aldar Investment Management Limited	United Arab Emirates	Assets management.	100%	100%
Al Seih Real Estate Management LLC	United Arab Emirates	Management and leasing of real estate; real estate projects investment.	91.40%	91.40%
Saadiyat Grove – Sole Proprietorship LLC	United Arab Emirates	Real estate development.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
Aldar Hansel SPV Restricted LTD (vi)	United Arab Emirates	Real estate development.	-	51%
Aldar Island Hotel – Sole Proprietorship LLC	United Arab Emirates	Hospitality services.	100%	100%
Aldar Estates Holding Limited (i)	United Arab Emirates	Special purpose vehicle.	82.55%	65.10%
Aldar Hamra Holdings Limited	United Arab Emirates	Holding company.	100%	100%
AMI Properties Holding Limited	United Arab Emirates	Special purposes vehicle.	60%	60%
Aldar Real Estate Services LLC	United Arab Emirates	Holding company.	100%	100%
Al Raha Gardens Property LLC	United Arab Emirates	Holding company.	100%	100%
Al Raha Infrastructure Company LLC	United Arab Emirates	Holding company.	100%	100%
Aldar Commercial Property Developments – SP LLC	United Arab Emirates	Real estate.	100%	100%
Aldar Etihad Investment Properties – Sole Proprietorship LLC	United Arab Emirates	Residential.	100%	100%
Aldar Etihad First Investment Properties LLC	United Arab Emirates	Residential.	100%	100%
Saadiyat Beach Club - Sole Proprietorship LLC	United Arab Emirates	Hospitality.	100%	100%
TDIC Education – Sole Proprietorship LLC	United Arab Emirates	Investment in, and management of entities providing educational services.	100%	100%
Aldar EuroAsia Limited Liability Partnership	Republic of Kazakhstan	Holding company.	100%	100%
Aldar EuroAsia Hospitality Limited Liability Partnership	Republic of Kazakhstan	Hotel operation and management.	100%	100%
<i>Below are the subsidiaries of Aldar Properties PJSC:</i> continued				
Aldar EuroAsia Property Management Limited Liability Partnership	Republic of Kazakhstan	Hotel operation and management.	100%	100%
Aldar Holdings 2 Limited	United Arab Emirates	Holding company.	100%	100%
Aldar Holdings 4 Limited	United Arab Emirates	Holding company.	100%	100%
Aldar Holdings 10 Limited	United Arab Emirates	Holding company.	100%	100%
Al Forsan Nursery – Sole Proprietorship LLC	United Arab Emirates	Education service provider.	100%	100%
C Deli Restaurant	United Arab Emirates	Restaurant.	100%	100%
C Mondo Café 2	United Arab Emirates	Restaurant.	100%	100%
Pachaylen Restaurant – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Aldar Development (UK) Holdings Limited	United Arab Emirates	Real estate development.	100%	100%
Aldar Development Holdings Limited	United Arab Emirates	Real estate holding and trading.	100%	100%
Aldar Ventures International Holding RSC Limited	United Arab Emirates	Investment holding company.	100%	100%
AURORA Holding Company Limited	United Arab Emirates	Special purposes vehicle.	51%	51%
Advanced Real Estate Services – Sole Proprietorship LLC	United Arab Emirates	Real estate services.	100%	100%
Seih Sdeirah Real Estate LLC	United Arab Emirates	Property rental and management; real estate projects investment.	91.40%	91.40%
Mustard and Linen Interior Design Holdings Limited (v)	United Arab Emirates	Premium interior design business.	-	75%
The Sustainable Investment Company SPV Limited	United Arab Emirates	Special purposes vehicle.	58%	58%

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For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
Aldar Investment Holding Restricted Limited	United Arab Emirates	Special purpose vehicle, proprietary asset management company.	88.10%	88.10%
Aldar Hotels and Hospitality - Sole Proprietorship LLC	United Arab Emirates	Investment in, and management of, entities providing hotels and hospitality services.	100%	100%
Aldar Education – Sole Proprietorship LLC	United Arab Emirates	Investment in, and management of entities providing educational services.	100%	100%
Aldar Schools – Sole Proprietorship LLC	United Arab Emirates	Education service provider.	100%	100%
Aldar Academies – Sole Proprietorship LLC	United Arab Emirates	Investment in, and management of entities providing education services.	100%	100%
Cloud Spaces - Sole Proprietorship LLC	United Arab Emirates	Real estate lease and management services.	100%	100%
Aldar Egypt for Project Development	Arab Republic of Egypt	Real estate.	100%	100%
Thinkprop Venture - L.L.C - S.P.C (formerly "Dari Venture LLC")	United Arab Emirates	Special purpose vehicle.	100%	100%
DH Grove LLC	United Arab Emirates	Real estate.	100%	100%
Peabody Developments Ltd	United Kingdom	Real estate.	100%	100%
Aldar Development Two General Warehousing DWC-LLC	United Arab Emirates	General Warehousing	100%	-
Aldar Development Three General Warehousing DWC-LLC	United Arab Emirates	General Warehousing	100%	-
Aldar Holding RSC Limited	United Arab Emirates	SPV	100%	-
Aldar Digital Ecosystem Nexus Information Technology Consultancy- L.L.C - S.P.C	United Arab Emirates	Information Technology and Network Services	100%	-
<u>Below are the subsidiaries of Aldar Properties PJSC:</u> continued				
Courtyard By Marriott WTC - L.L.C. - S.P.C.	United Arab Emirates	Hotel.	100%	100%
<u>Below are the subsidiaries of Saadiyat Beach Club - Sole Proprietorship LLC:</u>				
Saadiyat Beach Club Restaurant – La Salle - Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Saadiyat Beach Club Restaurant – Safina – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Saadiyat Beach Club Restaurant - Cabana9 - Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
<u>Below are the subsidiaries of C2i Holding Limited:</u>				
Tom Saadiyat Grove LLC OPC	United Arab Emirates	Restaurant business.	100%	100%
C2I MFG C Restaurant LLC SPC	United Arab Emirates	Restaurant business.	100%	100%
Eneko Restaurant - L.L.C - S.P.C	United Arab Emirates	Restaurant business.	100%	-
C2I MFG S Restaurant - L.L.C - S.P.C	United Arab Emirates	Restaurant business.	100%	-
<u>Below are the subsidiaries of Aldar Island Hotel - Sole Proprietorship LLC:</u>				
Frangipani Restaurant - Sole Proprietorship LLC	United Arab Emirates	Hospitality services.	100%	100%
Smokin Pineapple Restaurant - Sole Proprietorship LLC	United Arab Emirates	Hospitality services.	100%	100%
Nurai Island Pool Bar - Sole Proprietorship LLC	United Arab Emirates	Hospitality services.	100%	100%
Nurai Island Restaurant & Coffee Shop - Sole Proprietorship LLC	United Arab Emirates	Hospitality services.	100%	100%

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For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
60 Out Escape Rooms - Sole Proprietorship LLC	United Arab Emirates	Restaurant business.	100%	100%
Cloud Spaces International Holding Limited	United Arab Emirates	Restaurant business.	100%	100%
LCB Gulf Holding Limited	United Arab Emirates	Restaurant business.	100%	100%
<u>Below are the subsidiaries of Aldar Estates Holding Limited:</u>				
Aldar Estates Investment – Sole Proprietorship LLC	United Arab Emirates	Real estate enterprises investment, development, institution and management.	100%	100%
Eltizam Asset Management Estate – Sole Proprietorship LLC	United Arab Emirates	Real estate lease and management services.	100%	100%
Provis Real Estate Management – Sole Proprietorship LLC	United Arab Emirates	Management and leasing of real estate.	100%	100%
Khidmah - Sole Proprietorship LLC	United Arab Emirates	Management and leasing of real estate.	100%	100%
Spark Securities Services – Sole Proprietorship LLC	United Arab Emirates	Security solutions.	100%	100%
Spark Securities Services LLC	United Arab Emirates	Security solutions.	100%	100%
Basatin Holding SPV Ltd. (i)	United Arab Emirates	Landscaping service provider.	100%	75%
Oriontek Innovations LLC	United Arab Emirates	Real estate services.	100%	100%
<u>Below are the subsidiaries of Basatin Holding SPV Ltd.:</u>				
Basatin Landscaping - Sole Proprietorship LLC	United Arab Emirates	Landscaping services.	100%	100%
Basatin Foliage Landscaping Sole Proprietorship LLC	United Arab Emirates	Landscaping services.	100%	100%
<u>Below are the subsidiaries of Provis Real Estate Management – Sole Proprietorship LLC:</u>				
APAM Owners Association Management	United Arab Emirates	Owners' association.	100%	100%
Provis International Ltd	United Arab Emirates	Real estate activities with own or leased property.	100%	100%
Provis Owners Association Management Services – Sole Proprietorship LLC	United Arab Emirates	Owners' association.	100%	100%
<u>Below are the subsidiaries of Provis Real Estate Management – Sole Proprietorship LLC:</u> continued				
Provis Real Estate Brokers LLC	United Arab Emirates	Real estate brokerage.	100%	100%
Asteco Property Management LLC	United Arab Emirates	Property management services.	100%	100%
Asteco Solutions Real Estate LLC SPC (Formerly "FAB Properties – Sole Proprietorship LLC")	United Arab Emirates	Management and brokerage of real estate properties.	100%	100%
Provis Integrated Management Services – Sole Proprietorship LLC	United Arab Emirates	Contract management services.	100%	100%
Varia Property Management LLC	United Arab Emirates	Real estate and property management services.	100%	100%
Asteco Project Management LLC (Formerly "Varia Services LLC")	United Arab Emirates	Real estate and property management services.	100%	100%
APAM Real Estate Management	United Arab Emirates	Real estate and property management services.	100%	100%
Three 60 Communities Management for Owners Associations LLC	United Arab Emirates	Management and supervision services for owners' associations.	100%	100%
Kingfield Owner Association Management Services – Sole Proprietorship LLC	United Arab Emirates	Management and supervision services for owners' associations.	100%	100%
Kingfield Communities Management LLC	United Arab Emirates	Community and property management services.	100%	100%

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For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
Kingfield Owners Association Management Services LLC	United Arab Emirates	Operation, management and maintenance of community and property.	100%	100%
<i>Below are the subsidiaries of Provis Owners Association Management Services – Sole Proprietorship LLC:</i>				
Saga International Owners Association Management Services LLC	United Arab Emirates	Property management services.	100%	100%
Saga OA DMCC	United Arab Emirates	Property management services.	100%	100%
Pacific Owners Association Management Services LLC	United Arab Emirates	Management of real estate.	100%	100%
Mace Macro Owners Association Management LLC	United Arab Emirates	Property management services.	100%	100%
<i>Below are the subsidiaries of Khidmah - Sole Proprietorship LLC:</i>				
KAF Cramps and Labour Accommodation Management – Sole Proprietorship LLC	United Arab Emirates	Camps and labour accommodation management.	100%	100%
Khidmah Elite (formerly as “Mace Macro Technical Services LLC”)	United Arab Emirates	Facilities management services.	100%	100%
Pactive Sustainable Solutions LLC	United Arab Emirates	Green building consultant, building energy efficiency services.	100%	100%
Khidmah Saudi Company Limited	United Arab Emirates	Facilities management services.	100%	100%
The Hub Lifeguard Services LLC	United Arab Emirates	Lifeguard services.	100%	100%
800TEK Facilities Management LLC	United Arab Emirates	Event management services, lifeguard services, façade cleaning, management and operation of public utilities.	100%	100%
Inspire Building Management Services LLC	United Arab Emirates	Facilities management and buildings general maintenance.	100%	100%
Inspire Integrated Facilities Management LLC	United Arab Emirates	Facilities management and buildings general maintenance.	100%	100%
Inspire Integrated Services LLC (Abu Dhabi)	United Arab Emirates	Facilities management and buildings general maintenance.	100%	100%
Inspire Integrated Services LLC (Dubai)	United Arab Emirates	Facilities management and buildings general maintenance.	100%	100%
<i>Below is the subsidiary of Pactive Sustainable Solutions LLC:</i>				
Hansa Energy Solution LLC (ii)	United Arab Emirates	Installation and maintenance of alternative energy equipment and onshore/offshore oil and gas fields and facilities services	100%	-
<i>Below are the subsidiaries of Hansa Energy Solution LLC:</i>				
Hansa Energy Solutions LLC – Abu Dhabi	United Arab Emirates	Installation and maintenance of alternative energy equipment and onshore/offshore oil and gas fields and facilities services	100%	-
Hansa Energy Efficiency Consultancy FZ-LLC	United Arab Emirates	Energy projects engineering consultancy	100%	-
<i>Below is the subsidiary of Inspire Integrated Facilities Management LLC:</i>				
Orion Systems Integrators LTD	United Kingdom	Information technology.	82.55%	65.10%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<u>Below is the subsidiary of Oriontek Innovations LLC:</u>				
Data Intelligence Technology Consultancy LLC	United Arab Emirates	Information technology systems installation and maintenance.	100%	100%
OS Orion Security & Surveillance Systems LLC	United Arab Emirates	Information technology systems installation and maintenance.	100%	-
<u>Below are the subsidiaries of Eltizam Asset Management Estate - Sole Proprietorship LLC:</u>				
EAMG Services Holdings Limited	United Arab Emirates	Holding company.	100%	100%
Eltizam Asset Management Estate LLC	United Arab Emirates	Holding company.	100%	100%
Fixis Technical Services LLC	United Arab Emirates	Facilities maintenance services.	100%	100%
IFM Holdings Limited	United Arab Emirates	Holding company.	100%	100%
East-O Holdings Limited	United Arab Emirates	Holding company.	100%	100%
Inspire Integrated Solutions Holding Ltd	United Arab Emirates	Holding company.	100%	100%
IREC Holdings Limited	United Arab Emirates	Holding company.	100%	100%
Omnibus Real Estate Brokerage Sole Proprietorship LLC	United Arab Emirates	Real Estate services.	100%	100%
Inspire Facilities Management Co LLC – Oman	Sultanate of Oman	Facilities management.	100%	100%
Estates Centralized Support Services LLC OPC	United Arab Emirates	Outsourcing and shared support services.	100%	100%
Teslam Business Services Philippines INC	Philippines	Outsourcing and shared support services.	100%	100%
Kingfield Community Management Co LLC – Oman	Sultanate of Oman	Provision of management and supervision services for owners’ associations.	100%	100%
<u>Below is the subsidiary of East-O Holdings Limited:</u>				
East O Technology Solutions – Sole Proprietorship LLC	United Arab Emirates	Computer systems and software designing.	100%	100%
<u>Below is the subsidiary of IREC Holdings Limited:</u>				
Falcon Investments LLC	United Arab Emirates	Real estate lease and management services. Commercial enterprises investment, institution and management.	100%	100%
<u>Below are the subsidiaries of Falcon Investments LLC:</u>				
MENA Real Estate Solutions LLC	United Arab Emirates	Real Estate services.	100%	100%
National Investor Property Management LLC	United Arab Emirates	Real Estate services.	100%	100%
<u>Below are the subsidiaries of Falcon Investments LLC:</u> continued				
Professional Realtors Company LLC	Kingdom of Saudi Arabia	Consultancy services.	100%	100%
Colliers International Property Consultancy Services JSC	Arab Republic of Egypt	Consultancy services.	100%	100%
Colliers International Property Services - Doha LLC	State of Qatar	Interior design implementation works and real estate brokerage business.	100%	100%
<u>Below is the subsidiary of MENA Real Estate Solutions LLC:</u>				
Enterprise Solutions Company for Professional Consulting	Kingdom of Saudi Arabia	Real Estate services.	100%	100%
<u>Below is the subsidiary of Inspire Integrated Solutions Holding Ltd:</u>				
Inspire Integrated Solutions Ltd	United Arab Emirates	Real estate management services.	100%	100%

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For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<u>Below is the subsidiary of Aldar Development (UK) Holdings Limited:</u>				
Aldar Development (LSQ) Limited	United Kingdom	Real estate development.	100%	100%
<u>Below are the subsidiaries of Aldar Development (LSQ) Limited:</u>				
London Square Developments (Holdings) Limited	United Kingdom	Real estate development.	100%	100%
LSQ Management Limited	United Kingdom	Real estate development.	100%	100%
International London Premises Limited	United Kingdom	Real estate services.	100%	
<u>Below is the subsidiary of London Square Developments (Holdings) Limited:</u>				
LSQ HoldCo 2 Limited	United Kingdom	Information technology systems installation and maintenance.	100%	100%
<u>Below is the subsidiary of LSO HoldCo 2 Limited:</u>				
LSQ HoldCo 3 Limited	United Kingdom	Information technology systems installation and maintenance.	100%	100%
<u>Below is the subsidiary of LSO HoldCo 3 Limited:</u>				
London Square Limited	United Kingdom	Consulting services, research and questionnaire.	100%	100%
<u>Below are the subsidiaries of London Square Limited:</u>				
London Square Developments (Ventures) Limited	United Kingdom	Facilities management.	100%	100%
London Square (Staines) Limited	United Kingdom	Facilities management.	100%	100%
Square Roots Registered Provider Limited	United Kingdom	Land developer and housebuilder.	100%	100%
Charter Square Management Company Limited	United Kingdom	Property development management service provider.	100%	100%
Amparo House, Greenwich London Management Company Limited	United Kingdom	Land developer and housebuilder.	100%	100%
<u>Below are the subsidiaries of London Square Developments (Ventures) Limited:</u>				
London Square (Holdings) Limited	United Kingdom	Outsourcing and shared support services.	100%	100%
London Square Development Management Limited	United Kingdom	Holding company.	100%	100%
London Square (Projects) Limited	United Kingdom	Land developer and housebuilder.	100%	100%
London Square (RSG) Limited	United Kingdom	Holding company.	100%	100%
<u>Below are the subsidiaries of London Square (Holdings) Limited:</u>				
London Square Developments Limited	United Kingdom	Land developer and housebuilder.	100%	100%
London Square (Investments) Limited	United Kingdom	Holding company.	100%	100%
<u>Below are the subsidiaries of London Square (Investments) Limited:</u>				
London Square Works Limited	United Kingdom	Real estate development.	100%	100%
London Square (Streatham) Limited	United Kingdom	Holding company.	100%	100%
LSQ (Crimscott Street) Holdings Limited	United Kingdom	Holding company.	100%	100%
<u>Below is the subsidiary of London Square Works Limited:</u>				
Pewter N7 Management Company Ltd	United Kingdom	Holding company.	100%	100%
London Square (Crimscott Street) Limited	United Kingdom	Holding company.	100%	100%
<u>Below is the subsidiary of London Square (Crimscott Street) Limited:</u>				
Crimscott Street, Bermondsey Management Company Ltd	United Kingdom	Holding company.	100%	100%

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For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<i>Below are the subsidiaries of London Square Developments Limited:</i>				
425-455 St Albans Road, Watford Management Company Ltd	United Kingdom	Land developer and housebuilder.	100%	100%
One Linear Place Management Company Limited	United Kingdom	Land developer and housebuilder.	100%	100%
London Square (Crayford) Holdings Limited	United Kingdom	Holding company.	100%	100%
London Square (Springfield) Holdings Limited	United Kingdom	Holding company.	100%	100%
London Square (Putney) Limited	United Kingdom	Real estate development.	100%	100%
London Square Living Limited	United Kingdom	Real estate development.	100%	100%
London Square (Walton-on-Thames) Holdings Limited	United Kingdom	Holding company.	100%	100%
London Square (West Croydon) Holdings Limited	United Kingdom	Land developer and housebuilder.	100%	100%
London Square (West Croydon) Limited	United Kingdom	Commercial land developer.	100%	100%
London Square (Bugsby Way) Holdings Limited	United Kingdom	Holding company.	100%	100%
De Burgh, Tadworth Management Company Ltd	United Kingdom	Holding company.	100%	100%
Bassetts, Orpington Management Company Ltd	United Kingdom	Holding company.	100%	100%
<i>Below is the subsidiary of London Square (Crayford) Holdings Limited:</i>				
London Square (Crayford) Limited	United Kingdom	Property developer.	100%	100%
<i>Below is the subsidiary of London Square (Springfield) Holdings Limited:</i>				
London Square (Springfield) Limited	United Kingdom	Property developer.	100%	100%
<i>Below are the subsidiaries of London Square (Springfield) Limited:</i>				
Plot F, Springfield Village Management Company Limited	United Kingdom	Residents’ management company.	100%	100%
Plot G, Springfield Village Management Company Limited	United Kingdom	Residents’ management company.	100%	100%
Plot P&Q, Springfield Village Management Company Limited	United Kingdom	Residents’ management company.	100%	100%
<i>Below is the subsidiary of London Square (Walton-on-Thames) Holdings Limited:</i>				
London Square (Walton-on-Thames) Limited	United Kingdom	Land developer and housebuilder.	100%	100%
<i>Below is the subsidiary of London Square (Bugsby Way) Holdings Limited:</i>				
London Square DevCo Limited	United Kingdom	Land developer and housebuilder.	100%	100%
<i>Below is the subsidiary of London Square (Walton-on-Thames) Limited:</i>				
Albright Gardens, Walton on Thames Management Company Ltd	United Kingdom	Holding company.	100%	100%
<i>Below are the subsidiaries of London Square (West Croydon) Limited:</i>				
London Square (St Michaels Croydon) (No. 1) Management Company Limited	United Kingdom	Housing association real estate.	100%	100%
St Michaels Croydon (Tower B) Management Company Ltd	United Kingdom	Selling and marketing services.	100%	100%
<i>Below are the subsidiaries of London Square Development Management Limited:</i>				
London Square Partners Limited	United Kingdom	Land developer and housebuilder.	100%	100%
London Square (Hong Kong) Limited	Hong Kong	Holding company.	100%	100%

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2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<i>Below is the subsidiary of London Square Partners Limited:</i>				
London Square PIC Partnership Limited	United Kingdom	Land developer and housebuilder.	100%	100%
<i>Below is the subsidiary of Aldar Development Holdings Limited:</i>				
Aldar Development LLC OPC	United Arab Emirates	Real estate development and sale.	100%	100%
<i>Below are the subsidiaries of Aldar Development LLC OPC:</i>				
Aldar Logistics Parks LLC	United Arab Emirates	Leasing and management of self-owned property.	100%	100%
The Gateway Engineering Services – Sole Proprietorship LLC	United Arab Emirates	Development consultancy.	100%	100%
South Development Three DWC-LLC (ii)	United Arab Emirates	General Warehousing	100%	-
North Yas Holding Limited (iii)	United Arab Emirates	Property Development Services (SPV)	51%	-
Fahid School Development - L.L.C - S.P.C (iii)	United Arab Emirates	Real Estate Development and Education Services	100%	-
Yas EV One Investment Property - L.L.C - S.P.C (iii)	United Arab Emirates	Real Estate Enterprises Investment, Development, Institution and Management	100%	-
<i>Below is the subsidiary of North Yas Holding Limited:</i>				
NY Property Development - L.L.C - S.P.C. (iii)	United Arab Emirates	Real Estate Enterprises Investment, Development, Institution and Management	100%	-
<i>Below is the subsidiary of The Gateway Engineering Services – Sole Proprietorship LLC:</i>				
Tasareeh Engineer Services – Sole Proprietorship LLC	United Arab Emirates	Development consultancy.	100%	100%
<i>Below is the subsidiary of Aldar Ventures International Holding RSC Limited:</i>				
Six October for Development and Investment Co. S.A.E.	Arab Republic of Egypt	Real estate development.	59.90%	59.90%
<i>Below are the subsidiaries of Six October for Development and Investment Co. S.A.E.:</i>				
Tabrouk Development Company Caesar and Malaaz	Arab Republic of Egypt	Real estate.	100%	100%
Soreal for Real Estate Investment (Villette)	Arab Republic of Egypt	Real estate.	100%	100%
Sixth of October for Development and Real Estate Projects Co.	Arab Republic of Egypt	Real estate.	100%	100%
SODIC for Development and Real Estate Investment Co.	Arab Republic of Egypt	Real estate.	100%	100%
Sixth of October for Development and Real Estate Projects “Soreal” Co.	Arab Republic of Egypt	Real estate.	100%	100%
Beverly Hills for Management and Cities and Resorts Co	Arab Republic of Egypt	Real estate.	74.22%	74.22%
Royal Gardens for Real Estate Investments (CASA)	Arab Republic of Egypt	Real estate.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<u>Below are the subsidiaries of Sixth of October for Development and Real Estate Projects “Soreal” Co:</u>				
SODIC for Securitization	Arab Republic of Egypt	Real estate.	100%	100%
El Diwan for Real Estate Investment Company	Arab Republic of Egypt	Real estate.	100%	100%
Fourteen for Real Estate Development Co.	Arab Republic of Egypt	Real estate.	100%	100%
Palmyra SODIC Real Estate Development	Syrian Arab Republic	Real estate.	83.47%	83.47%
SODIC for Management of Hotels and Clubs Company	Arab Republic of Egypt	Real estate.	100%	100%
SODIC for Clubs	Arab Republic of Egypt	Real estate.	100%	100%
<u>Below are the subsidiaries of SODIC for Development and Real Estate Investment Co.:</u>				
Tegara for Trading Centres Co.	Arab Republic of Egypt	Real estate.	100%	100%
SODIC Polygon for Real Estate Investment Co.	Arab Republic of Egypt	Real estate.	100%	100%
SODIC for Golf and Tourist Development Co.	Arab Republic of Egypt	Real estate.	100%	100%
Edara for Services of Cities and Resorts Co.	Arab Republic of Egypt	Real estate.	100%	100%
La Maison for Real Estate Investment	Arab Republic of Egypt	Real estate.	100%	100%
SODIC Garden City for Development and Investment	Arab Republic of Egypt	Real estate investment.	83.47%	83.47%
Al Yosr for Projects and Real Estate Development Co	Arab Republic of Egypt	Real estate.	100%	100%
<u>Below is the subsidiary of Sixth of October for Development and Real Estate Projects Co.:</u>				
Fourteen for Real Estate Development LLC	Syrian Arab Republic	Real estate.	100%	100%
<u>Below is the subsidiary of Fourteen for Real Estate Development LLC:</u>				
SODIC Syria LLC	Syrian Arab Republic	Real estate.	100%	100%
<u>Below are the subsidiaries of AURORA Holding Company Limited:</u>				
AURORA SPV 1 LLC	United Arab Emirates	Real estate trading and development.	100%	100%
AURORA SPV 2 LLC	United Arab Emirates	Real estate trading and development.	100%	100%
AURORA SPV 3 LLC	United Arab Emirates	Real estate trading and development.	100%	100%
<u>Below is the subsidiary of Mustard and Linen Interior Design Holdings Limited:</u>				
Mustard & Linen Interior Design – Sole Proprietorship LLC (v)	United Arab Emirates	Premium interior design business.	-	100%
<u>Below is the subsidiary of The Sustainable Investment Company SPV Limited:</u>				
The Sustainable Investment Yas – Sole Proprietorship LLC	United Arab Emirates	Real estate development.	100%	100%
<u>Below is the subsidiary of Aldar Investment Holding Restricted Limited:</u>				
Aldar Investment Properties LLC	United Arab Emirates	Investment, management and associated services for real estate assets and the operation of hotels.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<u>Below are the subsidiaries of Aldar Investment Properties LLC:</u>				
Aldar Investment Hybrid Limited	United Arab Emirates	Funding company.	100%	100%
Aldar Sukuk Ltd.	Cayman Island	Funding company.	100%	100%
Aldar Sukuk (No. 2) Ltd.	Cayman Island	Funding company.	100%	100%
Aldar Investment Properties Sukuk Limited	Cayman Island	Funding company.	100%	100%
Aldar Residential LLC OPC	United Arab Emirates	Real estate lease and management services.	100%	100%
Aldar Retail LLC OPC	United Arab Emirates	Real estate lease and management services.	100%	100%
Aldar Commercial LLC OPC	United Arab Emirates	Real estate lease and management services.	100%	100%
Provis International Limited	United Arab Emirates	Holding company.	100%	100%
Aldar Logistics – Sole Proprietorship LLC	United Arab Emirates	Real estate lease and management services.	100%	100%
Aldar BTR Holding 1 Limited	United Arab Emirates	Real estate.	100%	100%
Dunes Logistics Development Partner Holding RSC Limited (ii)	United Arab Emirates	Real estate.	60%	-
Masdar Green REIT (CEIC) Limited (ii)	United Arab Emirates	Investment company	60%	-
Gaia Retail Properties - L.L.C. (iii)	United Arab Emirates	Real Estate Lease And Management Services	100%	-
Gaia Retail Partners Holding Ltd (iii)	United Arab Emirates	Real Estate Lease And Management Services	100%	-
Nexus Real Estate Services Ltd (iii)	United Arab Emirates	Real Estate Lease And Management Services	100%	-
Aldar Retail Management L.L.C – S.P.C (iii)	United Arab Emirates	Real Estate Lease And Management Services	100%	-
Aldar Investment Management L.L.C – S.P.C (iii)	United Arab Emirates	Real Estate Lease And Management Services	100%	-
<u>Below is the subsidiary of Dunes Logistics Development Partner Holding RSC Limited:</u>				
Dunes Real Estate Development Partners LLC	United Arab Emirates	Real estate.	100%	-
<u>Below are the subsidiaries of Masdar Green REIT (CEIC) Limited:</u>				
Masdar B11 Limited	United Arab Emirates	Property development services.	100%	-
Masdar G10 Limited	United Arab Emirates	Property development services.	100%	-
Masdar M10-B Limited	United Arab Emirates	Property development services.	100%	-
Masdar M12 Limited	United Arab Emirates	Property development services.	100%	-
Masdar M13-T Limited	United Arab Emirates	Property development services.	100%	-
Masdar Musataha 1 Limited	United Arab Emirates	Property development services.	100%	-
Masdar Musataha 2 Limited	United Arab Emirates	Property development services.	100%	-
Masdar B02 Limited	United Arab Emirates	Property development services.	100%	-
Masdar B03 Limited	United Arab Emirates	Property development services.	100%	-
Masdar B04-O Limited	United Arab Emirates	Property development services.	100%	-
Masdar B05 Limited	United Arab Emirates	Property development services.	100%	-
Masdar M13 Limited	United Arab Emirates	Property development services.	100%	-
Masdar G13 Limited	United Arab Emirates	Property development services.	100%	-
Masdar B10 Limited	United Arab Emirates	Property development services.	100%	-
Masdar B04 Limited	United Arab Emirates	Property development services.	100%	-
<u>Below are the subsidiaries of Aldar Logistics – Sole Proprietorship LLC:</u>				
Aldar Logistics Holding Limited	United Arab Emirates	Holding company.	100%	100%
Industrial Properties Investments SPV Limited (ii)	United Arab Emirates	Logistics	100%	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<u>Below are the subsidiaries of Nexus Real Estate Services Ltd:</u>				
Noon Mega AD LLC (ii)	United Arab Emirates	Logistics	100%	-
Emtelle ME Ltd (ii)	United Arab Emirates	Logistics	100%	-
<u>Below are the subsidiaries of Aldar Logistics Holding Limited:</u>				
Twafq Projects Development Property – Sole Proprietorship LLC	United Arab Emirates	Real estate lease and management services.	100%	100%
Abu Dhabi Business Hub – Sole Proprietorship LLC	Unites Arab Emirates	Real estate lease and management services.	100%	100%
<u>Below are the subsidiaries of Aldar Retail LLC OPC:</u>				
Aldar Malls LLC SPC	United Arab Emirates	Holding company.	100%	100%
Yas Mall LLC SPC	United Arab Emirates	Holding company.	100%	100%
Boutik Al Ain – Sole Proprietorship LLC	United Arab Emirates	Real estate services.	100%	100%
Al Hamra Mall LLC OPC	United Arab Emirates	Real estate lease and management services.	100%	100%
Al Jimi Mall - Sole Proprietorship LLC	United Arab Emirates	Real estate lease and management services.	100%	100%
Grove Investment - L.L.C - S.P.C	United Arab Emirates	Holding company.	100%	-
<u>Below are the subsidiaries of Aldar Commercial LLC OPC:</u>				
Confluence Partners (HQ) RSC LTD	United Arab Emirates	Special purpose company.	100%	100%
Al Maryah Property Holding Limited (i)	United Arab Emirates	Real estate holding.	100%	60%
Saadiyat Accommodation Village - Sole Proprietorship LLC	United Arab Emirates	Accommodation village.	100%	100%
Aldar Commercial 2 Property Management FZ LLC	United Arab Emirates	Property management services.	100%	100%
<u>Below are the subsidiaries of Aldar Hotels and Hospitality LLC:</u>				
C Taste Restaurant	United Arab Emirates	Restaurant.	-	100%
Aldar Marinas Sole Proprietorship LLC	United Arab Emirates	Managing and operating marinas, sports clubs and marine machinery.	100%	100%
Yas Links - Sole Proprietorship LLC	United Arab Emirates	Ownership and management of golf courses and golf clubs.	100%	100%
Saadiyat Beach Golf Club - Sole Proprietorship LLC	United Arab Emirates	Golf club.	100%	100%
MA Hospitality FZ LLC	United Arab Emirates	Holding company.	100%	100%
Kai Beach club LLC SPC	United Arab Emirates	Beach club.	100%	100%
Eastern Mangroves Marina – Sole Proprietorship LLC	United Arab Emirates	Managing and operating marinas.	100%	100%
Marsa Al Bateen – Sole Proprietorship LLC	United Arab Emirates	Managing and operating marinas.	100%	100%
Yas Plaza Circuit Hotel - Sole Proprietorship L.L.C. (formerly "Centro Yas Island Hotel by Rotana – Sole Proprietorship LLC")	United Arab Emirates	Hotel.	100%	100%
Staybridge Suites Yas Island – Sole Proprietorship LLC	United Arab Emirates	Deluxe hotel apartments.	100%	100%
Bab Resorts LLC (formerly “Rixos Bab Al Bahr Resorts”)	United Arab Emirates	Hospitality services.	100%	100%
Yas Hotel - L.L.C - S.P.C (formerly "W Yas Island Hotel – Sole Proprietorship LLC")	United Arab Emirates	Hospitality.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<u>Below are the subsidiaries of Aldar Hotels and Hospitality LLC:</u> continued				
Yas Acres Golf and Country Club – Sole Proprietorship LLC	United Arab Emirates	Hospitality.	100%	100%
Tilal Liwa Real Estate Investments LLC	United Arab Emirates	Hospitality.	100%	100%
Yas Plaza Marina Hotel - L.L.C. - S.P.C. (formerly "Yas Island Rotana Hotel – Sole Proprietorship LLC")	United Arab Emirates	Hotel.	100%	100%
Radisson Blu Hotel Yas Island – Sole Proprietorship LLC	United Arab Emirates	Hotel.	100%	100%
Crowne Plaza Hotel Yas Island – Sole Proprietorship LLC	United Arab Emirates	Hotel.	100%	100%
Park Inn Yas Island Hotel – Sole Proprietorship LLC	United Arab Emirates	Hotel.	100%	100%
Eastern Mangroves Hotel - Sole Proprietorship L.L.C. (formerly "Anantara Eastern Mangroves Hotel – Sole Proprietorship LLC")	United Arab Emirates	Hotel.	100%	100%
<u>Below is the subsidiary of Yas Links - Sole Proprietorship LLC:</u>				
Hickorys Restaurants LLC – OPC	United Arab Emirates	Restaurant.	100%	100%
<u>Below is the subsidiary of Saadiyat Beach Golf Club - Sole Proprietorship LLC:</u>				
Hawksbill Restaurant - Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
<u>Below is the subsidiary of Kai Beach club LLC SPC:</u>				
Kai Beach Restaurant LLC SPC	United Arab Emirates	Restaurant.	100%	100%
<u>Below are the subsidiaries of Yas Plaza Circuit Hotel - Sole Proprietorship L.L.C. (formerly "Centro Yas Island Hotel by Rotana – Sole Proprietorship LLC"):</u>				
Pitstop Restaurant LLC SPC	United Arab Emirates	Restaurant.	100%	-
Grid Kitchen Restaurant LLC SPC	United Arab Emirates	Restaurant.	100%	-
Fast Lane Restaurant LLC SPC	United Arab Emirates	Restaurant.	100%	-
<u>Below is the subsidiary of Staybridge Suites Yas Island – Sole Proprietorship LLC:</u>				
Hub Kitchen - Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
<u>Below is the subsidiary of MA Hospitality FZ LLC:</u>				
Double Tree by Hilton Resort & SPA Marjan Island LLC	United Arab Emirates	Hospitality services.	100%	100%
<u>Below are the subsidiaries of Yas Hotel - L.L.C - S.P.C (formerly "W Yas Island Hotel – Sole Proprietorship LLC"):</u>				
Garage Restaurant – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Sun Deck Restaurant – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
W Lounge Restaurant – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
W Roastery Restaurant – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Rush Night Club - Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Skylite Restaurant - Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Pappas Taverna Restaurant LLC SPC (formerly "Amici Restaurant")	United Arab Emirates	Restaurant.	100%	100%
Brooklyn Chop House Restaurant LLC SPC (formerly "Angar Restaurant")	United Arab Emirates	Restaurant.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.1 BASIS OF PREPARATION continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
Wet Deck Restaurant – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
<i>Below are the subsidiaries of Yas Acres Golf and Country Club - Sole Proprietorship LLC:</i>				
Acres Grill House – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
The Black Room Drinks and Smoke-Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Roots Bar and Kitchen – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
<i>Below is the subsidiary of Tilal Liwa Real Estate Investments LLC:</i>				
Al Dhafra Resort - L.L.C - S.P.C (formerly "Tilal Liwa Hotel – Sole Proprietorship LLC")	United Arab Emirates	Hotel.	100%	100%
<i>Below are the subsidiaries of Al Dhafra Resort - L.L.C - S.P.C (formerly "Tilal Liwa Hotel – Sole Proprietorship LLC"):</i>				
Al Badyah Al Raisi Restaurant - L.L.C. - S.P.C. (formerly "Al Badyah Al Raisi Restaurant")	United Arab Emirates	Restaurant.	100%	100%
Bar Al Layali Alraisi - L.L.C. - S.P.C. (formerly "Bar Al Layali Alraisi")	United Arab Emirates	Restaurant.	100%	100%
Snak Bar Al Liwan - L.L.C. - S.P.C. (formerly "Snack Bar Al Liwan")	United Arab Emirates	Restaurant.	100%	100%
Liwa Massage Center	United Arab Emirates	Spa business.	-	100%
Tilal Body Fitness Club	United Arab Emirates	Fitness and wellness.	-	100%
<i>Below are the subsidiaries of Yas Plaza Marina Hotel - L.L.C. - S.P.C. (formerly "Yas Island Rotana Hotel – Sole Proprietorship LLC"):</i>				
Bodylines Fitness & Wellness Club	United Arab Emirates	Fitness and wellness.	100%	100%
Aquarius Pool Bar Yas LLC OPC	United Arab Emirates	Restaurant.	100%	100%
Blue Grill Restaurant LLC OPC	United Arab Emirates	Restaurant.	100%	100%
Choices Restaurant LLC OPC	United Arab Emirates	Restaurant.	100%	100%
Island Café LLC OPC	United Arab Emirates	Restaurant.	100%	100%
<i>Below are the subsidiaries of Yas Plaza Marina Hotel - L.L.C. - S.P.C. (formerly "Yas Island Rotana Hotel – Sole Proprietorship LLC"):</i>				
Rangoli Restaurant LLC OPC	United Arab Emirates	Restaurant.	100%	100%
Y Bar LLC OPC	United Arab Emirates	Restaurant.	100%	100%
<i>Below are the subsidiaries of Radisson Blu Hotel Yas Island – Sole Proprietorship LLC:</i>				
Asymmetric Restaurant LLC OPC	United Arab Emirates	Restaurant.	100%	100%
Yas Belgian Restaurant LLC OPC	United Arab Emirates	Restaurant.	100%	100%
Fast Track Bar LLC - OPC	United Arab Emirates	Restaurant.	100%	100%
Filini Restaurant LLC - OPC	United Arab Emirates	Restaurant.	100%	100%
Shams Pool Bar LLC - OPC	United Arab Emirates	Restaurant.	100%	100%
The Spa LLC OPC	United Arab Emirates	Spa business.	100%	100%
Radisson Gym	United Arab Emirates	Gym.	100%	100%
<i>Below are the subsidiaries of Crowne Plaza Hotel Yas Island – Sole Proprietorship LLC:</i>				
Jing Asia Restaurant – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Views Lobby Lounge – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Sundowners Bar – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Stills Restaurant – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Barouk Restaurant – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
Crown Senses Massage - Sole Proprietorship LLC	United Arab Emirates	Massage centre and spa.	100%	100%
<u>Below are the subsidiaries of Park Inn Yas Island Hotel – Sole Proprietorship LLC:</u>				
Amerigos Restaurant and Bar LLC OPC	United Arab Emirates	Restaurant.	100%	100%
Mint Restaurant LLC OPC	United Arab Emirates	Restaurant.	100%	100%
Sands Pool Bar LLC OPC	United Arab Emirates	Restaurant.	100%	100%
<u>Below are the subsidiaries of Eastern Mangroves Hotel – Sole Proprietorship L.L.C. (formerly "Anantara Eastern Mangroves Hotel – Sole Proprietorship LLC"):</u>				
The Pool Deck Restaurant – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Mangroves Lounge – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Ingredients Restaurants – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Impressions Bar – Sole Proprietorship LLC	United Arab Emirates	Restaurant.	100%	100%
Eastern Mangroves Spa Center - L.L.C. - O.P.C. (Formerly "Eastern Mangroves SPA Center")	United Arab Emirates	Spa business	100%	100%
Kasara Lounge Restaurant - Sole Proprietorship LLC.	United Arab Emirates	Restaurant.	100%	100%
<u>Below are the subsidiaries of Aldar Education – Sole Proprietorship LLC:</u>				
Aldar Charter Schools – Sole Proprietorship LLC	United Arab Emirates	Education service provider.	100%	100%
Aldar International Schools - Sole Proprietorship LLC	United Arab Emirates	Education service provider.	100%	100%
Aldar Emirates Schools – Sole Proprietorship LLC	United Arab Emirates	Education service provider.	100%	100%
Aldar Nurseries – Sole Proprietorship LLC	United Arab Emirates	Education service provider.	100%	100%
Aldar Managed Schools – Sole Proprietorship LLC	United Arab Emirates	Education service provider.	100%	100%
Aldar Training Academy – Sole Proprietorship LLC	United Arab Emirates	Education.	100%	100%
Cranleigh School Abu Dhabi – Sole Proprietorship LLC	United Arab Emirates	Education.	100%	100%
Kent College LLC – FZ	United Arab Emirates	Providing education related services.	100%	100%
Kent Nursery LLC – FZ	United Arab Emirates	Education and nursery related services.	100%	100%
Virginia International Private School – Sole Proprietorship LLC	United Arab Emirates	Providing education related services	100%	100%
Noya British School – Sole Proprietorship LLC	United Arab Emirates	Education services.	100%	100%
<u>Below is the subsidiary of Aldar International Schools - Sole Proprietorship LLC:</u>				
Aldar Education Overseas Holding Limited	United Arab Emirates	Special purposes vehicle.	100%	100%
<u>Below is the subsidiary of Aldar Schools - Sole Proprietorship LLC:</u>				
Al Shohub Private School – Sole Proprietorship LLC	United Arab Emirates	Providing educational services.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held		
			2025	2024	
<u>Below are the subsidiaries of Aldar Academies – Sole Proprietorship LLC:</u>					
Aldar Academies – Yasmina British Academy (formerly “Aldar Academies – Al Yasmina School LLC”)	United Arab Emirates	Education service provider.	100%	100%	
Muna British Academy - Lagoons LLC OPC	United Arab Emirates	Education service provider.	100%	100%	
Yasmina American School LLC SPC	United Arab Emirates	Education service provider.	100%	100%	
<u>Below are the subsidiaries of Aldar Academies – Yasmina British Academy (formerly “Aldar Academies – Al Yasmina School LLC”):</u>					
Al Yasmina British Academy	United Arab Emirates	Education service provider.	100%	100%	
Aldar Academies - Al Ain British Academy LLC PSC	United Arab Emirates	Education service provider.	100%	100%	
Aldar Academies - Bateen World Academy LLC PSC	United Arab Emirates	Education service provider.	100%	100%	
Aldar Academies - Mamoura British Academy LLC PSC	United Arab Emirates	Education service provider.	100%	100%	
Aldar Academies - Muna British Academy LLC SPC	United Arab Emirates	Education service provider.	100%	100%	
Aldar Academies - Pearl British Academy LLC PSC	United Arab Emirates	Education service provider.	100%	100%	
Aldar Academies -West Yas School LLC	United Arab Emirates	Education service provider.	100%	100%	
<u>Below are the subsidiaries of Cloud Spaces - Sole Proprietorship LLC:</u>					
Cloud Spaces Limited Sole Proprietorship	Kingdom of Saudi Arabia	Integrated office administrative services.	100%	100%	
Cloud Spaces Business Center LLC	United Arab Emirates	Real estate lease & management services.	100%	100%	
ETHER by Cloud Spaces Sole Proprietorship LLC	United Arab Emirates	Real estate lease & management services.	100%	100%	
<u>Below are the subsidiaries of Courtyard By Marriott WTC - L.L.C. - S.P.C.:</u>					
Bistro Restaurant - L.L.C. - S.P.C.	United Arab Emirates	Restaurant.	100%	100%	
Fifth Street Café - L.L.C. - S.P.C.	United Arab Emirates	Restaurant.	100%	100%	
Up And Below Restaurant - L.L.C. - S.P.C.	United Arab Emirates	Restaurant.	100%	100%	
<u>Below are the subsidiaries of ADMO Lifestyle Holding Limited:</u>					
ADMO Hospitality Holding Limited	United Arab Emirates	Holding company.	100%	100%	
ADMO One Holding Limited	United Arab Emirates	Holding company.	100%	100%	
L Capital KDT Ltd.	Mauritius	Holding company.	99.10 %	99.10%	
Alpha Mind Holding Limited (i)	United Arab Emirates	Holding company.	57.1%	51%	
ADMO Lifestyle Management – LLC OPC	United Arab Emirates	Management services.	100%	100%	
Selmondo Limited	Cyprus	Sale of food and beverages.	51%	51%	
Em Sherif Holding Ltd.(ii)	United Arab Emirates	Holding company	60%	-	
<u>Below are the subsidiaries of ADMO Hospitality Holding Limited:</u>					
Mystic Quartz Resorts Ltd	Cyprus	Holding company.	100%	100%	
Damesin LTD	Cyprus	Holding company.	100%	100%	
ADMO Hotel Management Holding Limited	United Arab Emirates	Hotels management.	100%	100%	
Monterock Investments Nedafushi Maldives Private Limited	Maldives	Hospitality.	95%	95%	
<u>Below is the subsidiary of Mystic Quartz Resorts Ltd:</u>					
Monte London Limited	United Kingdom	Hospitality.	100%	100%	
<u>Below is the subsidiary of Damesin LTD:</u>					
Benestar SA	Greece	Hospitality.	100%	100%	

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2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<u>Below are the subsidiaries of ADMO One Holding Limited:</u>				
Nammos Holding STA Ltd (i)	Cyprus	Holding company.	100%	62%
Nammos World SARL (ii)	Monaco	Intellectual Property (IP) company	80%	-
WISY Management Cyprus Ltd (ii)	Cyprus	Intellectual Property (IP) company	100%	-
<u>Below are the subsidiaries of Nammos Holding STA Ltd:</u>				
MRINLON2SUB Ltd	Cyprus	Holding company.	100%	100%
Nammos Restaurant LLC	United Arab Emirates	Restaurant.	100%	100%
Nammos Group Holding Limited (iii)	United Arab Emirates	Holding company.	100%	-
Nammos Switzerland AG (ii)	Switzerland	Holding company.	100%	-
Nammos France (iii)	France	Restaurant	100%	-
<u>Below are the subsidiaries of Nammos Switzerland AG (CHF):</u>				
Nammos Cote D’azur	France	Restaurant	85%	-
Tamaris Susu	Cannes	Restaurant	85%	-
<u>Below are the subsidiaries of MRINLON2SUB Ltd:</u>				
Nammos Restaurant London Limited	United Kingdom	Restaurant.	100%	100%
Nammos Mayfair Limited	United Kingdom	Restaurant.	100%	100%
<u>Below are the subsidiaries of Selmondo Limited:</u>				
Barbarossa Single Member Private Company (SMPC) (formerly “Barbarossa PC”)	Greece	Restaurant.	100%	100%
Barbarossa World Single Member Private Company (SMPC) (formerly “Barbarossa World PC”)	Greece	Royalties.	100%	100%
<u>Below is the subsidiary of L Capital KDT Ltd.:</u>				
Iconic Locations Ltd.	Singapore	Holding company.	92.78 %	92.78%
<u>Below are the subsidiaries of Iconic Locations Ltd.:</u>				
Bm-Cb Investments Pte. Ltd.	Singapore	Sale of food and beverages.	100%	100%
Iconic Locations Singapore Pte. Ltd.	Singapore	Sale of food and beverages.	100%	100%
Iconic Locations Hk Holding Ltd.	Hong Kong	Holding company.	100%	100%
Iconic Locations Me Holding Co. Ltd (i)	United Arab Emirates	Sale of food and beverages.	100%	56%
Iconic Locations USA Co. Ltd.	United States of America	Holding Company.	100%	100%
Iconic Locations Hk Ltd.	Hong Kong	Sale of food and beverages.	100%	100%
<u>Below is the subsidiary of Iconic Locations Singapore Pte. Ltd.:</u>				
Clv Entertainment Pte. Ltd.	Singapore	Sale of food and beverages.	100%	100%
<u>Below are the subsidiaries of Iconic Locations Hk Holding Ltd.:</u>				
Iconic Locations Taipei Holding Ltd.	Hong Kong	Sale of food and beverages.	100%	100%
Iconic Locations Shanghai Holding Ltd.	Hong Kong	Sale of food and beverages.	100%	100%
<u>Below is the subsidiary of Iconic Locations Taipei Holding Ltd.:</u>				
Iconic Locations Taipei Ltd. (i)	Taiwan	Sale of food and beverages.	87.75 %	51%
<u>Below is the subsidiary of Iconic Locations Me Holding Co. Ltd.:</u>				
Iconic Locations Skyview Restaurant & Lounge LLC	United Arab Emirates	Sale of food and beverages.	56%	56%
<u>Below is the subsidiary of Iconic Locations USA Co. Ltd.:</u>				
WRT Capital Brickell LLC	United States of America	Sale of food and beverages.	75%	75%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
<u>Below are the subsidiaries of Alpha Mind Holding Limited:</u>				
Alpha Mind Man Co Limited	United Arab Emirates	Management company.	100%	100%
Alpha Mind IP Co Limited	United Arab Emirates	Leasing of intellectual properties and similar products, except copyrighted works.	100%	100%
Alpha Mind One Holding Limited	United Arab Emirates	Holding company.	100%	100%
Blue Lounge Ltd	United Arab Emirates	Holding company.	39%	39%
<u>Below are the subsidiaries of Alpha Mind Holding Limited:</u> continued				
BA Restaurant Limited	United Kingdom	Holding company.	33%	33%
Level Eight Limited	United Arab Emirates	Holding company.	44%	44%
Level Seven Limited	United Arab Emirates	Holding company.	100%	100%
K1 Restaurant Holding Ltd	United Kingdom	Holding company.	100%	100%
The White Collections Restaurant Management LLC	United Arab Emirates	Holding company.	50%	50%
Clap Restaurant & Bar Limited	United Arab Emirates	Sale of food and beverages.	30%	30%
White Flower Event Management FZ (i)	United Arab Emirates	Sale of food and beverages.	48%	38%
<u>Below are the subsidiaries of Alpha Mind One Holding Limited:</u>				
BDP Restaurant & Cafe LLC (i)	United Arab Emirates	Sale of food and beverages.	50%	30%
Iris Piers	United Arab Emirates	Sale of food and beverages.	100%	100%
<u>Below is the subsidiary of Blue Lounge Ltd:</u>				
Iris Star Restaurants LLC	United Arab Emirates	Sale of food and beverages.	100%	100%
<u>Below is the subsidiary of BA Restaurant Limited:</u>				
Sucre London	United Kingdom	Sale of food and beverages.	100%	100%
<u>Below is the subsidiary of Level Eight Limited:</u>				
Sucre Below Restaurant & Bar Ltd	United Arab Emirates	Sale of food and beverages.	100%	100%
<u>Below is the subsidiary of Level Seven Limited:</u>				
Akua & Litt Restaurant LLC	United Arab Emirates	Sale of food and beverages.	100%	100%
<u>Below is the subsidiary of K1 Restaurant Holding Ltd:</u>				
CLP London Limited	United Kingdom	Sale of food and beverages.	100%	100%
<u>Below is the subsidiary of The White Collections Restaurant Management LLC:</u>				
Club Conde Duque	Spain	Holding company.	100%	100%
<u>Below is the subsidiary of Club Conde Duque:</u>				
Cool Zone S.L	Spain	Sale of food and beverages.	60%	60%
<u>Below are the subsidiaries of Em Sherif Holding Ltd.:</u>				
Orient Luxury Food Ltd	United Arab Emirates	Holding company.	100%	-
SGR Offshore SAL	Lebanon	Negotiate and sign contracts and agreements pertaining to operations and transactions to be performed outside Lebanon	100%	-
<u>Below is the subsidiary of Orient Luxury Food Ltd:</u>				
AGMK Capital Limited (ii)	United Kingdom	Sales Of Food & Beverages (Operating Em Sherif restaurant , Em Sherif Deli & Hommos Bar)	51%	-
<u>Below are the subsidiaries of National Corporation for Tourism and Hotels PJSC:</u>				
ADH Hospitality RSC LTD (iv)	United Arab Emirates	Investment holding.	100%	100%
Murban BVI Holding Inc (BVI) (iv)	British Virgin Island	Holding company.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
Hill View (Seychelles) Limited (iv)	Republic of Seychelles	Hotel resort.	100%	100%
Intercontinental Hotel Abu Dhabi – Sole Proprietorship LLC	United Arab Emirates	Hotel.	100%	-
Intercontinental Residences Abu Dhabi Hotel Apartments – Sole Proprietorship LLC	United Arab Emirates	Hotel.	100%	-
Danat Al Ain Resort – Sole Proprietorship LLC	United Arab Emirates	Hotel.	100%	-
Danat Jabal Al Dhanna Resort – Sole Proprietorship LLC	United Arab Emirates	Hotel.	100%	-
<i>Below are the subsidiaries of National Corporation for Tourism and Hotels PJSC:</i> continued				
Al Dhafra Beach Hotel – Sole Proprietorship LLC	United Arab Emirates	Hotel.	100%	-
<i>Below are the subsidiaries of ADH Hospitality RSC LTD:</i>				
Abu Dhabi United Hospitality-Sole Proprietorship LLC	United Arab Emirates	Tourist enterprise investment, institution and management, restaurants management, land & real estate purchase & sale, real estate lease & management services and foodstuff catering.	100%	100%
Etihad International Hospitality - Sole Proprietorship LLC	United Arab Emirates	Hospitality services, indoor cleaning services, cleaning of interface building and foodstuff catering.	100%	100%
<i>Below is the subsidiary of Etihad International Hospitality - Sole Proprietorship LLC:</i>				
Int'l Fresh Harvest Fruits and Vegetables Trading – Sole Proprietorship LLC	United Arab Emirates	Trading of foodstuff.	100%	100%
<i>Below are the subsidiaries of Abu Dhabi United Hospitality-Sole Proprietorship LLC:</i>				
Le Noir Café – Sole Proprietorship LLC	United Arab Emirates	Foodstuff catering, hospitality services and restaurants.	100%	100%
St. Regis Saadiyat Island Resort Abu Dhabi	United Arab Emirates	Hotels.	100%	100%
Al Wathba A Luxury Collection Desert Resort & Spa – Sole Proprietorship LLC	United Arab Emirates	Fitness club, relaxation and massage centre.	100%	100%
Bhudda Bar Beach Restaurant – Sole Proprietorship LLC	United Arab Emirates	Tourist restaurant.	100%	100%
Sophia Restaurant - LLC - SPC (formerly "Mazi Restaurant – Sole Proprietorship LLC")	United Arab Emirates	Tourist restaurant.	100%	100%
Olea Restaurant	United Arab Emirates	Restaurant.	100%	100%
The Drawing Room Café	United Arab Emirates	Restaurant.	100%	100%
The Manhattan Lounge	United Arab Emirates	Restaurant.	100%	100%
Sontaya Restaurant	United Arab Emirates	Restaurant.	100%	100%
Pool And Beach Bar	United Arab Emirates	Restaurant.	100%	100%
St Regis Beach Bar	United Arab Emirates	Restaurant.	100%	100%
Iridium Spa	United Arab Emirates	Men and woman relaxation and massage center and retail sale of perfume.	100%	100%
The St Regis Athletic Club	United Arab Emirates	Preparation of fresh juices, cold and hot beverages, snack selling, men and women body fitness club.	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of subsidiary	Place of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held	
			2025	2024
Ginori Café - LLC - SPC	United Arab Emirates	Tourist restaurant.	100%	-
<u>Below are the subsidiaries of Al Wathba A Luxury Collection Desert Resort & Spa – Sole Proprietorship LLC:</u>				
Hayaakom Restaurant – Sole Proprietorship LLC	United Arab Emirates	Tourist restaurant.	100%	100%
Al Mesayan Restaurant – Sole Proprietorship LLC	United Arab Emirates	Tourist restaurant.	100%	100%
Al Mabeet Restaurant – Sole Proprietorship LLC	United Arab Emirates	Tourist restaurant.	100%	100%
Bait Al Hanine Restaurant – Sole Proprietorship LLC	United Arab Emirates	Tourist restaurant.	100%	100%
Panache Restaurant – Sole Proprietorship LLC	United Arab Emirates	Tourist restaurant.	100%	100%
<u>Below are the subsidiaries of Al Wathba A Luxury Collection Desert Resort & Spa – Sole Proprietorship LLC:</u> continued				
Terra Secca Restaurant – Sole Proprietorship LLC	United Arab Emirates	Tourist restaurant.	100%	100%
<u>Below are the subsidiaries of Murban BVI Holding Inc (BVI):</u>				
Sitax Investment Ltd (BVI)	British Virgin Island	Holding company.	100%	100%
Sitax Holding Ltd (BVI)	British Virgin Island	Holding company.	100%	100%
<u>Below is the subsidiary of Sitax Holding Ltd (BVI):</u>				
I & T Management Private Limited	Republic of Maldives	Tourist resort operation.	100%	100%
<u>Below is the subsidiary of Intercontinental Hotel Abu Dhabi – Sole Proprietorship LLC:</u>				
Porto Gina Restaurant – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
<u>Below are the subsidiaries of Intercontinental Residences Abu Dhabi Hotel Apartments – Sole Proprietorship LLC:</u>				
Jones Social Restaurant – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
Sea Lounge Restaurant – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
Rose Lounge Restaurant – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
<u>Below is the subsidiary of Danat Al Ain Resort – Sole Proprietorship LLC:</u>				
The Old Fox Restaurant – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
<u>Below are the subsidiaries of Danat Jabal Al Dhanna Resort – Sole Proprietorship LLC:</u>				
Zaitoun Jebel Dhanna Restaurant – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
Waves Jebel Al Dhanna Café – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
Tides Restaurant – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
Lattitude Jebel Dhana Bar – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
C View Caffé – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
Al Bahar Tourist Restaurant – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
<u>Below are the subsidiaries of Al Dhafra Beach Hotel – Sole Proprietorship LLC:</u>				
Mayadeen Al Dhafra Restaurant – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
Blue Pool Aldhafra Restaurant – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
Hana Aldhafra Bar – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-
Café at the Lobby – Sole Proprietorship L.L.C.	United Arab Emirates	Tourist restaurant.	100%	-

- (i) Acquired additional ownership interest in subsidiaries.
- (ii) Subsidiaries acquired during the year.
- (iii) Subsidiaries incorporated during the year.
- (iv) Subsidiaries ownership changed within the group during the year.
- (v) Subsidiaries sold during the year.
- (vi) Subsidiaries liquidated during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

The following associates, joint ventures, and joint operations together with their ownership is detailed below, with their results reflected in these consolidated financial statements.

Name of associate	Percentage of ownership		Place of incorporation and operation	Principal activities
	2025	2024		
Response Plus Holding PrJSC ("RPM")	36%	36%	United Arab Emirates	Emergency healthcare services
PAL 4 Solar Energy LLC ("PAL 4 Solar")	20%	20%	United Arab Emirates	Maintenance of energy equipment
NICC Infrastructure Construction Company LLC	49%	49%	United Arab Emirates	Railway projects construction
Pure Health Holding PJSC	35.06%	35.06%	United Arab Emirates	Health care investments
National Corporation for Tourism and Hotels PJSC (ii)	-	36.39%	United Arab Emirates	Own, manage and invest in hotels and leisure complexes and to undertake other related business.
Ta'ziz UAE Investment Company RSC Limited	25.07%	25.07%	United Arab Emirates	Investment in chemical projects
Safeen Survey and Subsea Services LLC	49%	49%	United Arab Emirates	Marine services related to oil industries
Principia SAS	33.33%	33.33%	France	Engineering and consultancy
Al Sdeirah Real Estate Investment LLC	30%	30%	United Arab Emirates	Real estate investment
Bunya Enterprises LLC	33%	33%	United Arab Emirates	Project management
Iskandar Holdings Limited	19%	19%	Cayman Islands	Real estate investment
Royal Gardens for Investment Property Co.	20%	20%	Egypt	Real estate development
AE Strategic Holding Limited (iv)	50%	-	United Arab Emirates	Automated parking solution and services
Century Real Estate Management LLC	13%	13%	United Arab Emirates	Management of labour camps and accommodation
Al Jazira Technical Solutions & Consulting LLC	35%	35%	United Arab Emirates	Consulting in computer devices and equipment
Yas Projects LLC	49%	49%	United Arab Emirates	Construction project entity
Canal Sugar S.A.E. "Canal Sugar"	33%	33%	Egypt	Sugar farming and production
WISY Holding Cyprus Ltd (v)	-	44.4%	Cyprus	Investment holding
Nammos World SARL (ii)	-	44.4%	Monaco	Intellectual property company
WISY Management Cyprus Ltd (ii)	-	44.4%	Cyprus	Intellectual property company
Em Sherif Holding Ltd. (ii)	-	35.1%	Lebanon	Holding company
Mex 21 Restaurant LLC (iv)	10%	-	United Arab Emirates	Holding company
Rooftop Holding Limited (iv)	37.67%	-	United Kingdom	Holding company
High Floor (iv)	25%	-	United Arab Emirates	Holding company
Dhaba Kitchen Holding Limited (iv)	30%	-	United Arab Emirates	Restaurants

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of joint venture	Percentage of ownership		Place of incorporation and operation	Principal activities
	2025	2024		
China Railway Construction Corporation Abu Dhabi Branch ('CRCC') and National Projects Construction LLC ('NPC') Joint venture CRCC-NPC JV" ('CRCC-NPC')	49%	49%	United Arab Emirates	Construction project entity
The Challenge Egyptian Emirates Egypt Marine Dredging Company ("CEEMDC")	49%	49%	Egypt	Construction project entity
Trojan General Contracting and Six Construct Limited – Guggenheim Museum	50%	50%	United Arab Emirates	Construction project entity
Trojan General Contracting and Six Construct Limited – Zayed National Museum	50%	50%	United Arab Emirates	Construction project entity
Royal House LLC	50%	50%	United Arab Emirates	Hotel operating company
Al Raha International Integrated Facilities Management LLC	50%	50%	United Arab Emirates	Facilities management company
Palmyra SODIC Real Estate Development	50%	50%	Syria	Real estate development
WIO Holding Restricted Limited ("WIO Holding")	51%	51%	United Arab Emirates	Investment holding
MICAD Credit JV RSC Ltd	20%	20%	United Arab Emirates	Investment holding
MW Energy Limited ("MW Energy")	50%	50%	United Arab Emirates	Renewable energy investment
South Development One DWC-LLC (v)	-	50%	United Arab Emirates	General Warehousing
Richmond Hill Developments (Jersey) Limited	15%	15%	USA	Real estate development
Vulcan Wharf Holdings LLP	50%	50%	United Kingdom	Real estate development
Trojan General Contracting and Six Construct Limited and Voltas Limited "VSTJV"	33.33%	33.33%	United Arab Emirates	Construction
National Projects Construction LLC and China Civil Engineering Construction Corporation Joint Venture "NPC-CCECC JV"	74.5%	74.5%	United Arab Emirates	Construction
Mawarid Intelligent Irrigation Technologies LLC	50%	50%	United Arab Emirates	Agriculture enterprise investment
Al Sila Destination Development L.L.C. (iv)	33.33%	-	United Arab Emirates	Real Estate Lease And Management Services
NT Energies LLC	51%	51%	United Arab Emirates	Engineering and consulting
Richmond College	50%	50%	United Kingdom	Education
South Development Two DWC-LLC (v)	-	50%	United Arab Emirates	General Warehousing
TGC ACC JV*	-	50%	United Arab Emirates	Construction

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.1 BASIS OF PREPARATION** continued

Name of joint venture	Percentage of ownership		Place of incorporation and operation	Principal activities
	2025	2024		
Trojan Cylingas JV	50%	50%	United Arab Emirates	Construction
NPC/NICC/GALFAR/TRISTAR Joint Venture – NNGT JV	44.5%	44.5%	United Arab Emirates & Oman	Construction
Iconic Locations Japan Ltd	50%	50%	Japan	Sale of Food and beverages
Enersol RSC Ltd	49%	49%	United Arab Emirates	Own, manage and invest in businesses with interest in oil field services technology sector
South Development Three DWC-LLC (ii)	-	50%	United Arab Emirates	General Warehousing
Alperton Waterside LLP	50%	50%	United Kingdom	Real estate
Bulk Property Investor Ltd	15%	15%	United Kingdom	Real Estate
Twickenham Reach LLP	50%	50%	United Kingdom	Real Estate
Twickenham Reach Management Company Ltd	50%	50%	United Kingdom	Real Estate
Vulcan Wharf Ltd	50%	50%	United Kingdom	Real Estate
Avobar Holding Limited (iv)	30%	-	United Arab Emirates	Restaurants
Beams Middle East Hold Ltd (iv)	49%	-	United Arab Emirates	Restaurants
Bocus C2i JV Holding Ltd (iv)	30%	-	United Arab Emirates	Restaurants
Voltas - Six Construct - Royal Advance (“VSR JV”) (iii)	27.5%	-	United Arab Emirates	Construction
Samsung Construction & Trading and Trojan General Contracting JV (iii)	35%	-	United Arab Emirates	Construction
Iconic Locations Paddington (iv)	50%	-	United Kingdom	Sale of Food and beverages
Velocity Property Development LLC (iv)	63.86%	-	United Arab Emirates	Real estate
National Transport Company (iv)	50%	-	United Arab Emirates	Transport services

*Following to the certain amendments in the contractual arrangements, the investment in joint venture was reclassified to Investment to join operations.

Name of joint operation	Percentage of ownership		Principal activities
	2025	2024	
NPCC- Saipem – Hail and Ghasha	50%	50%	Construction project
NPCC- Tecnicas-MEERAM	50%	50%	Construction project
Technip NPCC Satah Full Field	50%	50%	Construction project
NPCC Technip UZ 750 (EPC-1)	40%	40%	Construction project
NPCC Technip UL 2	50%	50%	Construction project
NPCC Technip AGFA	50%	50%	Construction project
NPCC Technip JV US GAS CAP FEED	50%	50%	Construction project
TJN Ruwais LNG	20%	20%	Engineering Procurement and Construction
TGC ACC	50%	-	Construction project

There are certain joint operations which are not operative and have insignificant balances at year end.

- (i) Acquired additional ownership interest in associates or joint venture.
- (ii) Subsidiaries acquired during the year.
- (iii) Associate incorporated during the year.
- (iv) Associate acquired during the year.
- (v) Associates sold during the year.
- (vi) Associate liquidated during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in the consolidated statement of profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except:

- Deferred tax assets or liabilities in accordance with IAS 12;
- Assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 19;
- Liabilities or equity instruments related to share-based payment arrangements measured in accordance with IFRS 2; and
- Assets (or disposal groups) that are classified as held-for-sale in accordance with IFRS 5.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), then the excess is recognised immediately in the consolidated statement of profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is re-measured to fair value at subsequent reporting dates with changes in fair value recognised in the consolidated statement of profit or loss.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are re-measured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in the consolidated statement of profit or loss.

Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in the consolidated statement of comprehensive income are reclassified to the consolidated statement of profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete.

Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Business combinations under common control

A business combination involving entities or businesses under common control is a business combination in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the combination and that control is not transitory.

Transactions giving rise to transfer of interests in entities, which are under the common control of the Group are accounted for using the pooling of interest method at the date of transfer. Such transactions are presented without restatement of prior periods and are outside the scope of IFRS 3. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the books of the transferor entity at the transfer date. The components of equity of the acquired entities are added to the same components within Group equity, except those which are eliminated on consolidation. Any difference between the consideration paid and capital of the acquiree is recognised directly in merger reserve.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment is its purchase cost together with any incidental expense of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the consolidated statement of profit or loss during the financial period in which they are incurred.

Depreciation is charged so as to write off the cost of the property, plant and equipment using the straight-line method over their estimated useful lives as follows:

	<i>Years</i>
Buildings and base facilities	5 - 50
Dredgers, machinery and equipment	1 - 30
Barges, support vessels and vehicles	1 - 40
Furniture, equipment and leasehold improvements	2 - 10

Land is not depreciated.

The estimated useful lives, residual values and depreciation methods are reviewed annually, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit or loss.

Capital work-in-progress

Properties or assets in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes all direct costs attributable to the design and construction of the asset including related staff costs, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. When the assets are ready for its intended use, the cost is transferred to the appropriate asset category and is depreciated in accordance with the Group's accounting policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES** continued**Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and impairment losses, if any. Amortisation is recognised on a straight-line basis over the assets estimated useful lives as follows:

	<i>Years</i>
Software and licenses	3-10

The estimated useful life and amortisation method are reviewed annually, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date. Amortisation is recognised on a straight-line basis over the assets estimated useful lives as follows:

	<i>Years</i>
Customer related intangibles	2-10
Trademarks	3-10
Brands	5 - indefinite

Customer related intangibles include customer relationships and customer contracts.

Intangible assets with indefinite useful lives i.e., brand that are acquired separately are tested for impairment and carried at cost less accumulated impairment losses, if any.

Subsequent to initial recognition, they are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected to arise. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in consolidated statement of profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the consolidated statement of profit or loss in the period in which they are incurred.

Biological assets

Biological assets are measured on initial recognition and at end of each reporting period at fair value less estimated costs to sell, unless at initial recognition that fair value cannot be measured reliably. In such cases, the entity measures the biological asset at historic cost less any accumulated depreciation and any accumulated impairment losses unless / until fair value becomes reliably measurable. The fair values are determined based on current market prices of similar type of assets. Costs to sell include commission to brokers and dealers.

A gain or loss on initial recognition of biological assets at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell of biological assets shall be included in the consolidated statement of profit or loss in the period in which it arises.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Goodwill

Goodwill is initially recognised and measured as mentioned in the business combination policy.

Goodwill is not amortised but is tested for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

Investment properties

Investment property, which is property held to earn rental income and / or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs.

Depreciation is calculated using the straight-line method over their expected useful life which ranges from 14 to 50 years. The estimated useful life, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the asset. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss.

Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

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

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Leases continued

The Group as a lessee continued

Lease liabilities continued

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

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

The Group re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use assets

The value of right-of-use assets comprise the initial measurement of the corresponding lease liability, plus lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the asset. If a lease transfers ownership of the underlying asset or the cost of the asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued**2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES** continued**Leases** continued***The Group as a lessee*** continued***Right-of-use assets*** continued

Depreciation is charged so as to write off the cost of the assets using the straight-line method over their estimated useful lives or lease term, whichever is shorter, as follows:

	<i>Years</i>
Land	1-65
Buildings	1-50
Machinery	1-3

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property, plant and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The relative stand-alone price of lease and non-lease components is determined on the basis of the price the lessor, or a similar supplier, would charge an entity for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Group estimates the stand-alone price, maximising the use of observable information.

The non-lease components are accounted for in accordance with the Group's policies. For determination of the lease term, the Group reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances that:

- is within the control of the Group; and
- affects whether the Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

The Group as a lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Leases continued

The Group as a lessor continued

Subsequent to initial recognition, the Group regularly reviews the estimated unguaranteed residual value and applies the impairment requirements of IFRS 9, recognising an allowance for expected credit losses ("ECL") on the lease receivables.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest income is calculated with reference to their amortised cost (i.e., after a deduction of the loss allowance).

When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

Impairment of non-financial assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its non-financial assets including property, plant and equipment, investment property, right-of-use assets and intangible assets to determine whether there is any indication that those non-financial assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease with any excess impairment loss recognised in the consolidated statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Investments in associates and joint ventures continued

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held-for-sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method, an investment in an associate or a joint venture is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in the consolidated statement of profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture. When the Group retains an interest in the former associate or a joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or a joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or a joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture.

In addition, the Group accounts for all amounts previously recognised in the consolidated statement of comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in the consolidated statement of comprehensive income by that associate or joint venture would be reclassified to the consolidated statement of profit or loss on disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to the consolidated statement of profit or loss (as a reclassification adjustment) at that time.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, it reclassifies to the consolidated statement of profit or loss the proportion of gain or loss previously recognised in the consolidated statement of comprehensive income relating to that reduction in ownership, if that gain or loss would be reclassified to the consolidated statement of profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from it are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Investments in associates and joint ventures continued

For transactions other than other comprehensive income or loss that are directly recognised in the associate's or joint venture's equity and increase or decrease the investor's effective interest in the net assets of the associate and joint venture are treated as an additional investment or disposal with corresponding impact to consolidated statement of profit or loss.

The Group applies IFRS 9, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied and which forms part of the net investment in the investee. Furthermore, in applying IFRS 9 to long-term interests, the Group does not take into account adjustments to their carrying amount required by IAS 28 (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its share of the revenue from the sale of the output by the joint operations; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the applicable IFRSs. When a Group entity transacts with a joint operation in which a group entity is a joint operator (such a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operations, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a Group entity transacts with a joint operation it does not recognise its share of the gains or losses.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in consolidated statement of profit or loss.

Financial assets

All financial assets under the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Purchases or sales of financial assets are recognised or derecognised on a trade date basis. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Financial instruments continued

Financial assets continued

Classification of financial assets

Financial assets that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are measured subsequently at fair value through other comprehensive income ("FVTOCI"):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss ("FVTPL").

Despite the foregoing, the Group may make the following irrevocable election / designation at initial recognition of a financial asset:

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- The Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired. Interest income is recognised in the consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Financial instruments continued

Financial assets continued

(i) Amortised cost and effective interest method continued

Cash and short-term deposits

Cash and short-term deposits in the consolidated statement of financial position comprise cash at banks and on hand, short-term deposits, treasury bills and wakala deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash at banks and on hand, short-term deposits, treasury bills and wakala deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(ii) Debt instruments classified as at FVTOCI

Debt instruments that meet the following conditions are measured subsequently at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at FVTPL. For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding ECL, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including ECL, to the amortised cost of the debt instrument on initial recognition.

(iii) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held-for-trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss is not reclassified to the consolidated statement of profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Financial instruments continued

Financial assets continued

(iii) *Equity instruments designated as at FVTOCI* continued

Dividends on these investments in equity instruments are recognised in the consolidated statement of profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment.

The Group designated all investments in equity instruments that are not held-for-trading as at FVTOCI on initial recognition. A financial asset is held-for-trading if either:

- It has been acquired principally for the purpose of selling it in the near term;
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

(iv) *Financial assets at FVTPL*

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held-for-trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (iii) above); and
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in the consolidated statement of profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in the consolidated statement of profit or loss includes any dividend or interest earned on the financial asset and is included in 'Dividend income'. Fair value is determined in the manner described in Note 44.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in the consolidated statement of profit or loss in the foreign exchange gain;
- For debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in the consolidated statement of profit or loss in foreign exchange gain. As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in the investment revaluation reserve;
- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in the consolidated statement of profit or loss as foreign exchange gain; and
- For equity instruments measured at FVTOCI, exchange differences are recognised in the consolidated statement of comprehensive income in the investment revaluation reserve.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Financial instruments continued

Financial assets continued

Impairment of financial assets

The Group recognises a loss allowance for ECL on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade receivables, contract assets, and other financial assets as well as on financial guarantee contracts. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, contract assets, and lease receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months from the reporting date.

(i) *Significant increase in credit risk*

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor; and
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Financial instruments continued

Financial assets continued

Impairment of financial assets continued

(i) *Significant increase in credit risk* continued

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default;
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contract, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) *Definition of default*

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; and
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is past due for 365 days unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Financial instruments continued

Financial assets continued

Impairment of financial assets continued

(iii) *Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event (see (ii) above);
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; and
- The disappearance of an active market for that financial asset because of financial difficulties.

(iv) *Write-off policy*

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the consolidated statement of profit or loss.

(v) *Measurement and recognition of ECL*

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount of guaranteed debt that has been drawn down as at the reporting date, together with any additional guaranteed amounts expected to be drawn down by the borrower in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Financial instruments continued

Financial assets continued

Impairment of financial assets continued

(v) *Measurement and recognition of ECL* continued

The Group recognises an impairment gain or loss in the consolidated statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the consolidated statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to the consolidated statement of profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to the consolidated statement of profit or loss but is transferred to retained earnings.

Financial liabilities and equity

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Financial instruments continued

Financial liabilities and equity continued

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held-for-trading if either:

- It has been acquired principally for the purpose of repurchasing it in the near term;
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; and
- It is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held-for-trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if either:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in consolidated statement of profit or loss to the extent that they are not part of a designated hedging relationship (see Hedge accounting policy). The net gain or loss recognised in the consolidated statement of profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the consolidated statement of profit or loss. The remaining amount of change in the fair value of liability is recognised in the consolidated statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in the consolidated statement of comprehensive income are not subsequently reclassified to the consolidated statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Group that are designated by the Group as at FVTPL are recognised in the consolidated statement of profit or loss.

Fair value is determined in the manner described in Note 44.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Financial instruments continued

Financial liabilities and equity continued

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Sukuk

Sukuks are stated at amortised cost using the effective profit rate method. The profit attributable to the sukuk is calculated by applying the prevailing market profit rate, at the time of issue, for similar sukuk instruments and any difference with the profit distributed is added to the carrying amount of the sukuk.

Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of an asset, are measured subsequently at the higher of:

- The amount of the loss allowance determined in accordance with IFRS 9 (see financial assets above); and
- The amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the consolidated statement of profit or loss for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk, exchange gains and losses are recognised in the consolidated statement of comprehensive income and accumulated in a separate component of equity.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the consolidated statement of profit or loss for financial liabilities that are not part of a designated hedging relationship.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Financial instruments continued

Financial liabilities and equity continued

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit or loss. When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in the consolidated statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Taxation continued

Deferred tax continued

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in the consolidated statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in the consolidated statement of comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Value added tax (VAT)

Expenses and assets are recognised net of the amount of VAT, except:

- When VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Fair value measurement continued

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in Note 44.

Inventories

Inventories are stated at the lower of cost and NRV. Cost comprises direct materials and, where applicable, direct labour costs, cost of land and related infrastructure costs with respect to plots land and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. NRV represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Development work-in-progress

Development work in progress consists of property being developed principally for sale and is stated at the lower of cost or NRV. Cost comprises all direct costs attributable to the design and construction of the property including direct staff costs. NRV is the estimated selling price in the ordinary course of the business less estimated costs to complete and applicable variable selling expenses.

For single development projects, the Group allocates the cost of land in proportionate basis of the Gross Floor Area ("GFA") and for multi-segment development projects, the Group allocates the cost of land in proportionate basis of the residual value of each respective segment of the development project. The residual value of each segment is determined by the management of the Group using recognised valuation methods. These methods comprise the residual value method and the income capitalisation method. The residual value method requires the use of estimates such as future cash flows from assets (comprising of selling and leasing rates, future revenue streams, construction costs and associated professional fees, and financing cost, etc.), targeted internal rate of return and developer's risk and targeted profit. These estimates are based on local market conditions existing at the end of the reporting period.

In respect of consideration for plots of land which is variable and dependent on actual returns from the development projects, the Group recognises amounts actually paid as part of development work in progress. The costs of the plots of land are subsequently either increased or decreased based on actual payments made and returns on the development projects in line with the arrangement with third parties.

Discontinued operations and non-current assets held-for-sale

The Group classifies non-current assets and subsidiaries as held-for-sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and subsidiaries classified as held-for-sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Discontinued operations and non-current assets held-for-sale continued

The criteria for held-for-sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held-for-sale.

Assets and liabilities classified as held-for-sale are presented separately as current items in the consolidated statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held-for-sale, and:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of profit or loss.

Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plan

Monthly pension contributions are made in respect of UAE National employees, who are covered by the Law No. 2 of 2000. The pension fund is administered by the Government of Abu Dhabi, Finance Department, represented by the Abu Dhabi Retirement Pensions and Benefits Fund. Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Monthly pension contributions are made in respect of other GCC National employees, who are covered by the Circular no. 3 of 2007 issued by the General Authority of Pension and Social Security. The contribution made by the Group is charged to the consolidated statement of profit or loss. The pension contribution is made according to the laws of the respective GCC nation.

Employee benefits

An accrual is made for estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the end of the reporting period.

Provision is also made for the full amount of end of service benefits due to employees in accordance with the Group's policy, which is at least equal to the benefits payable in accordance with UAE Labour Law, for their period of service up to the end of the reporting period. The accrual relating to annual leave and leave passage is classified as a current liability, while the provision relating to end of service benefits is classified as a non-current liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Derivative financial instruments

The Group enters into derivative financial instruments to manage exposure to variable interest rate fluctuations. Further details of derivative financial instruments are disclosed in Note 29.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the consolidated statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in consolidated statement of profit or loss depends on the nature of the hedging relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the consolidated financial statements unless the Group has both a legally enforceable right and intention to offset. The impact of the master netting agreements on the Group's financial position is disclosed in Note 29. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

The Group designates derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations, as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in the consolidated statement of comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to the consolidated statement of profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to the consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Cash flow hedges continued

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in the consolidated statement of comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to the consolidated statement of profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is reclassified immediately to profit or loss.

Fair value hedges

The fair value change on qualifying hedging instruments is recognised in profit or loss except when the hedging instrument hedges an equity instrument designated at FVTOCI in which case it is recognised in other comprehensive income.

The carrying amount of a hedged item not already measured at fair value is adjusted for the fair value change attributable to the hedged risk with a corresponding entry in profit or loss. For debt instruments measured at FVTOCI, the carrying amount is not adjusted as it is already at fair value, but the hedging gain or loss is recognised in profit or loss instead of other comprehensive income.

When the hedged item is an equity instrument designated at FVTOCI, the hedging gain or loss remains in other comprehensive income to match that of the hedging instrument. Where hedging gains or losses are recognised in profit or loss, they are recognised in the same line as the hedged item.

The group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Derivative not designated as hedging instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and subsequently remeasured to their fair value at the end of each accounting period with any gains or losses recognised through the profit and loss account.

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. Derivatives embedded in hybrid contracts with a financial asset host within the scope of IFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured as either amortised cost or fair value as appropriate.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit and loss.

If the hybrid contract is a quoted financial liability, instead of separating the embedded derivative, the Group generally designates the whole hybrid contract at fair value through profit and loss.

An embedded derivative is presented as a non-current asset or non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date.

At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with IAS 37 and the amount recognised initially less cumulative amount of income recognised in accordance with IFRS 15.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Warranties

Provisions for the expected cost of warranty obligations under the terms of the sale of goods are recognised at the date of sale of the relevant products, at the terms of the best estimate of the expenditure required to settle the Group's obligation.

Contingencies

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

Current versus non-current classification

The Group presents assets and liabilities in the statement of consolidated financial position based on current / non-current classification.

An asset is classified as current when it is:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Current versus non-current classification continued

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months of the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring to the customer.

The Group recognises revenue from the following major sources:

- Rendering of services i.e., construction contracts, industrial service, laboratory and other services, insurance premium, sale of properties, rental income, management fee income, insurance revenue and income from education services, which is recognised over period of time, and
- Sale of goods i.e., laboratory and hospital management services, revenue from hotel operations and investment income which is recognised at point of time.

Revenue from construction, industrial and dredging contracts

The Group provides construction and dredging activities and associated land reclamation works to its customers. Such contracts are entered into before rendering of services begins. Under the terms of the contracts, the Group has enforceable right to payment for work done. Revenue is therefore recognised over time on a cost-to-cost method based the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The management consider that this input method is an appropriate measure of the progress towards complete satisfaction of the performance obligations under IFRS 15.

In case of contracts, where revenue is recognised on the basis of surveys of work performed, revenue is measured by applying contractual rates, or the minimum recoverable rates expected, to the actual quantities dredged or the related works performed. Revenue is adjusted subsequently based on final customer approval if rates approved are different from those originally used.

When the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable; and contract costs should be recognised as an expense in the period in which they are incurred.

When it is possible that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Costs of contracts include all direct costs of labour, materials, depreciation of property, plant and equipment and costs of subcontracted works, plus an appropriate portion of construction overheads and general and administrative expenses of the year allocated to construction contracts in progress during the year at a fixed rate of the value of work done on each contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Revenue recognition continued

Contract assets and liabilities

Amounts relating to contract assets are balances due from customers under construction contracts that arise when the Group receives payments from customers in line with a series of performance related milestones. The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

Contract costs represents costs incurred on projects for which the Group is required to meet specific contractual obligations such as joint inspections, milestone completion and customer acceptance/handover, prior to billing the customer. Those obligations are expected to progressively be met over time, resulting in a winding down of the balance throughout the remaining contractual period.

The Group has determined that contract assets and liabilities are to be recognised at the performance obligation level and not at the contract level and both contract assets and liabilities are to be presented separately in the consolidated financial statements. The Group classifies its contract assets and liabilities as current and non-current based on the timing and pattern of flow of economic benefits.

Sale of properties and provision of services

Under the terms of the contracts in the UAE and England, the Group is contractually restricted from redirecting the properties to another customer and has an enforceable right to payment for work done. Therefore, revenue from construction of residential properties in the UAE and England and Wales is recognised over time on a cost-to-cost method, i.e. based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The Group consider that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under IFRS 15.

In respect of the Group's contracts for development of certain residential properties in Egypt, the Group has assessed that transfer of control happens only at the time of handover of completed units to customers and accordingly the related revenue is recognized at that time.

Revenue from hotel operations

Hotel operations represents the sale of hotel rooms, food and beverages, catering and other ancillary services. These are invoiced upon provision of the service or delivery of goods. Revenue is stated net of allowances and rebates.

Management fee income

The Group manages construction of properties under long term contracts with customers, for which it earns a management fee. Such management fee income is recognised over time using the input method to recognise revenue upon the satisfaction of performance obligations. Where the outcome of a contract cannot be estimated reliably, revenue is recognised based on the consideration to which the Group expects to be contractually entitled based on its performance obligations completed up to the reporting date.

Service charges and expenses recoverable from tenants

For investment properties held primarily to earn rental income, the Group enters into lease agreements that fall within the scope of IFRS 16. Such lease agreements generally include common area services (security, maintenance, utilities, health and safety etc.) as well as management and customer care services. The Group has determined that these services constitute distinct non-lease components (distinct from the right-to-use the underlying asset) and are within the scope of IFRS 15.

The consideration charged to tenants for these services are separately specified in the lease agreements and invoiced accordingly. The Group applies the time elapsed method to recognise revenue over time for such services. Income arising from cost recharged to tenants is recognised in the period in which the cost can be contractually recovered. The Group records revenue on a gross basis, being the principal controlling the services before transferring them to the customer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Revenue recognition continued

Rental income

Rental income is recognised on a straight-line basis over the term of the lease rental agreement. Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Income from education services

Registration fee is recognised as income when it is received. Tuition fee income is recognised over the period of time over which tuition services are rendered. Tuition fees received in advance are recorded as deferred revenue.

Hospitality

Hospitality revenue corresponds to all the revenues received from guests of the hotels. The services rendered (including room rentals, food and beverage sales and other ancillary services) are distinct performance obligations, for which prices invoiced to the guests are representative of their stand-alone selling prices. These obligations are fulfilled over time when they relate to room rentals, which is over the stay within the hotel, and at a point in time for other goods or services, when they have been delivered or rendered.

Leisure

Leisure businesses comprise revenue from goods sold and services provided at golf courses, beach clubs and marinas, and is recognised at the point when the goods are sold or services are rendered.

Sale of goods

Revenue from sale of goods is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery) or at the point the customer purchases the goods at the warehouse or outlet. Following delivery, the customer has full discretion over the manner of distribution and/or utilization and price to sell the goods and has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a timely basis by reference to the principal outstanding and at the interest rate applicable.

Dividend income

Dividend income from investments is recognised when the right to receive payment has been established.

Foreign currencies

In preparing the financial statements of the Group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES continued

2.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

Foreign currencies continued

Exchange differences are recognised in consolidated statement of profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments / hedge accounting); and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to the consolidated statement of profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in a foreign exchange translation reserve in respect of that operation attributable to the owners of the Company are reclassified to consolidated statement of profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in consolidated statement of profit or loss. For all other partial disposals (i.e., partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to the consolidated statement of profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in consolidated statement of comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

3.1 NEW AND AMENDED IFRSs APPLIED THAT ARE EFFECTIVE FOR THE CURRENT YEAR

The Group adopted the following new standards and amendments effective as of 1 January 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- Lack of exchangeability - Amendments to IAS 21

These amendments had no significant impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

International tax reform - pillar two model rules

The Ministry of Finance issued Cabinet Decision No. (142) of 2024 (the Cabinet Decision) applicable on financial years starting on or after January 1, 2025, to implement the Domestic Minimum Top-up Tax ("DMTT") in line with the "Pillar Two Anti Global Base Erosion Rules" published by the Organisation for Economic Co-operation and Development ("OECD") / G20 Inclusive Framework to address the tax challenges arising from the digitalisation of the global economy.

The Group is in scope of the Cabinet Decision as it operates in multiple jurisdictions and has an annual consolidated revenue which exceeds the prescribed threshold of EUR 750 million in at least two of the four fiscal years immediately preceding financial year 2025.

The Group has applied the temporary exemption issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12 under Pillar 2. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to DMTT.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) continued

3.2 NEW AND REVISED IFRSs IN ISSUE BUT NOT YET EFFECTIVE

At the date of authorisation of these consolidated financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

- Amendments to *IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments* (effective from 1 January 2026);
- Annual Improvements to IFRS Accounting Standards — Volume 11. (effective from 1 January 2026). The pronouncement comprises the following amendments:
 - IFRS 1: Hedge accounting by a first-time adopter;
 - IFRS 7: Gain or loss on derecognition;
 - IFRS 7: Disclosure of deferred difference between fair value and transaction price;
 - IFRS 7: Introduction and credit risk disclosures;
 - IFRS 9: Lessee derecognition of lease liabilities;
 - IFRS 9: Transaction price;
 - IFRS 10: Determination of a ‘de facto agent’; and
 - IAS 7: Cost method;
- Amendments to *IFRS 9 and IFRS 7 – Power Purchase Agreements* (effective from 1 January 2026);
- *IFRS 18 Presentation and Disclosures in Financial Statements* (effective from 1 January 2027);
- *IFRS 19 Subsidiaries without Public Accountability: Disclosures* (effective from 1 January 2027);
- *Amendments to IAS 21 Translation to a Hyperinflationary Presentation Currency* (effective from 1 January 2027)
- *Amendments to IFRS 10 and IAS 28 regarding Sale or Contribution of Assets between an investor and its associate or joint venture* (effective date not yet decided);
- *Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37* (effective date not yet decided)
- *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information* (effective date not yet decided); and
- *IFRS S2 Climate-related Disclosures* (effective date not yet decided).

Except for IFRS 18, the Group does not expect that the adoption of these new and amended standards and interpretations will have a material impact on its consolidated financial statements. With respect to IFRS 18, the Group is currently in the process of assessing the possible impact on its consolidated financial statements.

4 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY

In applying the group’s accounting policies, which are described in note 2, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period that the revision is made, if the revision affects only that period, or in the period of the revision and future periods if it affects both current and future periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY continued

4.1 Critical judgment in applying accounting policies

The following critical judgments, apart from those involving estimations in Note 4.2 below, have been made in the process of applying the Group's accounting policies.

Determination of performance obligations

With respect to the sale of property, the Group concluded the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property under development mainly include design work, procurement of materials and development of the property. Generally, the Group is responsible for all of these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Group accounts for them as a single performance obligation because they are not distinct in the context of the contract. The Group uses those goods and services as inputs and provides a significant service of integrating them into a combined output, i.e., the completed property for which the customer has contracted.

Timing of satisfaction of performance obligations

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. Accordingly, the Group has evaluated the timing of revenue recognition on the sale of properties based on a careful analysis of the rights and obligations under the terms of the contract and legal advice from the Group's legal counsel.

The majority of the Group's contracts relating to the sale of completed property are recognised at a point in time when control transfers. For unconditional exchanges of contracts, control is generally expected to transfer to the customer together with the legal title. For conditional exchanges, this is expected to take place when all the significant conditions are satisfied.

For contracts relating to the sale of property under development in the UAE and England, the Group has generally concluded that the overtime criteria are met and, therefore, recognises revenue over time. These are contracts either for property sold to one customer for the entire land and building or for a multi-unit property. The Group has considered the factors contained in the contracts for the sale of property and concluded that the control of the above-mentioned property(s) is transferred to the customer over time because:

- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. That is, the Group has considered various factors that indicate that the customer controls the part-constructed property as it is being constructed.
- The Group's performance does not create an asset with alternative use. Furthermore, the Group has an enforceable right to payment for performance completed to date. It has considered the factors that indicate that it is restricted (contractually or practically) from readily directing the property under development for another use during its development. In addition, the Group is, at all times, entitled to an amount that at least compensates it for performances for performance completed to date (usually costs incurred to date plus a reasonable profit margin). In making this determination, the Group has carefully considered the contractual terms as well as any legislation or legal precedent that could supplement or override those contractual terms.

For contracts relating to the sale of property under development in Egypt and certain contracts in the United Kingdom, the Group has generally concluded that the overtime criteria are not met and, therefore, recognises revenue at a point in time.

Where contracts are entered into for construction (to construct an asset for the customer), the Group has assessed that based on the contracts entered into with customers and the provisions of relevant laws and regulations, the Group recognises revenue over time because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

The Group has determined that the input method is the best method for measuring progress for these contracts because there is a direct relationship between the costs incurred by the Group and the transfer of goods and services to the customer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY continued

4.1 Critical judgment in applying accounting policies continued

Timing of satisfaction of performance obligations continued

Where contracts are entered into to provide services (property management and facility management), the Group has assessed that based on the contracts entered into with customers and the provisions of relevant laws and regulations, the Group recognises revenue over time because the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point of time, the Group assesses each contract with customers to determine when the performance obligation of the Group under the contract is satisfied.

Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased since initial recognition. IFRS 9 does not define what constitutes an increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

Classification of properties

In the process of classifying properties, the Group makes judgments. Judgment is needed to determine whether a property qualifies as an investment property, property plant and equipment and / or property held for resale. The Group develops criteria so that it can exercise that judgment consistently in accordance with the definitions of those asset categories. In making its judgment, the Group considers the detailed criteria and related guidance for the classification of properties as set out in IAS 2, IAS 16 and IAS 40, in particular, the intended usage of property at the reporting date.

Classification and measurement of financial assets (Business model assessment)

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or FVTOCI that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objectives of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if not, whether a prospective change to the classification of those assets is needed.

Determining whether unsigned (verbal) agreements meet the definition of contract under IFRS 15

Certain projects in the UAE or overseas, are executed on the basis of verbally agreed terms (including estimates of total project cost and timelines) in line with the Group's historical business practice. Such unsigned verbal agreements may meet the definition of a 'contract with customer' under IFRS 15 on the basis of external legal opinions. In addition, under Article 132 of the UAE Civil code and under the Supreme Administrative Court Ruling in Case no. 134 of 42 Judicial Year dated 22 July 1997 a contract can be oral or written and a contract can also result from acts which demonstrate the presence of mutual consent between the relevant parties.

Contract assets represent amounts relating to work performed which is yet to be billed to customers for signed and unsigned contracts. Judgement is applied to determine the amounts of revenue and contract assets recognised and recoverability related to unsigned contracts. These judgments are reviewed periodically, and adjustments are made accordingly any changes thereon may have an impact on the amount of revenue and contract assets recognized in these consolidated financial statements. Contract assets for unsigned contracts as at 31 December 2025 are AED 704 million (2024: AED 522 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY continued

4.1 Critical judgment in applying accounting policies continued

Determining the lease term

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Joint arrangements

For assessing joint control, the Group considers the contractual agreement of sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. For the purpose of assessing whether a joint arrangement is a joint venture or joint operation, the Group considers whether it has joint rights to the net assets of the arrangement, in which case these are treated as joint ventures, or rights to the assets and obligations for the liabilities relating to the arrangement, in which case these are treated as joint operations.

Hybrid equity instruments

Judgment is applied to determine whether a financial instrument, or its component parts, on initial recognition should be classified as a financial liability, a financial asset or an equity instrument in accordance with their respective definitions and the substance of the contractual arrangement based on guidance as set out in IAS 32. Based on the criteria, the Group concluded that certain hybrid equity instruments are a part of equity.

Principal versus agent consideration

The Group's performance obligation in one of the subsidiaries is to arrange for the provision of the specified goods or services on behalf of another party. The Group does not control the specified goods or services provided by another party until those goods or services are transferred to the party. When the Group satisfies a performance obligation, the Group recognises revenue to the extent of management fee in exchange for arranging for the specified goods or services.

The Group's primary obligation is to arrange for development services for development projects, and accordingly, the Group acts as agent on those development projects since:

- the Group does not control the specified goods or services provided by other parties before the services are transferred to the customer;
- primary responsibility for the fulfilling the promise does not rest with the Group;
- the Group does not bear any inventory risk since the ownership of the infrastructure, as set out in the management contracts;
- the Group does not have the price risk on the development contracts; and
- customers retains the right to remove the Group as manager for the development projects based on its convenience without default from the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY continued

4.1 Critical judgment in applying accounting policies continued

Control over Aldar Properties PJSC ("Aldar")

The Group has control of Aldar through a business combination and classified it as a subsidiary, notwithstanding its ownership of less than half of the outstanding share capital. The Group determined that it controls Aldar based on the following criteria:

- a) the Group has appointed four out of the total seven members of Aldar's board ("Board") with effect from 11 April 2022;
- b) resolutions of the Board and therefore decisions, are issued based on a simple majority, thus giving the Group outright control over decision making by the Board;
- c) in accordance with Aldar's articles of association, the Board is fully empowered to manage and carry out all acts and transactions on behalf of the entity, including supervision of Aldar's business affairs, ensuring the effectiveness of governance, overseeing management, as well as appointing and removing Aldar's senior management; and
- d) the Group is the single largest shareholder of Aldar with almost 32% of the outstanding share capital.

In making this judgement, the Group considered the absolute size of its holding in Aldar, ability of other shareholders to limit its nominations to the Board, and the Group's majority representation on the Board. Therefore, based on the above factors, the Group has clearly established control over Aldar and accordingly its results have been included in these consolidated financial statements.

4.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are explained below:

Discount rate used for initial measurement of lease liability

The Group, as a lessee, measures a lease liability at the present value of the unpaid lease payments at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If not on initial recognition of the lease, the Group uses its incremental borrowing rate. Incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in a similar economic environment.

Percentage-of-completion

The Group uses the input method to recognise revenue for the efforts or inputs towards satisfaction of a performance obligation in accounting for its construction contracts. This is done by measuring the costs incurred to date relative to the total expected costs to be incurred (forecast final costs).

At each reporting date, the Group is required to estimate the stage of completion and costs necessary to complete its construction contracts. These estimates require the Group to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. These estimates also include the cost of potential claims by subcontractors and the cost of meeting outstanding contractual obligations to customers. Effects of any revision to these estimates are reflected when the estimates are revised. Factors such as delays in expected completion date, changes in the scope of work, changes in material prices, changes in labour and other costs, are included in the expected construction cost estimates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY continued

4.2 Key sources of estimation uncertainty continued

Percentage-of-completion continued

In applying the input method, the Group estimates the efforts or inputs to the satisfaction of a performance obligation. In addition to the cost of meeting contractual obligation to the customers, these estimates mainly include:

- For development contracts, the cost of development and related infrastructure;
- For construction contracts, the certified works as evaluated by project consultants; and
- For services contracts, the time elapsed.

Useful lives and residual values of property, plant and equipment, intangible assets, and investment properties

Management reviews the estimated useful lives and residual values of property and equipment, intangible asset and investment properties at the end of each annual reporting period in accordance with *IAS 16 Property, Plant and Equipment*, *IAS 38 Intangible Assets* *IAS 40 Investment properties*. Management determined that current year expectations do not differ from previous estimates based on its review.

Impairment of investment in associates and joint ventures

In testing for impairment, the Group evaluates the specific investee's profitability, liquidity, solvency and ability to generate operating cash flows for the foreseeable future. Any shortfall between the estimated recoverable amount and the carrying value of investment is recognised as an expense in the consolidated statement of profit or loss.

Fair value measurements and valuation processes

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group either engage third party qualified valuers to perform the valuation or use internal specialist to fair value the assets and liabilities. The valuations of private equity investments, contingent consideration in business combinations and nonderivative financial assets held for trading are particularly sensitive to changes in one or more unobservable inputs which are considered reasonably possible within the next financial year. Further information on the carrying amounts of these assets and the sensitivity of those amounts to changes in unobservable inputs are provided in Note 44.

Derivative financial instruments

The fair values of derivative financial instruments measured at fair value are generally obtained by reference to quoted market prices, discounted cash flow models and recognised pricing models as appropriate. When independent prices are not available, fair values are determined by using valuation techniques which refer to observable market data. These include comparison with similar instruments where market observable prices exist, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

Calculation of ECL

When measuring ECL the Group uses reasonable and supportable forward-looking information and estimates, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL and is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY continued

4.2 Key sources of estimation uncertainty continued

Estimation of NRV for inventories and development work-in-progress

Properties classified as development work-in-progress are stated at the lower of cost or NRV. NRV is assessed with reference to sales prices, costs of completion, development plans and market conditions existing at the end of the reporting period. For certain properties, NRV is determined by the Group having taken suitable external advice and in the light of recent market transactions, where available.

The determination of NRV of plots of land held-for-sale is based on external valuations using various valuation methodologies and techniques that take into account property-specific information such as forecast selling prices, site planning (including planning consent), build costs, cost recoveries, sales rates (per square meter) and discount rates etc., all of which contain an element of judgement and uncertainty.

Forecasted selling prices have inherent uncertainty due to changes in market conditions. Forecasted building costs can vary with market conditions and may also be incorrectly estimated due to changes in site planning, style of build or unforeseen circumstances arising during construction.

NRV for completed properties is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions in the same market segment.

NRV in respect of development work-in-progress is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete the development and the estimated costs necessary to make the sale, taking into account the time value of money.

Allowance for slow moving and obsolete inventories

When inventories become old or obsolete, an estimate is made of their NRV. Inventory items are categorised based on their movements during the year, their physical condition and their expected future use, and accordingly an allowance for impairment is estimated. Revisions to the allowance for slow moving inventories would be required if the outcome of these indicative factors differ from earlier estimates.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value which necessarily involves making numerous estimates and assumptions regarding revenue growth, operating margins, appropriate discount rates and working capital requirements. These estimates will likely differ from future actual results of operations and cash flows, and it is possible that these differences could be material.

The Group has conducted a sensitivity analysis of the impairment test by changing key assumptions used to determine the recoverable amount of cash-generating units to which goodwill is allocated. It concluded that any reasonably possible change in the key assumptions on which the recoverable amount of Goodwill is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related cash-generating units.

Impairment of non-financial assets

Property, plant and equipment, right of use assets, biological assets and investment property are assessed for impairment based on assessment of cash flows on individual cash generating units when there is indication of impairment. Cash flows are determined based on contractual agreements and estimations over the useful life of the assets and discounted using a range of discounting rates representing the rate of return on such cash generating units. The net present values are compared to the carrying amounts to assess any probable impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY continued

4.2 Key sources of estimation uncertainty continued

Legal claims and contingencies

When assessing the possible outcomes of legal claims and contingencies, the Group gathers all available facts, and seeks to ascertain the likely outcome using opinions of legal counsel where appropriate. The opinion of legal counsel is based on their professional judgment, interpretation of facts, current stage of proceedings and legal experience accumulated with respect to similar matters. As the results of the claims may ultimately be determined by courts or otherwise settled, they may be different from the Group's estimates (Note 14).

Uncertain tax positions

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences may arise between the actual results and adjustments to tax income and expense already recorded. Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Assessing the recoverability of deferred income tax assets requires the Group to make assumptions related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted.

Fair value of identifiable assets and liabilities

As stated in Note 41, the identifiable assets acquired, and the liabilities assumed in business combination are recognised at their fair value. In estimating the fair value of an asset or a liability, the Group engaged third party valuation specialists to perform the valuation. The underlying assumptions and estimates in assessing the fair values are as detailed within Note 6 and 7.

Alpha Dhabi Holding PJSC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5 PROPERTY, PLANT AND EQUIPMENT

	<i>Land AED '000</i>	<i>Buildings and base facilities AED '000</i>	<i>Dredgers, machinery and equipment AED '000</i>	<i>Barges, support vessels and vehicles AED '000</i>	<i>Furniture, equipment and leasehold improvements AED '000</i>	<i>Capital work- in-progress AED '000</i>	<i>Total AED '000</i>
Cost and impairment:							
At 1 January 2024	270,881	12,608,144	3,511,569	7,400,419	1,986,036	1,853,109	27,630,158
Additions	-	437,862	993,632	842,744	230,187	1,195,052	3,699,477
Acquired through business combinations (Note 41.2)	-	-	181,522	390	83,682	669	266,263
Impairment	-	(11,315)	(80)	-	(12,673)	-	(24,068)
Transfers	-	323,839	80,582	155,480	49,120	(609,021)	-
Transfer to a joint venture	-	-	-	-	-	(689)	(689)
Transfer from inventories	45,400	-	-	-	-	-	45,400
Transfer (to) / from development work in progress (Note 17)	(40,290)	33,129	-	-	-	-	(7,161)
Transfer from investment properties (Note 8)	-	21,370	-	-	-	-	21,370
Write-off	-	-	(11)	-	(1,458)	-	(1,469)
Disposals	-	(32,712)	(15,842)	(39,625)	(2,205)	-	(90,384)
Derecognition of subsidiaries (Note 37)	-	-	-	(160)	(19,023)	-	(19,183)
Foreign currency translation differences	(98)	(31,210)	(7,846)	(2,267)	(8,494)	(13,148)	(63,063)
At 31 December 2024	275,893	13,349,107	4,743,526	8,356,981	2,305,172	2,425,972	31,456,651
Additions	-	221,476	231,664	907,205	335,991	1,079,586	2,775,922
Acquired through business combinations (Note 41.1)	1,162,925	1,034,898	265,779	216,730	543,843	915	3,225,090
Impairment	-	-	-	(88)	(2,132)	-	(2,220)
Transfers	-	870,633	126,212	540,133	(72,393)	(1,464,585)	-
Transfer from / (to) investment properties (Note 8)	-	9,753	-	-	-	(161,462)	(151,709)
Write-off	-	(3,333)	(50)	(3,852)	(19,486)	(14,781)	(41,502)
Disposals	-	(7,494)	(20,618)	(88,721)	(24,873)	-	(141,706)
Derecognition of subsidiaries (Note 37)	-	(7,137)	117,098	-	(118,310)	-	(8,349)
Foreign currency translation differences	99	8,079	16,244	503	3,783	10,275	38,983
At 31 December 2025	1,438,917	15,475,982	5,479,855	9,928,891	2,951,595	1,875,920	37,151,160

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5 PROPERTY, PLANT AND EQUIPMENT

	<i>Land</i> <i>AED '000</i>	<i>Buildings and</i> <i>base facilities</i> <i>AED '000</i>	<i>Dredgers,</i> <i>machinery and</i> <i>equipment</i> <i>AED '000</i>	<i>Barges,</i> <i>support</i> <i>vessels and</i> <i>vehicles</i> <i>AED '000</i>	<i>Furniture,</i> <i>equipment and</i> <i>leasehold</i> <i>improvements</i> <i>AED '000</i>	<i>Capital work-</i> <i>in-progress</i> <i>AED '000</i>	<i>Total</i> <i>AED '000</i>
Accumulated depreciation and impairment							
At 1 January 2024	-	6,161,914	1,703,230	3,956,483	1,552,941	11,060	13,385,628
Charge for the year	-	379,040	324,926	484,150	201,674	-	1,389,790
Charge for the year from disposal group	-	-	-	17	1,647	-	1,664
Acquired through business combinations (Note 41.2)	-	-	61,482	293	45,869	-	107,644
Transfer	-	-	50,004	-	(50,004)	-	-
Write-off	-	-	(10)	-	(1,045)	-	(1,055)
Impairment	-	(3,394)	(39)	-	(6,780)	-	(10,213)
Disposals	-	(12,868)	(15,301)	(37,784)	(2,162)	-	(68,115)
Derecognition of subsidiaries (Note 37)	-	-	-	(131)	(14,644)	-	(14,775)
Foreign currency translation differences	-	(2,827)	(2,722)	(1,076)	(4,648)	-	(11,273)
At 31 December 2024	-	6,521,865	2,121,570	4,401,952	1,722,848	11,060	14,779,295
Charge for the year	-	447,642	353,723	784,583	215,069	-	1,801,017
Acquired through business combinations (Note 41.1)	-	431,680	153,861	155,098	323,008	-	1,063,647
Transfer	-	537	89,544	(252)	(89,829)	-	-
Transfers to investment properties (Note 8)	-	(12,290)	-	-	-	-	(12,290)
Write-off	-	(908)	(1,686)	(169)	(16,612)	-	(19,375)
Impairment	-	(136)	-	(88)	(1,670)	-	(1,894)
Disposals	-	(7,327)	(20,439)	(77,232)	(22,151)	-	(127,149)
Derecognition of subsidiaries	-	(1,968)	-	-	(174)	-	(2,142)
Foreign currency translation differences	-	306	2,841	232	1,533	-	4,912
At 31 December 2025	-	7,379,401	2,699,414	5,264,124	2,132,022	11,060	17,486,021
Carrying amount:							
At 31 December 2025	1,438,917	8,096,581	2,780,441	4,664,767	819,573	1,864,860	19,665,139
At 31 December 2024	275,893	6,827,242	2,621,956	3,955,029	582,324	2,414,912	16,677,356

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5 PROPERTY, PLANT AND EQUIPMENT continued

The Group owns plots of land in the UAE and overseas on which assets are being constructed and / or operated.

Capital work-in-progress includes the costs incurred on construction of labour camps, buildings and other major assets, which will be capitalised to the respective asset categories on completion.

Depreciation charge for the year has been allocated in the consolidated statement of profit or loss as follows:

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Direct costs (Note 33)	1,301,099	872,183
General, administrative and selling expenses (Note 34)	499,918	517,607
	<hr/>	<hr/>
	1,801,017	1,389,790
	<hr/>	<hr/>

Assets pledged as security

Freehold land, buildings, vehicles, vessels and dredgers with a carrying amount of AED 4,758 million (2024: AED 3,009 million) have been pledged to secure bank borrowings of the Group (Note 27).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6 INTANGIBLE ASSETS

	<i>Software and licenses AED '000</i>	<i>Customer related intangibles AED '000</i>	<i>Brands and trademark AED '000</i>	<i>Total AED '000</i>
Cost and impairment				
At 1 January 2024	265,756	1,206,451	1,739,456	3,211,663
Additions	52,505	15	2	52,522
Acquired through business combinations (Note 41.2)	96	2,366	152,738	155,200
Write-off	(312)	-	-	(312)
Impairment	-	(4,963)	(1,655)	(6,618)
Foreign currency translation differences	(405)	(6,204)	(2,542)	(9,151)
At 31 December 2024	317,640	1,197,665	1,887,999	3,403,304
Additions	175,791	-	882	176,673
Acquired through business combinations (Note 41.1)	6,472	182,700	610,761	799,933
Derecognition of subsidiaries	(8)	-	-	(8)
Adjustments of purchase price allocation relating to prior year business combination (Note 41.3)	-	-	26,619	26,619
Disposals	(2,351)	-	-	(2,351)
Write-off	(292)	-	-	(292)
Impairment	(111)	-	(2,483)	(2,594)
Foreign currency translation differences	252	623	7,987	8,862
At 31 December 2025	497,393	1,380,988	2,531,765	4,410,146
Accumulated amortization				
At 1 January 2024	152,499	291,091	29,823	473,413
Charge for the year	51,778	164,172	25,951	241,901
Acquired through business combinations (Note 41.2)	63	-	1,481	1,544
Write-off	(77)	-	-	(77)
Foreign currency translation differences	(275)	(1,873)	(302)	(2,450)
At 31 December 2024	203,988	453,390	56,953	714,331
Charge for the year	79,852	187,769	44,716	312,337
Acquired through business combinations (Note 41.1)	2,076	-	-	2,076
Derecognition of subsidiaries	(8)	-	-	(8)
Disposals	(343)	-	-	(343)
Write-off	(186)	-	-	(186)
Foreign currency translation differences	180	769	359	1,308
At 31 December 2025	285,559	641,928	102,028	1,029,515
Carrying amount				
At 31 December 2025	211,834	739,060	2,429,737	3,380,631
At 31 December 2024	113,652	744,275	1,831,046	2,688,973

Customer related intangibles and brands include intangible assets acquired through business combinations. The customer related intangibles have useful life of 2 to 10 years. The major assumptions used in the calculation for brands include discount rate in the range of 5.8% to 20% and growth rate up to 2% and for customer related intangibles include discount rate in the range of 14% to 19.4% and growth rate up to 2%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6 INTANGIBLE ASSETS continued

Amortisation for the year has been allocated in the consolidated statement of profit or loss as follows:

	2025 AED'000	2024 AED'000
Direct costs (Note 33)	81,904	82,087
General, administrative and selling expenses (Note 34)	230,433	159,814
	312,337	241,901

7 GOODWILL

	2025 AED'000	2024 AED'000
At 1 January	4,249,695	4,025,991
Acquired through business combinations (Note 41.1 and 41.2)	554,646	253,850
Derecognition of subsidiaries	(24,763)	-
Foreign currency translation differences	62,448	(36,425)
Adjustments of purchase price allocation relating to prior year business combination (Note 41.3)	(10,615)	6,279
At 31 December	4,831,411	4,249,695

For the purpose of impairment testing goodwill acquired through business combination is allocated to cash generating units ('CGU') as follows:

	Real estate AED'000	Hospitality AED'000	Others AED'000	Total AED'000
At 31 December 2025				
Goodwill	2,135,962	1,430,438	1,265,011	4,831,411
At 31 December 2024				
Goodwill	2,135,307	993,265	1,121,123	4,249,695

During the year ended 31 December 2025, the Group performed its annual impairment assessments of goodwill, brand and licenses with indefinite useful lives using the discounted cashflow model approach to calculate the value in use for the respective cash generating units. For the purpose of the impairment testing, goodwill was allocated to the respective cash generating units based on the respective enterprise values. The Group has assessed that the recoverable amounts of the cash generating units exceed their carrying values and so no impairment loss is required to be recognised against goodwill at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

7 GOODWILL continued

The following key assumptions were used in the discounted cash flows model:

	Real estate		Hospitality		Others	
	2025	2024	2025	2024	2025	2024
Terminal growth rate	2.0%	2.0%	2.0% - 3.0%	2.0% - 3.0%	4.1% - 5.0%	4.1% - 5.0%
	12.90 –		12.0% -	12.4% -	10.1% -	10.1% -
Discount rate	14.1%	14.1%	13.4%	13.4%	13.5%	11.0%

8 INVESTMENT PROPERTIES

	Land AED '000	Completed properties AED '000	Property under construction AED '000	Total AED '000
Cost and impairment				
At 1 January 2024	1,393,377	23,149,876	767,907	25,311,160
Additions	658,767	886,945	662,440	2,208,152
Transfer	(311,554)	109,185	202,369	-
Transfer to property, plant, and equipment (Note 5)	-	-	(21,370)	(21,370)
Transfer from development work-in- progress (Note 17)	-	12,934	-	12,934
Disposals	-	(458,295)	-	(458,295)
Impairment (Note 34)	-	(260,244)	-	(260,244)
Foreign currency translation differences	-	(69,168)	(55,658)	(124,826)
At 31 December 2024	1,740,590	23,371,233	1,555,688	26,667,511
Additions*	639,312	4,431,592	842,402	5,913,306
Transfer	-	299,953	(299,953)	-
Transfer (to) / from property, plant, and equipment (Note 5)	-	(9,753)	161,462	151,709
Transfer from development work-in- progress (Note 17)	-	-	12,048	12,048
Transfer to inventories	(561,241)	-	-	(561,241)
Disposals	-	(76,264)	-	(76,264)
Impairment (Note 34)	-	(189,206)	-	(189,206)
Foreign currency translation differences	-	12,966	6,118	19,084
At 31 December 2025	1,818,661	27,840,521	2,277,765	31,936,947

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

8 INVESTMENT PROPERTIES continued

	Land AED '000	Completed properties AED '000	Property under construction AED '000	Total AED '000
Accumulated depreciation				
At 1 January 2024	-	1,275,110	-	1,275,110
Charge for the year (Note 33)	-	664,473	-	664,473
Disposals	-	(47,588)	-	(47,588)
Foreign currency translation differences	-	(3,368)	-	(3,368)
At 31 December 2024	-	1,888,627	-	1,888,627
Charge for the year (Note 33)	-	729,482	-	729,482
Transfer from property, plant, and equipment (Note 5)	-	12,290	-	12,290
Disposals	-	(3,059)	-	(3,059)
Foreign currency translation differences	-	747	-	747
At 31 December 2025	-	2,628,087	-	2,628,087
Carrying amount				
At 31 December 2025	1,818,661	25,212,434	2,277,765	29,308,860
At 31 December 2024	1,740,590	21,482,606	1,555,688	24,778,884

*Additions include investment properties of AED 4,539,875 thousand (2024: AED Nil) arising as a result of acquisition of entities accounted for as asset acquisitions during the year (Note 41.4).

Investment properties includes plots of land as well as commercial and residential properties in the United Arab Emirates, Egypt, Iraq and Seychelles.

Plots of land

A market-based valuation suggests that the fair value of the Group's plots of land approximates AED 1,904,558 thousand at 31 December 2025 (2024: AED 1,743,166 thousand).

Commercial and residential properties

The fair value of the commercial and residential properties as at 31 December 2025 amounted to AED 32,393,800 thousand (2024: AED 26,412,714 thousand)

Property under construction

The fair value of the property under construction as at 31 December 2025 amounted to AED 2,387,287 thousand (2024: AED 1,608,291 thousand)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

8 INVESTMENT PROPERTIES continued

A description of the valuation techniques used and key inputs to the valuations of investment properties as at 31 December 2025 and 2024 is as follows:

Property	Valuation technique	Significant inputs	Sensitivity
Plots of land	Residual method	Sales rate and discount rate	Changes in micro and macro-economic conditions would cause a significant impact.
Completed properties	Income capitalisation method, discounted cashflow	Capitalisation approach, annual market rent, discount rate	Changes in multiple inputs could result in a significant impact on the value.
Property under construction	Income capitalisation method, discounted cashflow	Capitalisation of construction costs incurred	Changes in multiple inputs could result in a significant impact on the value.

Details of rental income relating to investment properties are as follows:

	2025	2024
	AED'000	AED'000
Rental income	2,858,449	2,329,766
Direct operating costs	783,401	716,660

Assets pledged as security

Investment properties with a carrying amount of AED 240 million (2024: AED 247 million) have been pledged to secure bank borrowings of the Group (Note 27).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

9 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**Right-of-use assets**

The Group leases several assets, with approximate lease terms ranging from 1 to 65 years (2024: 1 to 65 years).

Set out below are the carrying amounts and movement of right-of-use assets:

	<i>Land</i> <i>AED '000</i>	<i>Building</i> <i>AED '000</i>	<i>Machinery</i> <i>AED '000</i>	<i>Total</i> <i>AED '000</i>
Cost:				
At 1 January 2024	954,456	823,323	12,744	1,790,523
Additions	346,802	249,939		596,741
Acquisition of entities under common control	-	(2,118)	-	(2,118)
Acquired through business combinations (Note 41.2)	-	231,767	-	231,767
Lease modifications and cancellations for the year	(5,979)	17,297	-	11,318
Derecognition of subsidiaries (Note 37)	-	(15,287)	-	(15,287)
Foreign currency translation differences	(877)	(12,533)	-	(13,410)
At 31 December 2024	1,294,402	1,292,388	12,744	2,599,534
Additions	687,873	476,716	-	1,164,589
Acquired through business combinations (Note 41.1)	3,931	129,056	-	132,987
Lease modifications and cancellations for the year	(7,592)	(159,038)	-	(166,630)
Adjustments of purchase price allocation relating to prior year business combination (Note 41.3)	-	1,161	-	1,161
Derecognition of subsidiaries	-	(214)	-	(214)
Foreign currency translation differences	908	23,713	-	24,621
At 31 December 2025	1,979,522	1,763,782	12,744	3,756,048

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

9 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES continued**Right-of-use assets** continued

	<i>Land AED '000</i>	<i>Building AED '000</i>	<i>Machinery AED '000</i>	<i>Total AED '000</i>
Accumulated depreciation:				
At 1 January 2024	136,906	139,624	4,477	281,007
Charge for the year	95,793	97,254	2,533	195,580
Acquisition of entities under common control	-	(2,118)	-	(2,118)
Acquired through business combinations (Note 41.2)	-	141,853	-	141,853
Lease modifications and cancellations for the year	-	(4,010)	-	(4,010)
Derecognition of subsidiaries (Note 37)	-	(14,640)	-	(14,640)
Foreign currency translation differences	374	(3,764)	-	(3,390)
At 31 December 2024	233,073	354,199	7,010	594,282
Charge for the year	227,695	157,272	2,533	387,500
Acquired through business combinations (Note 41.1)	-	12,244	-	12,244
Lease modifications and cancellations for the year	-	(100,471)	-	(100,471)
Foreign currency translation differences	-	11,389	-	11,389
At 31 December 2025	460,768	434,633	9,543	904,944
Carrying amount:				
At 31 December 2025	1,518,754	1,329,149	3,201	2,851,104
At 31 December 2024	1,061,329	938,189	5,734	2,005,252

Amounts recognised in relation to right-of-use assets and lease liabilities in the consolidated statement of profit or loss during the year is as follows:

	<i>2025 AED '000</i>	<i>2024 AED '000</i>
Depreciation	387,500	195,276
Depreciation for assets of disposal group	-	304
Expense relating to short-term lease and low value assets	125,013	118,998
Loss/ (gain) on lease cancellations and modifications (Note 35)	49,347	(31,706)
Finance costs (Note 36)	100,660	101,004
Finance costs for assets of disposal group	-	47
	662,520	383,922

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

9 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES continued**Right-of-use assets** continued

Depreciation for the year has been allocated in the consolidated statement of profit or loss as follows:

	2025 <i>AED '000</i>	2024 <i>AED '000</i>
Direct costs (Note 33)	161,534	45,008
General, administrative and selling expenses (Note 34)	225,966	150,268
	<u>387,500</u>	<u>195,276</u>

Assets pledged as security

Right-of-use-assets amounting to AED Nil (2024: AED 44 million) have been pledged to secure bank borrowings of the Group (Note 27).

Lease liabilities

Set below are the carrying amount of lease liabilities and movements during the year:

	2025 <i>AED '000</i>	2024 <i>AED '000</i>
At 1 January	2,010,583	1,530,366
Acquired in business combinations (Note 41.1 and 41.2)	122,832	90,150
Additions	1,164,589	590,062
Finance costs (Note 36)	130,090*	101,004
Finance costs for assets of disposal group	-	47
Lease modifications and cancellations	(16,812)	(16,378)
Derecognition of subsidiaries	(3,590)	(610)
Foreign currency translation differences	12,021	(15,059)
Adjustments of purchase price allocation relating to prior year business combination (Note 41.3)	925	-
Payment of lease liabilities	(491,600)	(268,999)
At 31 December	<u>2,929,038</u>	<u>2,010,583</u>

*includes AED 29,430 thousand that has been capitalized to development work-in-progress in accordance with IAS 23 (Borrowing costs).

Lease liabilities are presented in the consolidated statement of financial position as follows:

	2025 <i>AED '000</i>	2024 <i>AED '000</i>
Amounts due for settlement within 12 months	417,624	233,270
Amounts due for settlement after 12 months	2,511,414	1,777,313
	<u>2,929,038</u>	<u>2,010,583</u>

Maturity analysis of lease liabilities is disclosed in note 45.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

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

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Investment in associates	14,021,840	16,050,844
Investment in joint ventures	3,393,121	2,285,575
	17,414,961	18,336,419

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

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Investment in associates	381,983	443,858
Investment in joint ventures	240,993	163,866
	622,976	607,724

The movement in investment in associates is as follows:

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
At 1 January	16,050,844	17,103,990
Additions	175,516	496,755
Dividends received	(166,836)	(22,689)
Share of other comprehensive loss	(217,917)	(40,241)
Foreign exchange translation difference	36,462	(27,815)
Share of results	381,983	443,858
Derecognition of associates (b)	(1,056,845)	(2,621,199)
Asset of the group classified as held-for-sale (Note 37)	(318,539)	-
Other movements (a, c)	(862,828)	718,185
At 31 December	14,021,840	16,050,844

- a) During the year 2024, Pure Health Holding PJSC, an associate ("Pure Health") acquired 75% shareholding in Sheikh Shakhboub Medical City LLC - OPC ('SSMC') from one of its shareholders for nil consideration. This resulted in an increase in the Group's share of Pure Health net assets by AED 718,185 thousand, which was recognised as an increase in the investment in Pure Health with a corresponding gain. During 2025, and as a result of the finalization of the purchase price allocation related to SSMC, the Group's share of Pure Health net assets decreased by AED 142,497 thousand which was recorded as a reduction in the investment in Pure health with a corresponding loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

b) During the current year, the Group acquired control over the following associates (Note 41.1):

- NCTH;
- Nammos World Sarl;
- Wisy Management Cyprus; and
- Em Sherif Holding Ltd.

As a result of these acquisitions, the investments in these entities were derecognised as associates. The fair value of the Group's previously held equity interests was reclassified and included as part of the investment in subsidiaries.

Further, during the year, the Group disposed of its 44.44% equity interest in Wisy Holding Cyprus in exchange for an additional 37.53% ownership interest in Nammos Holding STA LTD. Consequently, the investment in Wisy Holding Cyprus was derecognised as an associate (note 37). The acquisition of the additional equity stake in Nammos Holding STA LTD was accounted for as an equity transaction, with any resulting gain or loss recognised directly in retained earnings (Note 41 & 42).

The (loss) / gain on derecognition of investment in associates is recognised in the consolidated statement of profit or loss for the year ended 31 December 2025 as follows:

	<i>NCTH</i>	<i>Nammos World Sarl</i>	<i>Wisy Management Cyprus</i>	<i>Em Sherif Holding Ltd.</i>	<i>Total</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Fair value of the investment on derecognition	834,352	70,899	18,794	278,434	1,202,479
Carrying value of the investment	(867,285)	(33,901)	(2,177)	(153,482)	(1,056,845)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
(Loss) / gain on derecognition	(32,933)	36,998	16,617	124,952	145,634
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

On 27 February 2024, Modon Holding PSC ('Modon') (formerly, Q Holding PSC) acquired 100 % share capital of Abu Dhabi National Exhibitions Company ('ADNEC'), Modon Properties PJSC ('Modon Property'), Miza Investments LLC, Sahel 1 Restricted Limited, Sahel 2 Restricted Limited, and Oryx Action Restricted Limited from ADQ Real Estate and Hospitality LLC ('ADQ') and IHC Capital Holding LLC ('IHC') and issued new shares in Modon to ADQ and IHC.

This resulted in a decrease in the Group's share of investment in Modon and diluted the Group's ownership interest in Modon from 20.39% to 8.55%. Based on this transaction, the Group has determined that it no longer holds significant influence over Modon. This conclusion arose from the loss of the Group's ability to appoint any board member within Modon, indicating a significant change in the level of significant influence over Modon's strategic decisions and operations.

As a result, investment in Modon was derecognised on 27 February 2024 as an investment in an associate and recognised as a financial investment under IFRS 9.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

The gain on derecognition of investment in Modon on dilution of ownership interest is recognised in the consolidated statement of profit or loss as follows:

	<i>AED '000</i>
Fair value of the investment in Modon Holding PSC	4,038,879
Carrying value of the investment on dilution	(2,621,199)
	<hr/>
Gain on derecognition	1,417,680
	<hr/> <hr/>

- c) During the current year, an associate granted cash settled put options to the non-controlling interests (NCI) of two of its subsidiaries, allowing the NCI to sell their shares to the associate at future dates for prices determined in accordance with future performance measures. At 31 December 2025, the associate recognised financial liabilities for the present value of the options estimated exercise prices and derecognised the related NCI, with the difference between the put liabilities and the NCI of AED 2,046,308 thousand recorded directly in the associate's retained earnings. As a result, the Group's share of the associate's net assets decreased by AED 717,351 thousand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

The latest available financial information in respect of the Group's associates is summarised below:

	<i>Purehealth</i>	<i>PAL 4 Solar</i>	<i>Wisy Holding</i>	<i>Others</i>	<i>Total</i>	<i>Total 2024 AED '000</i>
	<i>2025</i>					
Non-current assets	35,879,477	1,420,780	-	2,501,392	39,801,649	31,386,561
Current assets	20,020,724	64,239	-	3,619,987	23,704,950	27,097,673
Non-current liabilities	(24,032,587)	-	-	(111,064)	(24,143,651)	(17,370,888)
Current liabilities	(14,801,136)	(8,039)	-	(3,573,735)	(18,382,910)	(15,407,590)
Total net equity	17,066,478	1,476,980	-	2,436,580	20,980,038	25,705,756
Attributable to:						
Owners of the entity	17,048,685	1,476,980	-	2,436,580	20,962,245	25,688,055
Non-controlling interests	17,793	-	-	-	17,793	17,701
Total net equity	17,066,478	1,476,980	-	2,436,580	20,980,038	25,705,756
Group's share of net assets	5,978,105	237,134	-	886,569	7,101,808	8,675,094
Intangible assets	1,589,870	-	-	-	1,589,870	1,855,498
Goodwill	4,933,870	-	-	181,496	5,115,366	5,428,572
Other adjustments	-	58,485	-	156,311	214,796	91,680
At 31 December	12,501,845	295,619	-	1,224,376	14,021,840	16,050,844

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

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

	<i>Purehealth</i>	<i>PAL 4 Solar</i>	<i>Wisy Holding</i>	<i>Others</i>	<i>Total</i>	<i>Total</i>
			<i>2025</i>			<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Revenue	27,311,962	-	-	2,976,138	30,288,100	29,038,968
Profit / (loss) for the year	1,327,474	(970,927)	248	190,409	547,204	1,198,901
Group's share of profit / (loss) for the year	465,357	(194,185)	110	110,701	381,983	443,858
Other comprehensive loss	(616,394)	(3,274)	(779)	(2,314)	(622,761)	(113,753)
Group's share of other comprehensive loss	(216,082)	(655)	(346)	(834)	(217,917)	(40,241)
Dividend	(120,292)	-	-	(46,544)	(166,836)	(22,689)

Contingencies and commitments:

The Group's share in material contingencies and commitments of associates are as follows:

	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>
Capital commitments	557,697	557,422
Letters of guarantee	385,167	292,442

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

	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>
At 1 January	2,285,575	1,060,165
Additions	484,539	1,096,188
Acquired through business combinations (Note 41.1 and 41.2)	298,149	5,971
Foreign exchange translation differences	11,978	(10,032)
Share of results	240,993	163,866
Share of other comprehensive income / (loss)	53,583	(15,879)
Dividends received	(27,335)	(20,994)
Disposals	(57,899)	-
Transfer to joint operation	(12,661)	-
Others	116,199	6,290
At 31 December	3,393,121	2,285,575

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

- a) During the year, a subsidiary of the Group disposed of its investments in joint ventures — *South Development 1* and *South Development 2*. A gain of AED 877 thousand was recognized on the disposal of these investments and has been recorded in the consolidated statement of profit or loss during the year ended, as follows:

	2025 AED '000
Proceeds from disposal	43,776
Carrying value of the investments	(42,899)
Gain on disposal	877

- b) During the year, a subsidiary of the Group derecognised its investment in the joint venture *South Development 3*, which had a carrying value of AED 15,000 thousand, and reclassified it as an investment in a subsidiary following the acquisition of an additional 50% equity interest for no additional consideration. The acquired entity is currently not operational.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10 INVESTMENT IN ASSOCIATES AND JOINT VENTURES continued

The financial information in respect of the Group's interest in joint ventures are summarised below:

	2025					2024
	<i>WIO Holding</i>	<i>Micad</i>	<i>Enersol</i>	<i>Others</i>	<i>Total</i>	<i>Total</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Non-current assets	57,314	-	2,974,276	890,296	3,921,886	1,982,483
Current assets	61,019,573	5,534,204	862,529	5,139,677	72,555,983	44,772,079
Non-current liabilities	-	(3,476,212)	(397,764)	(399,053)	(4,273,029)	(2,243,536)
Current liabilities	(58,099,424)	(36,235)	(198,015)	(4,847,142)	(63,180,816)	(38,429,558)
Total net equity	2,977,463	2,021,757	3,241,026	783,778	9,024,024	6,081,468
Attributable to:						
Owners of the entity	1,935,351	2,014,972	2,783,808	783,778	7,517,909	5,114,588
Non-controlling Interests	1,042,112	6,785	457,218	-	1,506,115	966,880
Total net equity	2,977,463	2,021,757	3,241,026	783,778	9,024,024	6,081,468
Group's share of net assets	987,029	402,994	1,364,066	531,879	3,285,968	2,200,858
Goodwill	84,717	-	-	22,436	107,153	84,717
At 31 December	1,071,746	402,994	1,364,066	554,315	3,393,121	2,285,575

Current assets includes cash and cash equivalents amounting to AED 9,411 million (2024 : AED 7,458 million).

The share in profit of joint ventures has been recognised as follows:

	2025					2024
	<i>WIO Holding</i>	<i>Micad</i>	<i>Enersol</i>	<i>Others</i>	<i>Total</i>	<i>Total</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Revenue	3,063,376	-	1,561,930	3,688,255	8,313,561	4,917,715
Profit / (loss) for the year	404,579	167,569	161,348	(116,836)	616,660	374,031
Group's share of profit / (loss) for the year	206,335	33,514	79,061	(77,917)	240,993	163,866
Other comprehensive income / (loss)	98,240	-	7,514	(404)	105,350	(31,339)
Group's share of other comprehensive income / (loss)	50,103	-	3,682	(201)	53,583	(15,879)
Dividend	-	(17,335)	-	(10,000)	(27,335)	(20,994)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10 JOINT OPERATIONS

These consolidated financial statements include the Group's proportionate share of jointly controlled operations, details of which are provided below:

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Total assets	5,037,548	3,319,504
Total liabilities	(4,116,471)	(3,202,400)
Net assets	921,078	117,104
Revenue	5,873,233	3,085,056
Expenses	599,395	288,365

12 INVESTMENT IN FINANCIAL ASSETS

	<i>Investments carried at fair value through profit or loss AED '000</i>	<i>Investments carried at fair value through other comprehensive income AED '000</i>	<i>Investment carried at amortised cost AED '000</i>	<i>Total AED '000</i>
Balance at 1 January 2024	7,338,024	286,065	50,625	7,674,714
Additions during the year *	5,787,462	21,527	63,570	5,872,559
Disposals during the year	(516,069)	(388,463)	(77,527)	(982,059)
Reversal of allowance for expected credit loss	-	-	243	243
Foreign exchange loss for the year	(11,778)	-	(32,898)	(44,676)
Change in fair value	<u>1,561,895</u>	<u>105,750</u>	<u>-</u>	<u>1,667,645</u>
Balance at 31 December 2024	<u>14,159,534</u>	<u>24,879</u>	<u>4,013</u>	<u>14,188,426</u>
Balance at 1 January 2025	14,159,534	24,879	4,013	14,188,426
Additions during the year	3,616,722	-	255,209	3,871,931
Disposals during the year **	(5,681,867)	-	(138,653)	(5,820,520)
Reversal of allowance for expected credit loss	-	-	115	115
Foreign exchange gain for the year	31,020	-	750	31,770
Acquired in business combinations (Note 41.1)	24,329	-	-	24,329
Changes in fair value	<u>3,153,246</u>	<u>149</u>	<u>-</u>	<u>3,153,395</u>
Balance at 31 December 2025	<u>15,302,984</u>	<u>25,028</u>	<u>121,434</u>	<u>15,449,446</u>

*Included in additions for the year 2024 is an amount of AED 4,038,879 thousand relating to the investment in Modon which was derecognised as an associate upon loss of significant influence (Note 10).

**Included in disposals is an amount of AED 5,351,642 thousand relating to the disposal of the Group's entire stake in Modon Holding PSC ("Modon").

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10 INVESTMENT IN FINANCIAL ASSETS continued

	2025			2024
	<i>Quoted</i>	<i>Unquoted</i>	<i>Total</i>	<i>Total</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
<i>Financial assets carried at FVTPL</i>				
Equity instruments	2,104,703	45,830	2,150,533	6,790,460
Investment in funds	-	13,152,451	13,152,451	7,369,074
	<u>2,104,703</u>	<u>13,198,281</u>	<u>15,302,984</u>	<u>14,159,534</u>
<i>Financial assets carried at FVTOCI</i>				
Equity instruments	25,028	-	25,028	24,879
	<u>25,028</u>	<u>-</u>	<u>25,028</u>	<u>24,879</u>
<i>Debt instruments at amortised cost</i>				
Treasury bills	-	121,472	121,472	4,166
Allowance for ECL	-	(38)	(38)	(153)
	<u>-</u>	<u>121,434</u>	<u>121,434</u>	<u>4,013</u>
Total	<u>2,129,731</u>	<u>13,319,715</u>	<u>15,449,446</u>	<u>14,188,426</u>
			2025	2024
			AED '000	AED '000
Non-current			1,457,930	1,026,623
Current			13,991,516	13,161,803
Total			<u>15,449,446</u>	<u>14,188,426</u>
			2025	2024
			AED '000	AED '000
Geographical markets:				
UAE			2,157,499	6,788,643
Outside the UAE			13,291,947	7,399,783
			<u>15,449,446</u>	<u>14,188,426</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

13 CONTRACT ASSETS

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
<i>Contract assets</i>		
Amounts due from customer – third parties	17,124,347	10,224,416
Amounts due from customers – related parties (Note 18)	2,330,760	2,258,004
Less: allowance for ECL	(194,687)	(164,084)
	19,260,420	12,318,336
Contract costs	410,313	222,300
At 31 December	19,670,733	12,540,636

At 31 December, allocation of total contract assets into current and non-current as follows:

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Current	19,670,733	12,540,636

The Group measures the ECL 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:

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
At 1 January	164,084	152,062
Charge during the year	30,603	12,022
At 31 December	194,687	164,084

There has not been any significant change in the gross amounts of contract assets that has affected the estimation of ECL.

The following table details the risk profile of amounts due from customers based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

	<i>2025</i>	<i>2024</i>
31 December		
ECL rate	1.00%	1.31%
Estimated total gross carrying amount at default – AED '000	19,455,107	12,482,420
Lifetime ECL – AED '000	194,687	164,084

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

14 TAXATION

	2025 AED '000	2024 AED '000
Income tax		
Current year*	1,944,057	768,725
Reversal of prior year provisions relating to foreign operations	(26,898)	(10,846)
	1,917,159	757,879
Deferred tax		
Origination and reversal of temporary differences	(214,320)	(89,846)
	1,702,839	668,033

* Current income tax expense includes an amount of AED 914,274 thousand relating to DMTT for the year ended 31 December 2025 (2024: nil).

The average rate of income tax applied on taxable profit ranges from 9% to 25% (2024: 9% to 25%). The charge for the year reconciled to profit before tax is as follows:

	2025 AED '000	2024 AED '000
Profit before tax	16,734,967	14,181,896
Prima facie tax expense at 9% (2024: 9%)	1,506,147	1,276,371
Tax effect of difference:		
Effect of higher tax rates of subsidiaries operating in other jurisdictions	58,075	58,500
Tax effect of application of UAE tax law	-	14,053
Step up costs for properties sold under UAE CIT law	(406,992)	(257,271)
Profit taxed at zero rate	(53,153)	(18,662)
Deductible expenses	(325,594)	(372,616)
Tax effect of share of results of associates and joint ventures	14,711	(53,975)
Tax effect of different tax rate of subsidiaries operating in foreign jurisdiction	22,862	26,137
Domestic minimum top-up tax	914,274	-
Others	53,554	6,342
Income tax expense	1,783,884	678,879
Prior year adjustment	(81,045)	(10,846)
Total income tax charge – net	1,702,839	668,033
Effective tax rate	<u>10.18%</u>	<u>4.71%</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

14 TAXATION (continued)

The movement in the current tax liabilities is given below:

	2025 AED '000	2024 AED '000
Balance at the beginning of the year	805,260	219,324
Acquired through business combinations (Note 41.1 and 41.2)	12,840	5,661
Additions due to acquisition of assets	17,840	-
Charge for the year	1,917,159	757,879
Paid during the year	(776,810)	(111,292)
Foreign exchange differences	5,610	(62,623)
Derecognition of subsidiaries	(209)	-
Other movements	(16,716)	(3,689)
	<hr/>	<hr/>
Balance at the end of the year	1,964,974	805,260
	<hr/>	<hr/>

Net deferred tax presented in the consolidated statement of financial position is as under:

	2025 AED '000	2024 AED '000
Deferred tax assets	217,193	131,677
Deferred tax liabilities	(600,896)	(560,988)
	<hr/>	<hr/>
	(383,703)	(429,311)
	<hr/>	<hr/>

The deferred tax assets position comprises of the following temporary differences:

	2025 AED '000	2024 AED '000
Losses available for offsetting against future taxable income	104,218	67,441
Decelerated depreciation for tax purposes	12,502	14,272
Others	100,473	49,964
	<hr/>	<hr/>
	217,193	131,677
	<hr/>	<hr/>

The deferred tax liabilities position comprises of the following temporary differences:

	2025 AED '000	2024 AED '000
Goodwill	191,282	191,282
Intangible assets	358,231	242,983
Others	51,383	126,723
	<hr/>	<hr/>
	600,896	560,988
	<hr/>	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

14 TAXATION (continued)

International Tax Reform - Pillar Two model rules

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) has published the Pillar Two Anti-Global Base Erosion Rules (“GloBE Rules”), which are designed to address the tax challenges arising from the digitalisation of the global economy, and the Company is part of a Group that falls within the scope of Pillar Two legislation as its consolidated revenue exceeds the €750 million threshold and it operates in a jurisdiction that has enacted and substantively enacted Pillar Two legislation.

Due to uncertainty regarding whether the Pillar Two model rules give rise to additional temporary differences, require the remeasurement of deferred taxes, or affect the applicable tax rate, the IASB issued amendments to IAS 12 on 23 May 2023 introducing a mandatory temporary exception from recognising and disclosing deferred tax assets and liabilities related to the Pillar Two model rules.

The UAE, where the Ultimate Parent Entity is incorporated, published Federal Decree-Law No. 60 of 2023 on 24 November 2023. This law amends specific provisions of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, as part of the UAE's commitment to the OECD guidelines. The amendments introduced by Federal Decree-Law No. 60 of 2023 are intended to prepare for the introduction of the BEPS 2.0 Pillar Two Rules.

On 11 February 2025, the Ministry of Finance of the United Arab Emirates (UAE) released Cabinet Decision No. 142 of 2024 regarding the Imposition of Top-Up Tax on Multinational Enterprises on its website. This decision provides further details on the UAE Domestic Minimum Top-up Tax (UAE DMTT), which will apply to fiscal years starting on or after 1 January 2025. The UAE DMTT aims to ensure that certain in-scope UAE entities of a multinational enterprise (MNE) meet a 15% effective tax rate (ETR) on profits derived in the UAE.

As a result, the Group has recognised current tax expense related to the UAE DMTT for the year ended 31 December 2025 of AED 914,274 thousand (2024: nil). This expense arises from Pillar Two top-up tax calculated in respect of the Group's UAE operations, based on the application of the 15% minimum effective tax rate to GloBE income in accordance with the OECD GloBE Rules and the UAE DMTT legislation.

The Group continues to follow Pillar Two legislative developments, as further countries enact the Pillar Two model rules, to evaluate the potential future impact on its consolidated results of operations, financial position and cash flows beginning.

Litigation

A subsidiary of the Group has an ongoing tax litigation in India relating to whether a Permanent Establishment existed in India in the fiscal years 2006/07 until 2021/22. The subsidiary has already received several decisions supporting its position including at the Delhi high court where the action of the Indian tax authorities was quashed. The case is currently pending adjudication at the Supreme Court of India. In the opinion of the subsidiary's tax advisors in India, the chances of the Company winning the litigation in the Supreme Court of India are more likely than not. The tax advisors have estimated the subsidiary's tax liability for this matter in the probable scenario to be approximately AED 44 million including interest up to 31 December 2025 (2024: AED 44 million). On this basis, an amount of AED 44 million is recorded as part of the Group overall tax provision at 31 December 2025 (2024: AED 44 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

15 TRADE AND OTHER RECEIVABLES

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Trade receivables	19,428,984	12,524,127
Less: allowance for ECL	(497,996)	(444,680)
Net trade receivables	18,930,988	12,079,447
Retention receivables	4,049,695	2,503,542
Less: allowance for ECL	(76,730)	(67,473)
Net retention receivables	3,972,965	2,436,069
Advances to suppliers	8,832,823	6,382,127
Less: allowance for aged advances	-	(1,798)
Net advances to suppliers	8,832,823	6,380,329
Other receivables	3,422,130	6,290,499
Less: allowance for ECL	(7,079)	(15,310)
Net other receivables	3,415,051	6,265,683
Due from related parties	255,279	261,343
Less: allowance for ECL	(212,972)	(212,972)
Net due from related party	42,307	48,371
Prepayments and deposits	1,608,119	888,659
Derivative financial instruments (Note 29)	195,703	12,056
	36,997,956	28,120,120

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

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Non-current	2,202,273	1,812,706
Current	34,795,683	26,307,414
	36,997,956	28,120,120

The average credit period on sale of goods and rendering of services is 30 to 90 days. Before accepting new customers, the Group generally assesses their credit quality.

Out of the trade receivables balance at the end of the reporting year, AED 10,104 million (2024: AED 4,564 million) representing 52% (2024: 35%) of trade receivables are amounts due from five (2024: five) major customers of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

15 TRADE AND OTHER RECEIVABLES (continued)

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

	<i>Collectively assessed AED '000</i>	<i>Individually assessed AED '000</i>	<i>Total AED '000</i>
Trade receivables			
At 1 January 2024	82,516	372,642	455,158
Net re-measurement of ECL	(15,320)	88,225	72,905
Written off	(85)	(82,818)	(82,903)
Other adjustments	17	61	78
Derecognition of subsidiaries (Note 37)	-	(558)	(558)
At 31 December 2024	67,128	377,552	444,680
Additions due to acquisition of subsidiaries	15,735	6,654	22,389
Net re-measurement of ECL	54,869	32,262	87,131
Written off	(2,400)	(53,804)	(56,204)
At 31 December 2025	135,332	362,664	497,996
Retention receivables			
At 1 January 2024	44,760	23,433	68,193
Net re-measurement of ECL	(32,786)	32,066	(720)
At 31 December 2024	11,974	55,499	67,473
Net re-measurement of ECL	9,257	-	9,257
At 31 December 2025	21,231	55,499	76,730
Advances to suppliers			
At 1 January 2023 and 2024	-	1,798	1,798
Net re-measurement of ECL	-	(1,798)	(1,798)
At 31 December 2024	-	-	-
Other receivables			
At 1 January 2024	-	15,864	15,864
Net re-measurement of ECL	-	(554)	(554)
At 31 December 2024	-	15,310	15,310
Net re-measurement of ECL	-	1,240	1,240
Written off	-	(9,533)	(9,533)
Foreign currency translation adjustment	-	62	62
At 31 December 2025	-	7,079	7,079

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

15 TRADE AND OTHER RECEIVABLES (continued)

The following table details the risk profile of amounts due from customers based on the Group's provision matrix. The Group's historical credit loss experience does not show significantly different loss patterns for different customer segments.

	<i>Collective and individual assessment</i>					<i>Total</i>
	<i>Not past due</i>	<i>31-60 days</i>	<i>61-90 days</i>	<i>91-120 days</i>	<i>> 120 days</i>	
31 December 2025						
ECL rate	0.1%	2%	1%	1%	8%	3%
Estimated total gross carrying amount at default (AED '000)	8,114,774	1,074,143	1,543,479	3,223,537	5,473,051	19,428,984
Lifetime ECL (AED '000)	11,557	15,355	20,393	26,518	424,173	497,996
31 December 2024						
ECL rate	0.1%	2%	9%	15%	8%	4%
Estimated total gross carrying amount at default (AED '000)	5,619,557	2,267,276	362,001	168,738	4,106,555	12,524,127
Lifetime ECL (AED '000)	3,761	44,992	31,182	25,902	338,843	444,680

16 INVENTORIES

	<i>2025 AED '000</i>	<i>2024 AED '000</i>
Land plots held-for-sale	9,250,458	9,886,652
Completed properties	202,641	407,861
Goods held-for-trading and finished goods	11,870	30,403
Materials, parts, and consumables	1,790,308	1,302,094
	11,255,277	11,627,010
Less: allowance for obsolescence	(96,457)	(95,868)
	11,158,820	11,531,142

During 2025, AED 14,611 million (2024: AED 12,149 million) was recognised as an expense for inventories carried at net realisable value ('NRV'). This is recognised in cost of sales.

The determination of NRV of plots of land held-for-sale is based on external valuations using various valuation methodologies and techniques. Plots of land held-for-sale are located in United Arab Emirates and United Kingdom.

During 2025, borrowing costs included in the cost of land held-for-sale amounted to AED 73 million (2024: AED 138 million) which arose on the unwinding of liability calculated by applying a capitalisation rate of the group's incremental borrowing rate to expenditure on such assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

16 INVENTORIES (continued)

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

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
At 1 January	95,868	67,226
Charge for the year, net of reversals	2,810	28,654
Write-off	(2,221)	(12)
	<hr/>	<hr/>
At 31 December	96,457	95,868
	<hr/> <hr/>	<hr/> <hr/>

Charge / (reversal) for the year has been allocated as follows:

	<i>2025</i> <i>AED'000</i>	<i>2024</i> <i>AED'000</i>
Direct costs (Note 33)	(434)	27,271
General, administrative and selling expenses (Note 34)	3,244	1,383
	<hr/>	<hr/>
	2,810	28,654
	<hr/> <hr/>	<hr/> <hr/>

17 DEVELOPMENT WORK-IN-PROGRESS

Development work in progress represents land cost, development and construction costs incurred on properties being constructed for sale in the ordinary course of business:

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
At 1 January	8,087,291	6,614,971
Additions	14,859,865	9,024,959
Transfer from property plant, and equipment (Note 5)	-	7,161
Transfer to investment properties (Note 8)	(12,048)	(12,934)
Transfer from inventories	2,266,709	1,697,768
Write-down	(14,239)	(18,329)
Impairment reversal (Note 34)	19,025	29,564
Foreign exchange translation differences	303,121	(953,649)
Recognised in direct costs of properties sold	(13,051,414)	(8,302,220)
	<hr/>	<hr/>
At 31 December	12,458,310	8,087,291
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

18 RELATED PARTY BALANCES AND TRANSACTIONS

Related parties are the shareholders, key management and the entities in which the shareholders have the ability to control or exercise significant influence in operating and financial decisions. The Group maintains balances with related parties as follows that arise from transactions at rates agreed between the parties.

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Due from related parties:		
Entities managed by key management personnel	371,151	377,956
Entities under common control	305,190	4,706,934
Joint ventures	706,887	683,647
Associates	60,522	176,667
Others	51,043	149,195
	<u>1,494,793</u>	<u>6,094,399</u>
Less: allowance for ECL	(707,341)	(658,757)
	<u>787,452</u>	<u>5,435,642</u>
Due from related parties are classified as follows:		
Non-current (classified under trade and other receivables)	42,307	48,371
Current	745,145	5,387,271
	<u>787,452</u>	<u>5,435,642</u>
Due to related parties:		
Entities managed by key management personnel	21	5,568
Entities under common control	196,154	829,508
Associates	25,024	20,006
Joint ventures	231,879	104,773
Others	166,572	155,108
	<u>619,650</u>	<u>1,114,963</u>
Loan from a related party (classified under trade and other payables)	<u>13,300</u>	<u>13,300</u>
Contract assets (Note 13)	<u>2,330,760</u>	<u>2,258,004</u>
Contract liabilities (Note 30)	<u>46,485</u>	<u>2,990,065</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

18 RELATED PARTY BALANCES AND TRANSACTIONS continued

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.

	<i>Collectively assessed AED '000</i>	<i>Individually assessed AED '000</i>	<i>Total AED '000</i>
At 1 January 2024	30,616	612,934	643,550
Net re-measurement of ECL	(16,069)	31,276	15,207
At 31 December 2024	14,547	644,210	658,757
Net re-measurement of ECL	19,428	29,156	48,584
At 31 December 2025	33,975	673,366	707,341

Remuneration of key management personnel of the Group is set out below in aggregate for each of the categories specified in IAS 24.

	<i>2025 AED '000</i>	<i>2024 AED '000</i>
Employee benefits	12,573	7,046
Transactions and balances with a financial institution:		
	<i>2025 AED '000</i>	<i>2024 AED '000</i>
Balances with a financial institution	20,743,933	13,838,565
Borrowings	9,356,877	8,913,750
Finance costs	440,122	470,320
Interest income	668,149	321,176
Drawdowns	6,043,984	2,402,105
Repayment of borrowings	5,659,295	2,809,818

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

18 RELATED PARTY BALANCES AND TRANSACTIONS continued

Significant transactions with related parties include:

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Revenue from contracts		
- Entities under common control	8,300,196	8,928,725
- Joint ventures	341,410	369,830
- Associates	72,581	87,013
- Others	795,296	-
	<hr/>	<hr/>
Subcontracting costs / expenses		
- Entities under common control	1,054,025	1,027,415
- Associates	32,254	24,290
- Joint Ventures	141,101	21,526
- Others	43,178	-
	<hr/>	<hr/>
General, administrative and selling expenses / staff costs	7,684	22,855
	<hr/>	<hr/>

Revenue generated from related parties and purchases of goods and services are based on terms and conditions as mutually agreed between the parties.

19 CASH AND CASH EQUIVALENTS

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Cash in hand and bank	24,258,968	21,147,415
Short-term deposits	14,331,912	6,555,058
Wakala deposits	1,668,161	1,077,936
	<hr/>	<hr/>
	40,259,041	28,780,409
Less: allowance for ECL	-	(5)
	<hr/>	<hr/>
Cash and bank balances	40,259,041	28,780,404
Less:		
Bank overdrafts (Note 27)	(17,008)	(82,453)
Restricted cash*	(7,645,230)	(5,203,233)
Short term deposit having maturity more than three months	(7,216,920)	(1,610,398)
	<hr/>	<hr/>
Cash and cash equivalents	25,379,883	21,884,320
	<hr/>	<hr/>

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

19 CASH AND CASH EQUIVALENTS continued

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

*Restricted cash and bank balances include balances amounting to AED 6,211,621 thousand (31 December 2024: AED 3,370,166 thousand) which are deposited into escrow accounts representing cash received from customers against sale of development properties. The remaining balance of restricted cash balances mainly represents cash balances designated against government projects and dividend payables for which separate bank accounts are maintained.

Balances with banks are assessed to have low credit risk since they are highly regulated by the central banks of the respective countries. Accordingly, the Group estimates the loss allowance on balances with banks at an amount equal to 12-month ECL. None of the balances with banks are past due and taking into account the historical default experience and the current credit ratings of the bank, impairment loss allowances of AED Nil (2024: AED 5 thousand) is considered sufficient.

20 SHARE CAPITAL

	2025 AED '000	2024 AED '000
Authorised, issued and fully paid 10,000 million shares of AED 1 each (31 December 2024: 10,000 million shares of AED 1 each)	10,000,000	10,000,000

21 STATUTORY RESERVE

In accordance with the U.A.E. Federal Decree Law No. (32) of 2021 as amended, and the Articles of Association, the Company has established a statutory reserve by appropriation of 10% of its net profits. Such transfers have to be made until the reserve equals 50% of the share capital. This reserve is not available for distribution except in the circumstances stipulated by law.

22 MERGER RESERVE

	2025 AED '000	2024 AED '000
At 31 December	11,619,043	11,619,043

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

23 OTHER RESERVES

The movements in other reserves are as follows:

	<i>Investment revaluation reserve AED '000</i>	<i>Foreign exchange translation reserve AED '000</i>	<i>Hedging reserve AED '000</i>	<i>Reserves of a disposal group held-for-sale AED '000</i>	<i>Total AED '000</i>
At 1 January 2024	(736,366)	(490,046)	52,717	367	(1,173,328)
Other comprehensive income / (loss) for the year	63,165	(284,616)	(28,903)	(367)	(250,721)
Transfer to non-controlling interests on dilution of ownership	-	8,481	(302)	-	8,179
Proceeds from disposal to non- controlling interests in subsidiaries	-	3,176	(2,747)	-	429
Transfer of reserves	612,325	-	-	-	612,325
At 31 December 2024	(60,876)	(763,005)	20,765	-	(803,116)
Other comprehensive (loss) / income for the year	(266,465)	264,676	11,542	-	9,753
Transfer of reserves	(1,917)	-	-	-	(1,917)
At 31 December 2025	(329,258)	(498,329)	32,307	-	(795,280)

24 HYBRID EQUITY INSTRUMENTS

The Group had issued hybrid equity instruments worth AED 1,836 million (USD 500 million) (the “Notes”) to an investor (“Noteholder”) in two tranches. Proceeds from the first tranche of AED 1,140 million (USD 310.5 million) were received by the Group in March 2022 with the balance amount in the second tranche received in April 2022.

Issuance period	Issued amount	Coupon rate
March 2022	AED 1,140 million (USD 310.5 million)	Fixed interest rate with a reset after 15 years
April 2022	AED 696 million (USD 189.5 million)	Fixed interest rate with a reset after 15 years

The Notes do not have any maturity date and the Group may elect at its sole discretion not to pay interest on the Notes. In such event, the Noteholder does not have a right to claim any interest. Accordingly, these instruments have been classified under equity. Transaction costs amounting to approximately AED 22.02 million related to issuance of the Notes were recorded directly in equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

24 HYBRID EQUITY INSTRUMENTS (continued)

The movement in hybrid equity instruments net off transaction costs is as follows:

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
At 31 December	1,815,646	1,815,646

During the year, the Group paid a coupon amounting to AED 103.3 million (2024: AED 103.3 million) on the hybrid instrument.

25 MATERIAL NON-CONTROLLING INTERESTS

The summarised financial information in respect of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before inter-group eliminations.

Summarised consolidated statement of financial position:

	<i>NMDC</i> <i>AED'000</i>	<i>Alpha Dhabi</i> <i>Construction</i> <i>AED'000</i>	<i>Aldar</i> <i>AED'000</i>
31 December 2025			
Non-current assets	10,339,773	1,366,706	42,515,642
Current assets	29,404,990	12,356,194	65,774,625
Non-current liabilities	(1,541,302)	(392,681)	(30,808,879)
Current liabilities	(22,267,601)	(9,408,915)	(29,898,043)
Total equity	15,935,860	3,921,304	47,583,345
Less: Non-controlling interests	(1,487,983)	(37,674)	(6,189,149)
Hybrid equity instruments	-	-	(1,815,646)
Equity attributable to the owners	14,447,877	3,883,630	39,578,550
Attributable to:			
Equity holders of parent	11,079,044	1,980,651	12,520,448
Non-controlling interests	3,368,833	1,902,979	27,058,102

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

25 MATERIAL NON-CONTROLLING INTERESTS (continued)*Summarised consolidated statement of financial position (continued):*

	<i>NMDC</i> <i>AED '000</i>	<i>Alpha Dhabi</i> <i>Construction</i> <i>AED '000</i>	<i>Aldar</i> <i>AED '000</i>
<i>31 December 2024</i>			
Non-current assets	9,476,642	1,236,329	37,011,304
Current assets	23,818,885	10,718,458	49,922,091
Non-current liabilities	(1,678,285)	(335,913)	(19,982,563)
Current liabilities	(18,905,422)	(8,433,215)	(23,065,023)
Total equity	12,711,820	3,185,659	43,885,809
Less: Non-controlling interests	(1,205,088)	(27,382)	(6,087,331)
Hybrid equity instruments	-	-	(1,815,646)
Equity attributable to the owners	11,506,732	3,158,277	35,982,832
Attributable to:			
Equity holders of parent	7,699,482	1,610,721	11,382,963
Non-controlling interests	3,807,250	1,547,556	24,599,869

Summarised consolidated statement of profit or loss:

	<i>NMDC</i> <i>AED '000</i>	<i>Alpha Dhabi</i> <i>Construction</i> <i>AED '000</i>	<i>Aldar</i> <i>AED '000</i>
31 December 2025			
Revenue	28,811,179	14,013,311	33,818,316
Expenses	(24,845,068)	(13,080,749)	(27,198,789)
Profit for the year	3,966,111	932,562	6,619,527
Attributable to non-controlling interests	1,526,872	462,204	4,841,655
<i>31 December 2024</i>			
Revenue	26,263,949	10,744,003	22,998,383
Expenses	(23,206,927)	(9,806,667)	(18,336,965)
Profit for the year	3,057,022	937,336	4,661,418
Attributable to non-controlling interests	1,085,765	92,158	3,473,946

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

25 MATERIAL NON-CONTROLLING INTERESTS (continued)*Summarised consolidated statement of cash flows:*

	<i>NMDC AED'000</i>	<i>Alpha Dhabi Construction AED'000</i>	<i>Aldar AED'000</i>
31 December 2025			
Operating activities	2,754,422	(1,143,383)	8,226,223
Investing activities	(895,752)	(22,141)	(5,686,622)
Financing activities	(1,327,999)	(31,029)	1,390,244
Net cash inflow / (outflow)	530,671	(1,196,553)	3,929,845
	<i>NMDC AED'000</i>	<i>Alpha Dhabi Construction AED'000</i>	<i>Aldar AED'000</i>
31 December 2024			
Operating activities	3,324,678	1,458,084	5,122,743
Investing activities	1,296,780	(258,610)	(1,494,786)
Financing activities	(3,293,718)	(51,450)	1,734,446
Net cash inflow / (outflow)	1,327,740	1,148,024	5,362,403

26 EMPLOYEES' END OF SERVICE BENEFITS

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

	<i>2025 AED '000</i>	<i>2024 AED '000</i>
At 1 January	1,235,689	1,074,874
Acquired in business combinations (Note 41.1 and 41.2)	58,580	1,923
Charge for the year	334,297	344,542
Derecognition on disposal of subsidiaries	(1,490)	(1,546)
Paid during the year	(197,705)	(184,101)
Foreign exchange translation difference	15	(3)
At 31 December	1,429,386	1,235,689

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

27 BANK BORROWINGS

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

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Term loan facilities	26,182,551	21,124,981
Bank overdrafts (Note 19)	17,008	82,453
At 31 December	26,199,559	21,207,434

Movement in bank borrowing during the year is as follows:

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
At 1 January	21,207,434	17,133,370
Drawdowns during the year	26,415,677	15,125,160
Acquired in business combinations (Note 41.1)	425,283	-
Transaction costs, net	(22,314)	(19,600)
Foreign exchange differences	126,410	(142,384)
Repayments during the year	(21,952,931)	(10,889,112)
At 31 December	26,199,559	21,207,434

Disclosed in the consolidated statement of financial position as follows:

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Non-current	21,852,106	17,364,923
Current	4,347,453	3,842,511
At 31 December	26,199,559	21,207,434

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

27 BANK BORROWINGS continued

Details of group bank borrowings are as follows:

Loan type	Currency	Security	Instalments	Year of maturity	2025 AED'000	2024 AED '000	Purpose
Term loan 1	USD	Mortgage of property, plant and equipment	Quarterly	2027	315,853	580,285	Project financing
Term loan 2	AED	Mortgage of vessels	Quarterly	2026	121,414	153,414	To finance purchase of hopper suction dredger
Term loan 3	USD	Mortgage of property	Annually	2025	-	123,831	To finance purchase of a hotel
Term loan 4	USD	Unsecured	Semi-annual	2028	367,250	367,250	To finance construction of a factory
Term loan 5	AED	Mortgage of property	Semi-annual	2028	-	144,641	To finance purchase of a hotel
Term loan 6	AED	Mortgage of property	Quarterly	2026	6,612	30,612	Construction of factory building
Term loan 7	USD	Mortgage of property	Quarterly	2032	-	191,132	Project financing
Term loan 8	AED	Pledge of financial instruments	Due in 2027	2027	2,250,000	4,500,000	Investment purpose
Term loan 9	AED	Unsecured	Revolving	2025	-	81	General corporate purposes
Term loan 10	AED	Unsecured	Revolving	2029	746,842	548,309	General corporate purposes
Term loan 11	AED	Unsecured	Revolving	2027	(2,022)	(3,102)	General corporate purposes
Term loan 12	AED	Unsecured	Bullet	2029	996,727	995,727	General corporate purposes
Term loan 13	AED	Unsecured	Revolving	2025	-	5,145	General corporate purposes
Term loan 14	AED	Unsecured	Revolving	2027	(4,937)	(3,954)	General corporate purposes
Term loan 15	AED	Unsecured	Revolving	2027	(1,994)	(3,011)	General corporate purposes
Term loan 16	AED	Unsecured	Bullet	2026	-	3,175	General corporate purposes
Term loan 17	EGP	Mortgage of property, assignment of receivables and insurance	Quarterly	2027	-	25,288	Project financing

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

27 BANK BORROWINGS continued

Loan type	Currency	Security	Instalments	Year of maturity	2025 AED '000	2024 AED '000	Purpose
Term loan 18	EGP	Mortgage of property, assignment of receivables and insurance	Quarterly	2031	82,436	85,343	Project financing
Term loan 19	EGP	Mortgage of property, assignment of receivables and insurance	Quarterly	2030	37,718	57,823	Project financing
Term loan 20	EGP	Mortgage of property, assignment of receivables and insurance	Bullet	2027	3,453	7,060	Project financing and general corporate purposes
Term loan 21	AED	Mortgage of vessel	Quarterly	2032	298,433	344,347	To finance purchase of a vessel
Term loan 22	AED	Unsecured	Bullet	2029	996,516	995,460	General corporate purposes
Term loan 23	AED	Unsecured	Revolving	2027	499,674	499,140	General corporate purposes
Term loan 24	AED	Unsecured	Bullet	2030	-	4,026	General corporate purposes
Term loan 25	AED	Unsecured	Bullet	2024	-	(532)	General corporate purposes
Term loan 26	AED	Mortgage of equipment and vehicles	Various	2028	51,315	80,277	Vehicles finance
Term loan 27	AED	Mortgage of equipment and vehicles	Various	2026	1,625	5,870	Vehicles finance
Term loan 28	AED	Mortgage of property	Quarterly	2025	-	21,092	General corporate purposes
Term loan 29	EGP	Commercial properties including land	Quarterly	2031	89,367	33,236	General corporate purposes
Term loan 30	AED	Unsecured	Quarterly	2029	(1,699)	(1,655)	General corporate purposes
Term loan 31	AED	Pledge of financial instruments	Half due in 2026, half in 2028	2028	4,608,116	1,545,000	Investment purpose
Term loan 32	EUR	Unsecured	Bullet	2026	475	420	General corporate purposes
Term loan 33	AED	Mortgage of vehicles	Monthly	2027	144	252	Vehicles finance
Term loan 34	AED	Mortgage of vehicles	Monthly	2028	468	754	Vehicles finance
Term loan 35	AED	Pledge of financial instruments	90m due in 2026, 3,011.9m due in 2027 and 2,898.1m due in 2028	2028	6,000,000	3,491,900	Investment purpose

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

27 BANK BORROWINGS continued

Loan type	Currency	Security	Instalments	Year of maturity	2025 AED'000	2024 AED '000	Purpose
Term loan 36	AED	Unsecured	Monthly	2026	499,117	499,057	General corporate purposes
Term loan 37	AED	Unsecured	Quarterly	2026	349,239	(797)	General corporate purposes
Term loan 38	AED	Unsecured	Revolving	2028	396,814	995,743	General corporate purposes
Term loan 39	AED	Unsecured	Quarterly	2027	497,530	197,503	General corporate purposes
Term loan 40	GBP	Unsecured	Quarterly	2028	1,638,615	1,342,621	General corporate purposes
Term Loan 41	AED	Unsecured	Quarterly	2029	996,332	995,280	General corporate purposes
Term Loan 42	AED	Unsecured	Quarterly	2029	1,244,531	1,492,997	General corporate purposes
Term Loan 43	AED	Unsecured	Quarterly	2029	(1,847)	412,625	General corporate purposes
Term Loan 44	AED	Unsecured	Quarterly	2031	210,319	65,026	Project financing
Term Loan 45	AED	Unsecured	Quarterly	2029	(3,094)	272,345	General corporate purposes
Term Loan 46	AED	Corporate guarantee	Monthly	2026	9,023	23,945	To settle existing liability
Term loan 47	AED	Secured	Quarterly	2030	267,842	-	Project Financing
Term loan 48	AED	Secured	Quarterly	2032	288,776	-	Project Financing
Term loan 49	AED	Secured	Quarterly	2026	22,933	-	Project Financing
Term loan 50	AED	Secured	Semiannual	2026	3,000	-	Project Financing
Term loan 51	AED	Secured	Semiannual	2028	3,600	-	Project Financing
Term loan 52	AED	Secured	Annually	2032	182,373	-	Project Financing
Term loan 53	AED	Unsecured	Revolving	2030	607,327	-	Corporate purpose
Term loan 54	AED	Unsecured	Revolving	2030	260,841	-	Corporate purpose
Term loan 55	AED	Unsecured	Revolving	2030	518,309	-	Corporate purpose
Term loan 56	AED	Unsecured	Revolving	2030	21,546	-	Corporate purpose
Term loan 57	EGP	Unsecured	Revolving	2026	133,732	-	Corporate purpose
Term loan 58	AED	Mortgage of vehicles	Monthly	2029	61,830	-	Vehicles finance
Term loan 59	AED	Pledge of financial instruments	Quarterly	2030	209,000	-	To finance purchase of subsidiary
Term loan 60	AED	Unsecured	Bullet	2026	4,510	-	Acquired on acquisition of EMDAD
Term loan 61	AED	Unsecured	Revolving	2030	(1,483)	-	Corporate purpose

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

27 BANK BORROWINGS continued

Loan type	Currency	Security	Instalments	Year of maturity	2025 AED '000	2024 AED '000	Purpose
Term loan 62	AED	Pledge of financial instruments	Bullet	2030	91,346		- General corporate purposes - Restaurant expansion
Term loan 63	SGD	Unsecured	Monthly	2027	9,334		- To finance the renovation of a hotel
Term loan 64	EGP	Unsecured	Bullet	2030	196,568		- General corporate purposes
Bank overdrafts	AED	Partially secured against approved payment certificates and invoices	-	-	17,008	10,857	Working capital
Bank overdrafts	AED	Secured against wakala deposits	-	-	-	71,596	Working capital
					26,199,559	21,207,434	

Note: The above bank borrowing facilities carry variable market interest rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

28 NON-CONVERTIBLE SUKUKS AND HYBRID NOTES

Non-convertible sukuk and hybrid notes are classified as follows:

	2025					2024			
	AED ‘000					AED ‘000			
Non-current	14,017,121					5,430,838			
Current	144,500					1,430,324			
	14,161,621					6,861,162			
	2025					2024			
	AED ‘000					AED ‘000			
	Sukuk No.1	Sukuk No.2	Sukuk No.3	Sukuk No.4	Sukuk No. 5	Dated Hybrid 1	Dated Hybrid 2	Total	Total
At 1 January	1,394,664	1,841,234	1,815,312	1,809,952	-	-	-	6,861,162	5,502,954
Issued during the year	-	-	-	555,145	2,379,980	3,672,500	1,836,250	8,443,875	1,833,734
Issue costs	-	-	-	(2,470)	(23,085)	(21,167)	(14,141)	(60,863)	(9,181)
Accrued profits	16,936	71,154	89,517	119,299	81,361	234,436	116,398	729,101	294,075
Amortisation of issue costs	3,146	1,955	3,604	1,679	612	522	349	11,867	1,424
Other movements	-	-	-	37,816	(7,347)	121,561	42,524	194,554	(18,393)
Less: paid	(1,414,746)	(71,155)	(89,517)	(115,638)	(48,202)	(182,414)	(96,403)	(2,018,075)	(743,451)
At the end of the year	-	1,843,188	1,818,916	2,405,783	2,383,319	3,825,438	1,884,977	14,161,621	6,861,162

Sukuk No.1

During the year, the Group initiated an early redemption of Sukuk No. 1 and it was fully settled and cancelled at a price of USD 100.079 resulting in a loss of AED 1,090 thousand recognised as other costs in the consolidated statement of profit or loss for the year ended 31 December 2025.

Sukuk No.4

During the year, the Group issued 145 thousand tap certificates ("Sukuk 4 Tap") at a premium amounting to AED 555,145 thousand to be consolidated and form a single series with Sukuk No.4. Sukuk 4 Tap carries the same profit rate as Sukuk No.4 of 5.5% per annum payable semi-annually and is due for repayment in May 2034.

Sukuk No.5

On 11 March 2025, the Group issued a non-convertible sukuk ("Sukuk No.5") amounting to AED 1,836,250 thousand (USD 500,000 thousand). Sukuk 5 is listed on Euronext Dublin, and carries an annual profit rate of 5.25%, and is due for repayment in March 2035. In addition, the Group issued 145 thousand tap certificates ("Sukuk 5 Tap") at a premium amounting to AED 543,730 thousand to be consolidated and form a single series with Sukuk No.5. Sukuk 5 Tap carries the same profit rate as Sukuk No.5 of 5.25% per annum payable semi-annually and is due for repayment in March 2035.

Dated Hybrid 1

On 15 January 2025, the Group issued USD denominated conventional dated hybrid notes ("Dated Hybrid 1"), amounting to AED 3,672,500 thousand (USD 1,000,000 thousand) with a 30.25-year term and a non-call period of 7.25-year. Dated Hybrid 1 is listed on Euronext Dublin, carries an annual interest rate of 6.6227%, and is due for repayment in April 2055.

Dated Hybrid 2

On 5 February 2025, the Group issued resettable subordinated hybrid notes private placement ("Dated Hybrid 2") amounting to AED 1,836,250 thousand (USD 500,000 thousand) with a 30.25-year term and a non-call period of 10.25 years, carries an annual interest rate of 7%, and is due for repayment in May 2055.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

29 DERIVATIVE FINANCIAL INSTRUMENTS

In order to reduce its exposure to interest rate fluctuations on variable interest-bearing borrowings, the Group has entered into interest rate swap arrangements and forward currency contracts with counter-party banks, generally for amounts matching to those particular borrowings.

Derivatives designated as hedging instruments

	Fix leg on instrument	Notional amount AED'000	Assets AED'000	Liabilities AED'000
31 December 2025				
- Foreign exchange forward contracts	-	353,663	12,703	-
- Interest rate swaps	0.8%-7.0%	10,404,202	183,000	-
			195,703	-
31 December 2024				
- Foreign exchange forward contracts	-	559,390	-	(26,597)
- Interest rate swaps	0.80%	290,144	12,056	-
			12,056	(26,597)

Derivatives not designated as hedging instruments

	Fix leg on instrument	Notional amount AED'000	Assets AED'000	Liabilities AED'000
31 December 2025				
- Interest rate swaps	4.27%	100,200	-	(487)
31 December 2024				
- Interest rate swaps	4.27 - 5.50%	2,041,660	-	(19,033)

Derivative financial instruments are classified as follows:

	2025 AED '000	2024 AED '000
Non-current assets (Note 15)	176,160	-
Current liabilities (Note 31)	(487)	(45,630)
Current assets (Note 15)	19,543	12,056
	195,216	(33,574)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

30 CONTRACT LIABILITIES

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Amounts related to construction contracts – third parties	14,298,953	9,366,939
Amounts related to construction contracts – related parties	46,485	2,990,065
Amounts received in advances from customers	6,898,550	6,194,783
	21,243,988	18,551,787

31 TRADE AND OTHER PAYABLES

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Accruals and other payables	26,725,777	21,506,451
Trade payables	7,809,945	5,973,794
Retention payables	2,592,889	2,452,717
Project related accruals and provisions	3,530,452	2,568,619
Finance charge payable	392,631	267,314
Dividend payables	116,561	29,172
Non-controlling interests put option liability	61,459	-
Derivative financial instruments (Note 29)	487	45,630
	41,230,201	32,843,697

Trade and other payables are classified as follows:

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Non-current	5,197,665	4,141,527
Current	36,032,536	28,702,170
	41,230,201	32,843,697

The average credit period on purchases ranges between 30 to 90 days. The Group has financial risk management policies in place to ensure that payables are paid within agreed timeframes. Generally, no interest is charged on trade and other payables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

32 REVENUE

	2025 <i>AED '000</i>	2024 <i>AED '000</i>
Revenue by activity:		
Commercial and industrial services	28,811,179	26,263,949
Real estate development and sales	24,027,620	15,385,760
Construction contracts	12,629,800	11,414,019
Management and related services	8,464,555	6,588,747
Sale of goods and others	4,841,893	3,743,461
	78,775,047	63,395,936
Timing of revenue recognition:		
Revenue at a point in time	6,604,300	4,465,616
Revenue over time	72,170,747	58,930,320
	78,775,047	63,395,936
Geographical markets:		
UAE	68,077,916	53,913,775
Outside the UAE	10,697,131	9,482,161
	78,775,047	63,395,936

The transaction price allocated to partially unsatisfied performance obligations are as set out below:

	2025 <i>AED '000</i>	2024 <i>AED '000</i>
<i>Unsatisfied performance obligations</i>		
Commercial and industrial services	71,718,963	71,298,377
Real estate development and sales	56,814,711	54,571,499
Construction contracts	27,687,465	39,079,413
Management and related services	3,144,883	5,916,733
	159,366,022	170,866,022

The Group expects that 41% (2024: 42%) of the transaction price allocated to unsatisfied contracts at 31 December 2025 will be recognised as revenue during 2026, amounting AED 64,850 million (2024: AED 71,757 million). AED 50,900 million (2024: AED 56,192 million) will be recognised in the year 2027 with AED 43,616 million (2024: AED 42,917 million) in future years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

33 DIRECT COSTS

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Subcontractor costs	25,188,741	20,225,475
Material and inventory consumed	14,174,261	11,642,052
Staff costs	9,008,496	7,403,132
Other project costs	3,575,611	3,420,223
Depreciation and amortization (Notes 5, 6, 8 and 9)	2,274,019	1,663,751
Allowance for stock obsolescence (Note 16)	(434)	27,271
Other direct costs	5,775,168	5,578,529
	<u>59,995,862</u>	<u>49,960,433</u>

34 GENERAL, ADMINISTRATIVE AND SELLING EXPENSES

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Staff costs	1,566,528	1,262,632
Depreciation and amortisation (Note 5, 6, and 9)	956,317	827,689
Management fees	300,920	276,400
Utilities	87,745	59,490
Allowance for stock obsolescence (Note 16)	3,244	1,383
Maintenance	51,395	31,886
Impairment reversal of development work-in-progress (Note 17)	(19,025)	(29,564)
Impairment of investment property (Note 8)	189,206	260,244
Other expenses	1,688,511	1,315,782
	<u>4,824,841</u>	<u>4,005,942</u>

Other general, administrative and selling expenses include social contributions amounting to AED 17,531 thousand (2024: AED 31,551 thousand).

35 OTHER INCOME

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
Gain on sale of investment properties	41,677	128,874
Dividend income	222,468	641,771
Gain / (loss) on disposal of property, plant and equipment	3,144	11,445
Sales of scrap	31,423	40,238
Gain on settlement of consideration receivable (Note 42)	167,000	-
Loss for the year from discontinued operations (Note 37)	(12,065)	(845)
Recovery of doubtful receivables	112,196	198,801
Gain on bargain purchase (Note 41.1)	71,184	-
Net changes in fair value of investments carried at FVTPL (Note 12)	3,153,246	1,561,895
(Loss) / gain on lease cancellations and modifications (Note 9)	(49,347)	31,706
Others	202,666	150,374
	<u>3,951,893</u>	<u>2,752,814</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36 FINANCE COSTS, NET

	<i>2025</i> <i>AED '000</i>	<i>2024</i> <i>AED '000</i>
<i>Finance costs</i>		
Interest on borrowings	2,138,835	1,648,023
Interest on lease liabilities (Note 9)	100,660	101,004
	2,239,495	1,749,027
<i>Finance income</i>		
Bank deposits	1,093,231	940,454
Other financial assets measured at amortised cost	245,568	132,320
	1,338,799	1,072,774
Net finance costs	900,696	676,253

37 NON-CURRENT ASSETS HELD-FOR-SALE AND DISCONTINUED OPERATIONS**Non-current assets held-for-sale and discontinued operations from 2025**

- A. On 13 February 2025, the Group entered into an agreement with a third party to dispose of its entire interest in an associate, Wisy Holding Cyprus Ltd ("Wisy Holding"). Accordingly, the investment was classified as a non-current asset held-for-sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. The carrying amount of Wisy Holding as at the date of classification was AED 318,539 thousand.

The disposal was completed on 16 June 2025. As a result of the disposal, a gain of AED 16,600 thousand was recognised in the consolidated statement of profit or loss for the year ended 31 December 2025 (Note 35)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

37 NON-CURRENT ASSETS HELD-FOR-SALE AND DISCONTINUED OPERATIONS continued***Non-current assets held-for-sale and discontinued operations from 2025*** continued***Mustard & Linen Interior Design Holdings Limited ("M&L")***

During the year, the Group entered into a share transfer and settlement agreement with the minority shareholder of Mustard & Linen Interior Design Holdings Limited ("M&L", a subsidiary) and disposed of its entire 75% equity interest in M&L for a total consideration of AED 3,000 thousand. M&L was a component of the project management services business segment of the Group.

The investment in M&L meets the conditions for the Participation Exemption under UAE Corporate Tax Law. Accordingly, the loss on disposal of AED 28,665 thousand is not deductible for tax purposes, and no tax benefit or deferred tax asset has been recognised in respect of this loss. The impact is presented as a non-deductible item in the reconciliation of accounting profit to taxable income.

Three 360, Oriontek and Tafawuq

During the year, the Group disposed of three subsidiaries in Egypt - Three 360, Oriontek and Tafawuq for a total consideration of AED 2,165 thousand.

The carrying value of the disposed subsidiaries at the disposal date were as follows:

		2025 AED '000				
	Notes	Three 360	OrionTEK	Tafawuq	M&L	Total
Total assets		1,568	120	11,791	39,336	52,815
Total liabilities		1,173	9	9,005	5,416	15,603
Net assets of disposal group		395	111	2,786	33,920	37,212
Less: non-controlling interests		-	-	(3,646)	(2,255)	(5,901)
		395	111	(860)	31,665	31,311
Less: consideration received		-	-	(2,165)	(3,000)	(5,165)
Add: reclassification of foreign exchange reserve		-	-	(2,519)	-	(2,519)
Net (loss) / gain on disposal of discontinued operations		(395)	(111)	506	(28,665)	(28,665)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

37 NON-CURRENT ASSETS HELD-FOR-SALE AND DISCONTINUED OPERATIONS continuedDiscontinued operations from 2024

- A. On 31 December 2024, the Group sold its wholly owned subsidiary Dicon Investment LLC. Dicon Investment LLC was classified as held-for-sale on 30 September 2024.
The carrying value of Dicon is as follows:

	<i>Notes</i>	<i>2024 AED '000</i>
Total assets		19,859
Total liabilities		16,898
Net assets of disposal group		2,961

- B. The Board of Directors of the Group approved the acquisition of 51% stake in NTS Middle East FZCO ("NTS") with the intention of subsequent sale to Enersol Rsc Ltd ('Enersol'). On 28 February 2024, the Board of Directors of Enersol approved the acquisition. On 30 December 2024, all closing obligations were completed and the Group sold its wholly owned subsidiary ADH Energy RSC holding investment in NTS for a consideration of AED 217,248 thousand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

37 NON-CURRENT ASSETS HELD-FOR-SALE AND DISCONTINUED OPERATIONS continuedDiscontinued operations from 2024 continued

The carrying value of ADH Energy RSC as at the disposal date were as follows:

	<i>Notes</i>	<i>2024 AED '000</i>
Assets		
Investments in associates		215,913
		<hr/>
Total assets		215,913
		<hr/>
Liabilities		
Trade and other payables		32
		<hr/>
Total liabilities		32
		<hr/>
Net assets directly associated with disposed group		215,881
		<hr/>
		<hr/>
		<i>2024 AED '000</i>
Net assets directly associated with disposed group		215,881
Less: Consideration received		(218,500)
		<hr/>
Gain on disposal of discontinued operation		2,619
		<hr/>
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		<i>2024 AED '000</i>
		<hr/>
Net loss from disposal of discontinued operations (Note 35)		(845)
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

38 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the year attributed to the owners of the Company by the weighted average number of shares in issue throughout the year.

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

The following reflects the profit and share data used to calculate both basic and diluted earnings per share, as there are no outstanding dilutive instruments:

	<i>2025</i>	<i>2024</i>
Profit for the year attributable to equity holders of the Company – AED ‘000	8,014,161	8,888,462
Less: distributions to the Noteholder (Note 24)	(103,289)	(103,289)
	<hr/>	<hr/>
	7,910,872	8,785,173
Weighted average number of ordinary shares issued (‘000)	10,000,000	10,000,000
Basic and diluted earnings per share (AED)	0.79	0.88
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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.

39 CONTINGENT LIABILITIES AND COMMITMENTS

	<i>2025</i> <i>AED ‘000</i>	<i>2024</i> <i>AED ‘000</i>
Letter of guarantees	43,280,365	37,678,259
	<hr/>	<hr/>
Letters of credit	1,959,796	1,019,275
	<hr/>	<hr/>
Capital commitments	42,421,991	37,476,757
	<hr/>	<hr/>
Purchase commitments	5,744,358	6,185,651
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Operating lease commitments	9,964,830	8,308,294
	<hr/>	<hr/>

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

Capital commitments include commitments towards investments and projects managed by the Group.

Operating lease commitments*The Group as lessor*

The Group has entered into operating leases on its investment property portfolio and have terms of between 1 and 5 years and above. The lessees do not have an option to purchase the property at the expiry of the lease period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

39 CONTINGENT LIABILITIES AND COMMITMENTS continued

The future minimum rentals receivable under non-cancellable operating leases contracted as at 31 December are as follows:

	2025 AED '000	2024 AED '000
Buildings:		
Within one year	1,968,041	1,678,262
In the second to fifth year	5,119,830	4,315,766
After five years	2,876,959	2,314,266
	9,964,830	8,308,294

40 DIVIDEND

For the year ended 31 December 2025, no dividends were declared or paid to the shareholders of the Company (2024: At the General Assembly meeting held on 27 November 2024, the shareholders approved a cash dividend of AED 20 fils per share (AED 2,000,000) for the year ended 31 December 2024 and was subsequently paid on 4 December 2024).

Dividends attributable to non-controlling interests declared by various subsidiaries amounted to AED 1,592,978 thousand (2024: AED 2,056,157 thousand).

41 BUSINESS COMBINATION**41.1 Acquisitions under IFRS 3 Business Combinations during the current year**

National Corporation for Tourism & Hotels ("NCTH")

Effective 6 Jan 2025, Alpha Dhabi Hospitality Holding LLC ("ADHH"), a wholly owned subsidiary of the Company, and Murban Energy Limited ("Murban"), a wholly owned subsidiary of ADHH, entered into an arrangement with National Corporation for Tourism & Hotels ("NCTH").

As part of the arrangement:

- ADHH agreed to transfer its interests in *ADH Hospitality RSC Ltd.* to NCTH.
- Murban agreed to transfer its interests in *Murban (BVI) Holding Inc.* and *Hill View Resorts (Seychelles) Limited* to NCTH.

In return, ADHH and Murban received an equity stake in NCTH. As a result:

- The Group's ownership interest in NCTH increased from 36.39% to 73.73%, granting the Group control over NCTH.
- This transaction is accounted for as a step acquisition under IFRS 3 – Business Combinations.
- Consequently, the previous equity-accounted investment in associate has been de-recognised, and NCTH is now fully consolidated as a subsidiary under IFRS 10 – Consolidated Financial Statements.

NCTH is a company registered and incorporated in the Emirate of Abu Dhabi and own, manage and invest in hotels and leisure complexes and undertakes other related business. NCTH's shares are listed on Abu Dhabi Securities Exchange.

From the date of acquisition, NCTH contributed revenue and profit to the Group amounting to AED 818,930 thousand and AED 111,902 thousand respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued

41.1 Acquisitions under IFRS 3 Business Combinations during the current year continued

Emdad LLC ("Emdad")

Effective 4 June 2025, NMDC, a subsidiary of the Group, acquired 70% equity interest in Emdad LLC ("Emdad"), for a consideration of AED 284,662 thousand. Emdad is a limited liability company, registered and incorporated in the Emirate of Abu Dhabi and is an integrated service provider operating in the oil and gas, utilities and industrial sectors. From the date of acquisition, Emdad has contributed revenue and income to the Group amounting to AED 337,924 thousand and AED 20,827 thousand respectively.

Wisy Management Cyprus ("Wisy Management"), Nammos World Sarl ("Nammos World"), Nammos Switzerland AG ("Nammos Switzerland")

Effective 16 June 2025, ADMO Lifestyle Holding Limited ("ADMO"), a subsidiary of the Group, entered into an agreement with the third party shareholders of the above entities. As part of the agreement ADMO:

- Acquired an additional 55.56% ownership interest in Wisy Management, resulting in 100% ownership and granting ADMO control over Wisy Management.
- Acquired an additional 35.58% ownership interest in Nammos World, increasing its total shareholding to 80.02% and granting ADMO control over Nammos World.
- Acquired 100% ownership interest in Nammos Switzerland.
- Acquired an additional 37.53% ownership interest in Nammos Holding STA LTD, resulting in 100% ownership (Note 42 (b)).
- In return, ADMO transferred its 44.44% ownership interest in Wisy Holding Cyprus to the third-party shareholders, paid cash of AED 62,853 thousand, and waived the loan granted to a subsidiary of Nammos World of AED 68,707 thousand.

Consideration has been allocated to the acquired businesses as follows:

- Wisy Management	AED 42,330 thousand
- Nammos World	AED 127,746 thousand
- Nammos Switzerland	AED 45,599 thousand

The consideration of AED 337,864 thousand, allocated to the acquisition of additional 37.53% ownership interest in Nammos Holding STA LTD, has been accounted for as an increase in shareholding (acquisition of NCI), as disclosed in Note 42(b).

Wisy Management Cyprus Limited ("Wisy Management")

Wisy Management Limited ("Wisy Management") is a limited liability company, registered and incorporated in Cyprus and its principal activities are the provision of operational management services of luxury restaurant concepts, under the brand standards and licensed trademark "Nammos". From the date of acquisition, Wisy has contributed revenue and income to the Group amounting to AED 2,814 and AED 1,868 thousand respectively.

Nammos World Sarl ("Nammos World")

Nammos World Sarl ("Nammos World") is a limited liability company, registered and incorporated in Monaco and its principal activities are development of a catering concept and control of franchisees and licenses operating cafe-restaurant complexes and theme stores under the "Nammos" brand. From the date of acquisition, Nammos World has contributed revenue and income to the Group amounting to AED 8,291 thousand and AED 3,304 thousand respectively.

Nammos Switzerland AG ("Nammos Switzerland")

Nammos Switzerland AG ("Nammos Switzerland") is a limited liability company, registered and incorporated in Switzerland and its principal activities are acquiring, holding, managing and incorporating brand establishments and subsidiaries. From the date of acquisition, Nammos Switzerland AG has contributed revenue and income to the Group amounting to AED 9,622 and AED 46,842 thousand respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued

41.1 Acquisitions under IFRS 3 Business Combinations during the current year

Em Sherif Holding Ltd. ("Em Sherif")

Effective 1 July 2025, the Group acquired an additional 24.9% equity interest in Em Sherif Holding Ltd ("Em Sherif"), for a consideration of AED 197,522 thousand increasing its total shareholding to 60%. As a result of this transaction, the Group obtained control over the entity, and it is now accounted for as a subsidiary using the acquisition method in accordance with IFRS 3 Business Combinations.

The Group's previously held 35.1% equity interest, which was classified as an investment in an associate, was remeasured to its fair value at the acquisition date. The resulting gain from the remeasurement and derecognition of the associate was recognised in the consolidated statement of profit or loss for the year ended 31 December 2025 (refer to Note 10).

Em Sherif is a limited liability company, registered and incorporated in United Arab Emirates and its principal activity is an investment holding company. From the date of acquisition, Em Sherif has contributed revenue and income to the Group amounting to AED 24,133 thousand and AED 20,133 thousand respectively.

Hansa Energy Solutions LLC ("Hansa")

Effective 24 July 2025, Pactive Sustainable Solutions LLC, a subsidiary of the Group acquired 100% equity interest in Hansa Energy Solutions LLC ("Hansa"), for a consideration of AED 76,841 thousand. Hansa is a limited liability company, registered and incorporated in United Arab Emirates and its principal activity is installation and maintenance of alternative energy equipment and onshore/offshore oil and gas fields and facilities services. From the date of acquisition, Hansa has contributed revenue and income to the Group amounting to AED 58,837 and AED 9,830 thousand respectively.

AGMK Capital Limited ("AGMK")

Effective 9 July 2025, Em Sharif Holding Ltd, a subsidiary of the Group acquired 51% equity interest in AGMK Capital Limited ("AGMK") for a consideration of AED 17,548 thousand. AGMK is a limited liability company, registered and incorporated in United Kingdom and its principal activities are the sale of food and beverages. From the date of acquisition, AGMK has contributed revenue and income to the Group amounting to AED 24,700 thousand and AED 1,681 thousand respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued**41.1 Acquisitions under IFRS 3 Business Combinations during the current year** continued

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

	Notes	NCTH AED'000	Emdad* AED'000	Wisy Management* AED'000	Nammos World* AED'000	Nammos Switzerland* AED'000	Em Sherif* AED'000	Hansa AED'000	AGMK* AED'000	Total AED'000
Non-current assets										
Property, plant and equipment	5	1,958,589	58,951	-	24	136,561	2,761	1,094	3,463	2,161,443
Intangible assets	6	165,563	-	7,967	148,738	-	454,214	17,137	4,238	797,857
Right-of-use assets	9	236	3,931	-	-	116,576	-	-	-	120,743
Investment in associates and joint ventures	10	298,149	-	-	-	-	-	-	-	298,149
Deferred tax assets	14	-	-	-	-	537	-	-	-	537
		2,422,537	62,882	7,967	148,762	253,674	456,975	18,231	7,701	3,378,729
Current assets										
Inventories		21,091	28,587	-	-	2,034	-	34	261	52,007
Investment in financial assets	12	24,329	-	-	-	-	-	-	-	24,329
Contract assets		-	165,724	-	-	-	-	-	-	165,724
Cash and bank balances		433,505	52,832	1,811	860	1,893	4,195	19,867	29	514,992
Trade and other receivables		148,469	245,022	3,879	9,434	36,689	21,728	22,564	17,481	505,266
Due from related parties		-	-	683	18	69,924	811	-	-	71,436
		627,394	492,165	6,373	10,312	110,540	26,734	42,465	17,771	1,333,754
Total assets		3,049,931	555,047	14,340	159,074	364,214	483,709	60,696	25,472	4,712,483

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued**41.1 Acquisitions under IFRS 3 Business Combinations during the current year** continued

	Notes	NCTH AED'000	Emdad* AED'000	Wisy Management* AED'000	Nammos World* AED'000	Nammos Switzerland* AED'000	Em Sherif* AED'000	Hansa AED'000	AGMK* AED'000	Total AED'000
Non-current liabilities										
Bank borrowings	27	317,420	27,411	-	-	-	-	-	-	344,831
Provision for employees' end of service benefits	26	34,813	22,072	-	-	-	1,111	584	-	58,580
Lease liabilities	9	210	-	-	-	119,018	-	-	-	119,228
Trade and other payables		-	-	-	-	-	-	115	-	115
Deferred tax liabilities	14	14,901	-	996	29,622	-	40,865	2,571	749	89,704
		367,344	49,483	996	29,622	119,018	41,976	3,270	749	612,458
Current liabilities										
Bank borrowings	27	49,970	29,066	-	-	1,416	-	-	-	80,452
Lease liabilities	9	62	3,542	-	-	-	-	-	-	3,604
Due to related parties		-	-	-	5,931	231,448	812	-	-	238,191
Current tax liabilities	14	5,946	4,521	186	1,630	-	-	557	-	12,840
Trade and other payables		237,078	266,121	2,407	2,361	64,899	268	5,395	32,158	610,687
		293,056	303,250	2,593	9,922	297,763	1,080	5,952	32,158	945,774
Total liabilities		660,400	352,733	3,589	39,544	416,781	43,056	9,222	32,907	1,558,232

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued**41.1 Acquisitions under IFRS 3 Business Combinations during the current year** continued

	Notes	NCTH AED'000	Emdad* AED'000	Wisy Management* AED'000	Nammos World* AED'000	Nammos Switzerland* AED'000	Em Sherif* AED'000	Hansa AED'000	AGMK* AED'000	Total AED'000
Net assets / (liabilities)		2,389,531	202,314	10,751	119,530	(52,567)	440,653	51,474	(7,435)	3,154,251
Less: non-controlling interests		-	-	-	-	8,534	-	-	-	8,534
Total identifiable net assets / (liabilities) at fair value		2,389,531	202,314	10,751	119,530	(44,033)	440,653	51,474	(7,435)	3,162,785
Proportionate share of identifiable net assets (liabilities) acquired		1,761,857	141,620	10,751	95,624	(44,033)	264,392	51,474	(3,792)	2,277,893
Goodwill arising on acquisition	7	-	143,042	31,579	32,122	89,632	211,564	25,367	21,340	554,646
Gain on bargain purchase	35	(71,184)	-	-	-	-	-	-	-	(71,184)
Purchase consideration		1,690,673	284,662	42,330	127,746	45,599	475,956	76,841	17,548	2,761,355
Non-controlling interests on Acquisition		627,674	60,694	-	23,906	(8,534)	176,261	-	(3,643)	876,358

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued**41.1 Acquisitions under IFRS 3 Business Combinations during the current year** continued

Details of purchase consideration on acquisition is as follows:

Notes	NCTH AED'000	Emdad* AED'000	Wisy Management* AED'000	Nammos World* AED'000	Nammos Switzerland* AED'000	Em Sherif* AED'000	Hansa AED'000	AGMK* AED'000	Total AED'000
Cash paid for the consideration	-	253,552	6,006	56,847	-	197,522	60,905	9,979	584,811
Contingent consideration	-	31,110	-	-	-	-	15,936	-	47,046
Fair value of previously held equity interest	834,352	-	18,794	70,899	-	278,434	-	-	1,202,479
Fair value of shares in subsidiaries	856,321	-	-	-	-	-	-	-	856,321
Waiver of loans granted	-	-	17,530	-	45,599	-	-	7,569	70,698
Purchase consideration	1,690,673	284,662	42,330	127,746	45,599	475,956	76,841	17,548	2,761,355

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued**41.1 Acquisitions under IFRS 3 Business Combinations during the current year** continued

Analysis of cashflows on acquisitions is as follows:

Notes	NCTH AED'000	Emdad* AED'000	Wisy Management* AED'000	Nammos World* AED'000	Nammos Switzerland* AED'000	Em Sherif* AED'000	Hansa AED'000	AGMK* AED'000	Total AED'000
Net cash acquired on business combination	433,505	52,832	1,811	860	1,893	4,195	19,867	29	514,992
Cash paid for the acquisition	-	(253,552)	(6,006)	(56,847)	-	(197,522)	(60,905)	(9,979)	(584,811)
Acquisition of operating business – net of cash acquired (included in cash flows from investing activities)	433,505	(200,720)	(4,195)	(55,987)	1,893	(193,327)	(41,038)	(9,950)	(69,819)
Transaction costs of the acquisition	(2,562)	(1,552)	(164)	(495)	(207)	(413)	(1,279)	-	(6,672)
Net cash (paid) / acquired on acquisition	430,943	(202,272)	(4,359)	(56,482)	1,686	(193,740)	(42,317)	(9,950)	(76,491)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued**41.1 Acquisitions under IFRS 3 Business Combinations during the current year** continued

*The net assets recognised are based on a provisional assessment of their fair values as at the acquisition date. The Group will finalise the purchase price allocation before the end of 12 months from the acquisition date of each subsidiary.

The Group has recognised intangible assets of AED 797,857 thousand as a result of the aforementioned acquisitions, which comprise mainly of brands and customer relationships.

The fair value measurement is based on significant inputs that are not observable in the market, which IFRS 13 "Fair Value Measurement" refers to as level 3 inputs. The fair value estimate is based on:

- Assumed discount rates of 9.95% to 13.8%; and
- A terminal value calculated based on long-term sustainable growth rate for the industry of 2%, which has been used to determine income for the future years.

The following are the subsidiaries and joint ventures which the Group controls through its partially controlled subsidiary NCTH:

<i>Sr. no.</i>	<i>Name of subsidiary</i>	<i>Percentage of ownership</i>	<i>Country of incorporation</i>	<i>Principal activities</i>
1	Intercontinental Hotel Abu Dhabi – Sole Proprietorship LLC	73.73%	United Arab Emirates	Hospitality services
2	Intercontinental Residences Abu Dhabi Hotel Apartments – Sole Proprietorship LLC	73.73%	United Arab Emirates	Hospitality services
3	Danat Al Ain Resort – Sole Proprietorship LLC	73.73%	United Arab Emirates	Hospitality services
4	Danat Jabal Al Dhanna Resort – Sole Proprietorship LLC	73.73%	United Arab Emirates	Hospitality services
5	Al Dhafra Beach Hotel – Sole Proprietorship LLC	73.73%	United Arab Emirates	Hospitality services
<i>Sr. no.</i>	<i>Name of joint venture</i>	<i>Percentage of ownership</i>	<i>Country of incorporation</i>	<i>Principal activities</i>
1	Velocity Property Development LLC	63.86%	United Arab Emirates	Restaurant business
2	National Transport Company	50%	United Arab Emirates	Transport services

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued**41.1 Acquisitions under IFRS 3 Business Combinations during the current year** continued

The following are the subsidiaries which the Group controls through its partially controlled subsidiary Emdad:

<i>Sr. no.</i>	<i>Name of subsidiary</i>	<i>Percentage of ownership</i>	<i>Country of incorporation</i>	<i>Principal activities</i>
1	EMDAD Services LLC (ES)	100%	United Arab Emirates	Oil and gas industrial related services
2	EMDAD Energy Industries LLC (EEIS)	100%	United Arab Emirates	Oil and gas industrial related services
3	Intergulf General Contracting LLC (IGC)	100%	United Arab Emirates	Oil and gas industrial related services
4	EMJEL Oilfield Services LLC (Emjel)	100%	United Arab Emirates	Oil and gas industrial related services

The following are the subsidiaries which the Group controls through its subsidiary Nammos Switzerland AG:

<i>Sr. no.</i>	<i>Name of subsidiary</i>	<i>Percentage of ownership</i>	<i>Country of incorporation</i>	<i>Principal activities</i>
1	Nammos Cote d'Azur	85%	France	Restaurant business
2	Tamaris Susu	85%	Cannes	Restaurant business

The following are the subsidiaries which the Group controls through its partially controlled subsidiary Em Sherif:

<i>Sr. no.</i>	<i>Name of subsidiary</i>	<i>Percentage of ownership</i>	<i>Country of incorporation</i>	<i>Principal activities</i>
1	Orient Luxury Food Ltd	100%	United Arab Emirates	Holding company
2	SGR Offshore SAL	100%	Lebanon	Negotiate and sign contracts and agreements pertaining to operations and transactions to be performed outside Lebanon

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued**41.1 Acquisitions under IFRS 3 Business Combinations during the current year** continued

The following are the subsidiaries which the Group controls through its partially controlled subsidiary Hansa:

<i>Sr. no.</i>	<i>Name of subsidiary</i>	<i>Percentage of ownership</i>	<i>Country of incorporation</i>	<i>Principal activities</i>
1	Hansa Energy Solutions LLC – Abu Dhabi	100%	United Arab Emirates	Installation and maintenance of alternative energy equipment and onshore/offshore oil and gas fields and facilities services
2	Hansa Energy Efficiency Consultancy FZ-LLC	100%	United Arab Emirates	Energy projects engineering consultancy

41.2 Acquisitions under IFRS 3 Business Combinations during the prior year*L Capital KTD Ltd (“Ce La Vi”)*

Effective 1 January 2024, a subsidiary acquired 99% equity interest in *Ce La Vi*, for a consideration of AED 190,815 thousand which was accounted for using the acquisition method under IFRS 3 *Business Combinations*. *Ce La Vi* is a limited liability company, registered and incorporated in Mauritius and is engaged in sale of food and beverages. From the date of acquisition to 31 December 2024, *Ce La Vi* contributed revenue and income to the Group amounting to AED 247,331 thousand and AED 36,279 thousand respectively.

Alpha Mind Holding Limited (“Alpha Mind”)

Effective 31 January 2024, a subsidiary acquired 51% equity interest in *Alpha Mind*, for a consideration of AED 214,200 thousand which was accounted for using the acquisition method under IFRS 3 *Business Combinations*. *Alpha Mind* is a limited liability company, registered and incorporated in the Emirate of Abu Dhabi and is engaged in sale of food and beverages. From the date of acquisition to 31 December 2024, *Alpha Mind* contributed revenue and income to the Group amounting to AED 288,735 thousand and AED 11,509 thousand respectively.

Selmondo Limited (“Selmondo”)

Effective 1 October 2024, a subsidiary acquired 51% equity interest in *Selmondo*, for a consideration of AED 28,710 thousand which was accounted for using the acquisition method under IFRS 3 *Business Combinations*. *Selmondo* is a limited liability company, registered and incorporated in Cyprus and is engaged in sale of food and beverages. From the date of acquisition to 31 December 2024, *Selmondo* contributed revenue and loss to the Group amounting to AED 521 thousand and (AED 870) thousand respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued**41.2 Acquisitions under IFRS 3 Business Combinations during the prior year** continued

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

	Notes	Ce La Vi AED '000	Alpha Mind AED '000	Selmondo AED '000	Total AED '000
Non-current assets					
Property, plant and equipment	5	18,633	138,277	1,709	158,619
Intangible assets	6	81,295	66,977	2	148,274
Right-of-use assets	9	59,734	22,607	7,573	89,914
Investment in associates and joint ventures	10	5,971	-	-	5,971
Deferred tax assets		-	-	52	52
Trade and other receivables		-	11,351	-	11,351
		165,633	239,212	9,336	414,181
Current assets					
Trade and other receivables		33,067	25,138	1,049	59,254
Inventories		4,943	7,596	397	12,936
Cash and bank balances		30,591	57,209	5,531	93,331
		68,601	89,943	6,977	165,521
Total assets		234,234	329,155	16,313	579,702
Non-current liabilities					
Lease liabilities	9	38,061	21,455	7,809	67,325
Provision for employees' end of service benefits	26	-	1,918	5	1,923
Deferred tax liabilities		17,207	5,850	14	23,071
Trade and other payables		-	48,110	-	48,110
		55,268	77,333	7,828	140,429
Current liabilities					
Lease liabilities	9	21,673	1,152	-	22,825
Contract liabilities		6,206	-	-	6,206
Trade and other payables		40,783	66,983	3,085	110,851
		68,662	68,135	3,085	139,882
Total liabilities		123,930	145,468	10,913	280,311
Net assets acquired		110,304	183,687	5,400	299,391

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For the year ended 31 December 2025

41 BUSINESS COMBINATION continued**41.2 Acquisitions under IFRS 3 Business Combinations during the prior year** continued

	Notes	Ce La Vi AED'000	Alpha Mind AED'000	Selmondo AED'000	Total AED'000
Net assets		110,304	183,687	5,400	299,391
Less: non-controlling interests		(17,470)	(16,780)	-	(34,250)
Total identifiable net assets at fair value		<u>92,834</u>	<u>166,907</u>	<u>5,400</u>	<u>265,141</u>
Proportionate share of identifiable net assets (liabilities) acquired		91,998	85,123	2,754	179,875
Goodwill arising on acquisition	7	<u>98,817</u>	<u>129,077</u>	<u>25,956</u>	<u>253,850</u>
Purchase consideration		<u>190,815</u>	<u>214,200</u>	<u>28,710</u>	<u>433,725</u>
Non-controlling interests on Acquisition		<u>18,306</u>	<u>98,564</u>	<u>2,646</u>	<u>119,516</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued**41.2 Acquisitions under IFRS 3 Business Combinations during the prior year** continued

Notes	Ce La Vi AED'000	Alpha Mind AED'000	Selmondo AED'000	Total AED'000
Net cash acquired on business combination	30,591	57,209	5,531	93,331
Cash paid for the acquisition	(190,815)	(214,200)	(28,710)	(433,725)
Acquisition of operating business – net of cash acquired (included in cashflows from investing activities)	(160,224)	(156,991)	(23,179)	(340,394)
Transaction costs of the acquisition (included in cashflows from operating activities)	(3,427)	(3,443)	(542)	(7,412)
Net cash acquired on acquisition	(163,651)	(160,434)	(23,721)	(347,806)

Note: Transaction costs were expensed during the year and are included into Note 34.

41.3 Purchase price allocation (PPA) for prior year acquisition recognised on provisional fair values**During the current year**

During the current year, the purchase price allocation was completed for Selmondo Limited (“Selmondo”), a subsidiary of the Group, acquired in the prior year. This has resulted in adjustments to the consolidated financial statements of the Group as follows:

- Increase in the fair value of identifiable intangible assets, right-of-use assets, lease liabilities and deferred tax liability by AED 26,619 thousand, AED 1,161 thousand, AED 925 thousand and AED 6,042 thousand respectively.
- Decrease in the goodwill by AED 10,615 thousand.
- Increase in the non-controlling interests by AED 10,198 thousand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued

41.4 Acquisitions of assets

The Group completed the following asset acquisitions during the year. These transactions have been accounted for asset acquisitions in accordance with IFRS 3 Business Combinations, as substantially all the fair value of the gross assets acquired is concentrated in a group of similar identifiable assets.

a) Masdar Green REIT (CEIC) Limited (“MGR”)

During the year, Aldar Investment Properties LLC, a subsidiary of the Group, acquired a 60% equity interest in Masdar Green REIT (CEIC) Limited (“MGR”), a limited liability company incorporated in the Abu Dhabi Global Market (ADGM), for a total gross consideration of AED 1,484,587 thousand. The assets acquired substantially comprise of investment properties amounting to AED 3,195,689 thousand.

Following the acquisition, the Group obtained control over MGR and has accordingly fully consolidated the entity in its consolidated financial statements. MGR is engaged in the ownership, management, and leasing of real estate assets located in Masdar City, Abu Dhabi, primarily comprising office and residential properties.

b) Dunes Logistics Development Partners Holding RSC Limited (“Dunes”)

During the year, Aldar Properties PJSC, a subsidiary of the Group, acquired a 60% equity interest in Dunes Logistics Development Partners Holding RSC Limited (“Dunes”), a limited liability company incorporated in ADGM, for a total gross consideration of AED 150,000 thousand. The assets acquired substantially comprise of investment properties amounting to AED 250,000 thousand.

The Group has obtained control over Dunes and accordingly consolidates it in its consolidated financial statements. Dunes is primarily engaged in the development, ownership, and management of logistics and real estate assets.

c) Industrial Properties Investments SPV Limited (“Industrial Properties”)

During the year, Aldar Properties PJSC, a subsidiary of the Group, acquired a 100% equity interest in Industrial Properties Investments SPV Limited (“Industrial Properties”), a limited liability company registered in ADGM, for a total gross consideration of AED 528,448 thousand. The assets acquired substantially comprise of investment properties amounting to AED 530,000 thousand.

Following the acquisition, the Group obtained control over Industrial Properties and has accordingly fully consolidated the entities in its consolidated financial statements. Industrial Properties owns high-quality warehousing and light industrial real estate assets in the Al Dhafra region of Abu Dhabi.

d) Noon Mega AD LLC and Emtelle ME Ltd (“Noon Mega” and “Emtelle ME”)

During the year, Nexus Real Estate Services Ltd, a subsidiary of the Group, acquired 100% of the equity interests in Noon Mega AD LLC and Emtelle ME Ltd (“Noon Mega” and “Emtelle ME”) from Abu Dhabi Ports Company PJSC for a total gross consideration of AED 565,696 thousand. The assets acquired substantially comprise of investment properties amounting to AED 564,186 thousand.

Following the acquisition, the Group obtained control over Noon Mega and Emtelle ME and has accordingly fully consolidated the entities in its consolidated financial statements. Noon Mega and Emtelle ME own Grade A industrial and logistics facilities along with associated Musataha rights over two plots located in KEZAD, Abu Dhabi, UAE.

The carrying values of investment properties arising from the above acquisitions, recognised in the consolidated financial statements, were as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41 BUSINESS COMBINATION continued**41.4 Acquisitions of assets** continued

	<i>31 December 2025 AED '000</i>
Investment properties acquired from MGR	3,195,689
Investment properties acquired from Dunes	250,000
Investment properties acquired from Industrial Properties	530,000
Investment properties acquired from Noon Mega and Emtelle ME	<u>564,186</u>
Total investment properties acquired (Note 8)	<u><u>4,539,875</u></u>
	<i>31 December 2025 AED '000</i>
Non-controlling interests arising from MGR	989,724
Non-controlling interests arising from Dunes	<u>100,000</u>
Total non-controlling interests arising from asset acquisitions	<u><u>1,089,724</u></u>

42 GROUP'S REORGANISATIONS**a) Partial disposal of shareholding in a subsidiary against consideration**

- During the year, the Group transferred its 100% ownership interest in the following subsidiaries to National Corporation for Tourism and Hotels (NCTH) and obtained control over NCTH (Note 41.1):
 - ADH Hospitality RSC LTD;
 - Murban (BVI) Holding Inc; and
 - Hill View Resorts (Seychelles) Limited.

As a result, the Group ownership in the above subsidiaries decreased by 26.27% after obtaining control of NCTH.

	<i>31 December 2025 AED '000</i>
Fair value of shares issued to the Group	856,321
Carrying value of the equity interests transferred*	<u>(610,820)</u>
Difference recognised in retained earnings	<u><u>245,501</u></u>

*Carrying value of the equity interest transferred includes additional commitments towards the construction of Hill View Resorts (Seychelles) Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42 GROUP'S REORGANISATIONS continued**b) Increase in shareholding of subsidiaries (acquisition of NCI)**

During the year, the Group acquired additional ownership interests in the following entities due to business reorganisations as follows:

31 December 2025	<i>Mawarid Holding Investment LLC</i>	<i>ADMO Lifestyle Holding Limited</i>	<i>Basatin Holding SPV Ltd.</i>	<i>Iconic Locations Taipei Ltd.</i>	<i>Aldar Hansel SPV Restricted SPV LTD</i>	<i>Nammos Holding STA LTD</i>	<i>Al Maryah Property Holding Limited</i>	<i>Aldar Estates Holding Limited</i>	<i>Iconic Locations Me Holding Co. Ltd</i>	<i>White Flower Event Manageme -nt FZ</i>	<i>BDP Restaurant & Cafe LLC</i>	<i>Alpha Mind Holding Limited</i>	<i>NMDC Group PJSC</i>	<i>Total</i>
Increase in shareholding (%)	10%	12.80%	25%	36.75%	49%	37.53%	40%	17.45%	44%	10%	20%	6.1%	9.77%	
Carrying value of the NCI acquired (AED '000)	112,471	180,511	53,562	2,635	1,826,914	132,135	375,511	630,789	43,328	656	6,506	7,056	1,374,228	4,746,302
Less: consideration (AED '000)	(115,000)	-	(58,415)	(4,078)	(1,826,914)	(337,864)	(361,580)	(722,446)	(59,515)	(256)	(9,061)	-	(1,600,750)	(5,095,879)
Difference recognised in retained earnings (AED '000)	(2,529)	180,511	(4,853)	(1,443)	-	(205,729)	13,931	(91,657)	(16,187)	400	(2,555)	7,056	(226,522)	(349,577)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42 GROUP'S REORGANISATIONS continued

b) Increase in shareholding of subsidiaries (acquisition of NCI) continued

Mawarid Holding Investment LLC ('Mawarid')

During the year, the Group acquired an additional 10% ownership stake in Mawarid for purchase consideration of AED 115,000 thousand.

ADMO Lifestyle Holding Limited ('ADMO')

During the year, the Group acquired an additional 12.8% ownership stake in ADMO for no consideration.

Basatin Holding SPV Ltd. ('Basatin')

During the year, the Group acquired an additional 25% ownership stake in Basatin for purchase consideration of AED 58,415 thousand.

Iconic Locations Taipei Ltd. ('Iconic')

During the year, the Group acquired an additional 36.75% ownership stake in Iconic for purchase consideration of AED 4,078 thousand.

Aldar Hansel SPV Restricted SPV LTD

During the year, Aldar Properties PJSC ("Aldar"), a subsidiary of the Group, entered into a Class B Shares Repurchase Deed to re-transfer 49% of Class B shares from AP Hansel SPV LLC to Aldar, pursuant to a Share Transfer Instrument. This transaction resulted in the derecognition of non-controlling interests amounting to AED 1,826,914 thousand. The termination had no impact on the consolidated statement of profit or loss.

Nammos Holding STA LTD

During the year, the Group acquired an additional 37.53% ownership interest in Nammos Holding STA LTD. The acquisition was settled through the exchange of a 44.44% ownership stake in Wisy Holding Cyprus for a total consideration of AED 337,864 thousand (Note 10).

Al Maryah Property Holding Limited 'Al Maryah'

During the year, Aldar Properties PJSC ("Aldar"), a subsidiary of the Group, acquired an additional 40% ownership interest in Al Maryah for a purchase consideration of AED 361,580 thousand.

Aldar Estates Holding Limited ('Aldar Estates')

During the year, Aldar Properties PJSC ("Aldar"), a subsidiary of the Group, acquired an additional 17.45% ownership interest in Aldar Estates for a purchase consideration of AED 722,446 thousand.

Iconic Locations Me Holding Co. Ltd

During the year, Iconic Locations Ltd., a subsidiary of the Group, acquired an additional 44% ownership interest in Iconic Locations Me Holding Co. Ltd for a purchase consideration of AED 59,515 thousand.

White Flower Event Management FZ

During the year, Alpha Mind Holding Limited, a subsidiary of the Group, acquired an additional 10% ownership interest in White Flower Event Management FZ for a purchase consideration of AED 256 thousand.

BDP Restaurant & Cafe LLC

During the year, Alpha Mind One Holding Limited, a subsidiary of the Group, acquired an additional 20% ownership interest in BDP Restaurant & Cafe LLC for a purchase consideration of AED 9,061 thousand.

Alpha Mind Holding Limited

During the year, ADMO Lifestyle Holding Limited, a subsidiary of the Group, acquired an additional 6.1% ownership interest in Alpha Mind Holding Limited for no consideration.

NMDC Group PJSC

During the year, the Group acquired an additional 9.77% ownership interest in NMDC Group PJSC for a purchase consideration of AED 1,600,750 thousand.

c) Additional shareholders' contributions

AED 558,712 thousand represents contributions made by non-controlling interests of various subsidiaries within the Group's business.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42 GROUP'S REORGANISATIONS continued

During the prior year

- a) Partial disposal of shareholding in a subsidiary due to reorganisation:

	<u>NMDC</u>
31 December 2024	
Reduction in shareholding (%)	1.57%
Carrying value of the shareholding (AED'000)	151,003
	<hr/>
Difference recognised directly in	
Retained earnings (AED'000)	159,182
	<hr/>
Other reserves (AED'000)	(8,179)
	<hr/>

On 16 July 2024, the Group acquired certain assets for AED 624.8 million in exchange of mandatory convertible bonds of NMDC Group PJSC ('NMDC'), which were further converted into share capital. As a result of this transaction the Group's ownership in NMDC was reduced from 68.48% to 66.91%.

- b) Additional shareholders' contributions
AED 1,083,535 thousand represents contributions made by shareholders and non-controlling interests of various subsidiaries within the group's business.
- c) Reduction in shareholding of subsidiaries without a loss of control:

	<u>ADCH</u>	<u>NMDCE</u>	<u>Total</u>
Reduction in shareholding (%)	49%	23%	
Carrying value of the			
shareholding disposed-off (AED' 000)	1,455,619	1,735,907	3,191,526
Add: transaction cost paid (AED'000)	-	4,174	4,174
Less: consideration (AED' 000)	(3,562,000)	(3,103,000)	(6,665,000)
	<hr/>	<hr/>	<hr/>
Difference recognised directly in			
Retained earnings (AED'000)	2,105,449	1,363,422	3,468,871
	<hr/>	<hr/>	<hr/>
Other reserves (AED'000)	932	(503)	429
	<hr/>	<hr/>	<hr/>

On 11 September 2024, the listing date on ADX, the Group's ownership interest in NMDC Energy PJSC ('NMDCE') was diluted by 23% for a consideration of AED 3,103 million. An amount of AED 1,736 million was transferred to non-controlling interests during the year ended 31 December 2024.

On 30 September 2024, the Group disposed 49% of its interest in Alpha Dhabi Construction Holding LLC ('ADCH') for a consideration of AED 3,562 million. An amount of AED 1,456 million was transferred to non-controlling interests during the year ended 31 December 2024. The above transaction did not result in any loss of control. As a result, the difference between carrying value and proceeds were directly recognised in the retained earnings.

On 19 May 2025, the Group and the buyer agreed on the final consideration in accordance with the terms of the Share Purchase Agreement (SPA), which amounted to AED 3,729 million. As a result, gain of AED 167 million was recognized on the settlement of the consideration receivable (Note 35).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42 GROUP'S REORGANISATIONS continued

During the prior year continued

- d) During the year, the Group acquired 6.44% additional ownership interest in ADMO for AED 114 million and acquired 10% additional ownership interest in Falcon Investments LLC for AED 16 million. The difference between the carrying values and the proceeds were directly recognised in the retained earnings.

43 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 includes to the provision of dredging and associated land reclamation works and execution of engineering, procurement and construction contracts;
- (ii) Construction, which provides contracting services relating to commercial and residential buildings, infrastructure development and civil construction works;
- (iii) Real estate, which includes rental income from properties and income from investment in real estate companies or sale of real estate; and
- (iv) Services and other segments which comprise management services, hospitality income as well as a variety of smaller ancillary activities. This includes investment, insurance revenue, and Islamic financing.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

43 SEGMENT INFORMATION continued

The following table presents revenue and profit information for the Group's operating segments for 2025:

	Industrial AED '000	Real estate AED '000	Construction AED '000	Services and other segments AED '000	Eliminations AED '000	Total AED '000
Revenue	28,828,855	27,755,055	13,091,130	9,092,931	7,076	78,775,047
Inter-segment sales*	9,614	100,634	2,699,848	339,920	(3,150,016)	-
Total revenue	28,838,469	27,855,689	15,790,978	9,432,851	(3,142,940)	78,775,047
Segment gross profit	4,760,798	9,322,127	1,338,952	3,475,079	(117,771)	18,779,185
General, administrative and selling expenses	(350,298)	(1,267,785)	(310,598)	(2,961,142)	64,982	(4,824,841)
Share of results of associates and joint ventures	67,974	(775)	(42,906)	598,683	-	622,976
Impairment of financial and other assets	(69,942)	(308,457)	(40,433)	241,599	-	(177,233)
Other income	67,897	817,868	98,953	3,971,700	(1,004,525)	3,951,893
Gain on derecognition and partial disposal of investment in associates and joint ventures	-	-	-	146,511	-	146,511
Loss on decrease of equity of an associate	-	-	-	(862,828)	-	(862,828)
Finance costs, net	(146,631)	(397,368)	65,810	(442,193)	19,686	(900,696)
Profit / (loss) before tax	4,329,798	8,165,610	1,109,778	4,167,409	(1,037,628)	16,734,967
Income tax	(550,709)	(870,511)	(162,857)	(118,762)	-	(1,702,839)
Profit / (loss) after tax	3,779,089	7,295,099	946,921	4,048,647	(1,037,628)	15,032,128

*Inter-segment sales are generally charged at prevailing market prices.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

43 SEGMENT INFORMATION continued

The following table presents revenue and profit information for the Group's operating segments for 2024:

	Industrial AED '000	Real estate AED '000	Construction AED '000	Services and other segments AED '000	Eliminations AED '000	Total AED '000
Revenue	26,264,929	18,007,813	11,645,056	7,478,138	-	63,395,936
Inter-segment sales*	-	124,289	202,893	217,059	(544,241)	-
Total revenue	26,264,929	18,132,102	11,847,949	7,695,197	(544,241)	63,395,936
Segment gross profit	3,611,573	5,886,876	1,043,811	2,978,590	(85,347)	13,435,503
General, administrative and selling expenses	(340,554)	(1,371,199)	(262,350)	(2,294,504)	262,665	(4,005,942)
Share of results of associates and joint ventures	37,104	(14,463)	22,148	562,935	-	607,724
Impairment of financial and other assets	(21,163)	(16,957)	480	(30,175)	-	(67,815)
Other income	235,220	952,673	161,233	2,234,640	(830,952)	2,752,814
Gain on derecognition of investment in associates and joint ventures	-	-	-	1,417,680	-	1,417,680
Gain on increase of equity of an associate	-	-	-	718,185	-	718,185
Finance costs, net	(222,836)	(101,362)	68,323	(439,269)	18,891	(676,253)
Profit / (loss) before tax	3,299,344	5,335,568	1,033,645	5,148,082	(634,743)	14,181,896
Income tax	(348,195)	(150,839)	(104,550)	(64,449)	-	(668,033)
Profit / (loss) after tax	2,951,149	5,184,729	929,095	5,083,633	(634,743)	13,513,863

*Inter-segment sales are generally charged at prevailing market prices.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

43 SEGMENT INFORMATION continued

The following table presents segment assets and liabilities of the Group's operating segments as at 31 December 2025.

	Industrial AED '000	Real estate AED '000	Construction AED '000	Services and other segments AED '000	Eliminations AED '000	Total AED '000
Non-current assets	10,358,368	39,926,496	1,340,958	30,987,467	(1,270,959)	81,342,330
Current assets	37,456,505	66,157,010	13,363,518	30,542,465	(14,440,250)	133,079,248
Total assets	47,814,873	106,083,506	14,704,476	61,529,932	(15,711,209)	214,421,578
Non-current liabilities	7,451,609	18,250,099	484,363	19,442,906	(20,389)	45,608,588
Current liabilities	22,760,179	22,711,952	10,331,498	22,886,215	(13,919,119)	64,770,725
Total liabilities	30,211,788	40,962,051	10,815,861	42,329,121	(13,939,508)	110,379,313

The following table presents segment assets and liabilities of the Group's operating segments as at 31 December 2024.

	Industrial AED '000	Real estate AED '000	Construction AED '000	Services and other segments AED '000	Eliminations AED '000	Total AED '000
Non-current assets	9,353,722	32,098,056	1,200,049	29,599,659	(528,015)	71,723,471
Current assets	29,480,103	49,350,055	11,351,891	20,995,724	(5,381,812)	105,795,961
Total assets	38,833,825	81,448,111	12,551,940	50,595,383	(5,909,827)	177,519,432
Non-current liabilities	5,170,997	13,561,059	387,795	11,422,789	(31,362)	30,511,278
Current liabilities	19,656,754	20,027,763	9,040,156	15,142,206	(9,186,594)	54,680,285
Total liabilities	24,827,751	33,588,822	9,427,951	26,564,995	(9,217,956)	85,191,563

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

43 SEGMENT INFORMATION continued

The following table presents other segment information:

	Industrial AED '000	Real estate AED '000	Construction AED '000	Services and other segments AED '000	Eliminations AED '000	Total AED '000
At 31 December 2025						
Depreciation and amortization	1,108,779	1,061,029	220,091	911,946	(71,509)	3,230,336
Addition to non-current assets	1,787,805	6,369,609	311,803	1,567,712	(6,478)	10,030,451
	Industrial AED '000	Real estate AED '000	Construction AED '000	Services and other segments AED '000	Eliminations AED '000	Total AED '000
At 31 December 2024						
Depreciation and amortisation	686,321	977,326	191,890	708,627	(72,420)	2,491,744
Addition to non-current assets	2,730,584	2,140,597	364,537	1,326,424	3,968	6,566,110

The Group has aggregated its geographical segments into the UAE and overseas. Overseas includes operations in Egypt, Kingdom of Saudi Arabia, Bahrain, British Virgin Islands, India, Hong Kong, Maldives, Mauritius, Oman, Philippines, Qatar, Seychelles, Singapore, Iraq, Kazakhstan, Cayman Island, Russia, Spain, Syria, United Kingdom, United States of America, Cyprus, Greece, Taiwan, Spain, Monaco and Lebanon.

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

	UAE AED '000	Overseas AED '000	Total AED '000
31 December 2025			
Revenue	68,077,916	10,697,131	78,775,047
Gross profit	17,109,549	1,669,636	18,779,185
Non-current assets	76,979,495	4,362,835	81,342,330
31 December 2024			
Revenue	53,913,775	9,482,161	63,395,936
Gross profit	11,592,644	1,842,859	13,435,503
Non-current assets	68,678,047	3,045,424	71,723,471

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

44 FAIR VALUE MEASUREMENT

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices at the close of the business on the reporting date.
- The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Fair value of the Group's assets that are measured at fair value on recurring basis

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities, grouped into Levels 1 to 3 based on the degree to which the fair value is observable and gives information about how the fair value of these financial assets are determined:

- **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 are determined.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

44 FAIR VALUE MEASUREMENT continued

	Fair value as at 31 December		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable input	Relationship of unobservable inputs to fair value
	2025 AED '000	2024 AED '000				
Financial assets / (liabilities)						
Quoted equity investment - investment in financial assets at FVTPL	2,104,703	6,653,314	Level 1	Quoted prices in active markets	None	Not applicable
Quoted equity investment - investment in financial assets at FVTOCI	25,028	24,879	Level 1	Quoted prices in active markets	None	Not applicable
Quoted non-convertible sukuku and hybrid notes	(12,333,439)	(6,763,434)	Level 1	Quoted prices in active markets	None	Not applicable
Derivative financial assets	195,703	12,056	Level 2	Significant observable inputs	None	Not applicable
Derivative financial liabilities	(487)	(45,630)	Level 2	Significant observable inputs	None	Not applicable
Unquoted equity investment - investment in financial assets at FVTPL	13,198,281	7,506,220	Level 3	Significant observable inputs	Net assets value	Higher the net assets value of the investees, higher the fair value.
Unquoted non-convertible sukuku and hybrid notes	(1,884,976)	-	Level 3	Comparable method	None	Not applicable
Non-financial assets						
Biological assets	12,828	15,886	Level 2	Significant observable inputs	None	Not applicable
Investment properties						
- Plots of land	1,904,558	1,743,166	Level 3	Refer to Note 8	None	Not applicable
- Commercial and residential properties	32,393,800	26,412,714	Level 3	Refer to Note 8	None	Not applicable
- Property under construction	2,387,287	1,608,291	Level 3	Refer to Note 8	None	Not applicable

During the year, an investment in financial asset amounting to AED 65,963 thousand was transferred from Level 2 (Unquoted investments -investment in financial assets at FVTPL) to Level 1 (Quoted equity investment -investments in financial assets at FVTPL) (2024: AED Nil).

There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table. There were no unobservable inputs to the fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

45 FINANCIAL INSTRUMENTS

Material accounting policies

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.

Categories of financial instruments:

	FVTPL – derivatives designated in hedge relationships	FVTPL – mandatorily measured	FVTOCI	Amortised cost	Total
	AED'000				
Financial assets					
31 December 2025					
Investments in financial assets	-	15,302,984	25,028	121,434	15,449,446
Contract assets	-	-	-	19,670,733	19,670,733
Trade and other receivables (excluding prepayments and deposits, and advances to suppliers)	195,703	-	-	26,319,004	26,514,707
Due from related parties	-	-	-	829,759	829,759
Cash and bank balances	-	-	-	40,259,041	40,259,041
	<u>195,703</u>	<u>15,302,984</u>	<u>25,028</u>	<u>87,199,971</u>	<u>102,723,686</u>
31 December 2024					
Investments in financial assets	-	14,159,534	24,879	4,013	14,188,426
Contract assets	-	-	-	12,540,636	12,540,636
Trade and other receivables (excluding prepayments and deposits, and advances to suppliers)	12,056	-	-	20,781,199	20,793,255
Due from related parties	-	-	-	5,493,519	5,493,519
Cash and bank balances	-	-	-	28,780,404	28,780,404
	<u>12,056</u>	<u>14,159,534</u>	<u>24,879</u>	<u>67,599,771</u>	<u>81,796,240</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

45 FINANCIAL INSTRUMENTS continued

Categories of financial instruments continued

	FVTPL – designated	FVTPL – mandatorily measured	Amortised cost	Total
	-----AED'000-----			
Financial liabilities				
31 December 2025				
Lease liabilities	-	-	2,929,038	2,929,038
Due to related parties	-	-	619,650	619,650
Bank borrowings	-	-	26,199,559	26,199,559
Non-convertible sukuk and hybrid notes	-	-	14,161,621	14,161,621
Contract liabilities (excluding advances from customers)	-	-	14,345,438	14,345,438
Trade and other payables	-	487	41,229,714	41,230,201
	-	487	99,485,020	99,485,507
31 December 2024				
Lease liabilities	-	-	2,010,583	2,010,583
Due to related parties	-	-	1,114,963	1,114,963
Bank borrowings	-	-	21,207,434	21,207,434
Non-convertible sukuk and hybrid notes	-	-	6,861,162	6,861,162
Contract liabilities (excluding advances from customers)	-	-	12,357,004	12,357,004
Trade and other payables	-	45,630	32,798,067	32,843,697
	-	45,630	76,349,213	76,394,843

Capital risk management

The Group manages its capital to ensure it will be able to continue as a going concern while maximising the return on equity. The Group does not have a formalised optimal target capital structure or target ratios in connection with its capital risk management objectives.

At end of the year, the net debt to equity ratio is as follows:

	2025 AED '000	2024 AED '000
Debt	43,303,518	30,092,479
Less: cash and bank balances	(40,259,041)	(28,780,404)
Net surplus	3,044,477	1,312,075
Net equity	104,042,265	92,327,869
Debt to equity ratio (%)	41.62%	32.59%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

45 FINANCIAL INSTRUMENTS continued**Financial risk management objectives**

The Group monitors and manages the financial risks relating to the operations of the Group. These risks include market risk, credit risk, insurance risk, and liquidity risk.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The Group enters a variety of derivative financial instruments to manage its exposure to interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the finance income or finance cost of the Group. The Group is exposed to cash flow interest rate risk on its bank borrowings at floating interest rates.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for interest bearing financial instruments at the end of the reporting year. For variable rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting year was outstanding for the whole year.

If interest rates had been 75 basis points higher / lower throughout the year and all other variables were held constant, the Group's profit and equity for the year ended 31 December 2025 would decrease / increase by approximately AED 142,234 thousand (2024: decrease / increase AED 110,779 thousand).

Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at the reporting date and the credit risk inherent in the contract and is disclosed below. The average interest rate is based on the outstanding balances at the end of the financial year.

The notional principal amounts and terms of interest rate swaps are disclosed in Note 29.

Foreign currency risk

Foreign currency risk is the risk that a financial instrument will fluctuate due to changes in foreign exchange rates. Assets are typically funded in the same currency as that of the business being transacted to eliminate exchange exposures. Management believes that there is a minimal risk of significant loss due to exchange rate fluctuations and consequently the Group does not necessarily hedge its foreign currency exposure.

	2025		2024	
	<i>Liabilities</i>	<i>Assets</i>	<i>Liabilities</i>	<i>Assets</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Egyptian Pound (EGP)	7,385,702	5,872,530	4,604,913	5,607,295
Euro (EUR)	2,913,927	1,789,455	1,352,122	1,624,457
Great Britain Pound (GBP)	2,866,962	2,779,124	2,296,584	2,434,224
Others	428,988	387,692	285,679	341,307

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

45 FINANCIAL INSTRUMENTS continued

Foreign currency risk continued

Foreign currency sensitivity analysis

The Group is mainly exposed to Egyptian Pound (EGP), Euro (EUR) and Great Britain Pound (GBP). The exchange rate of the UAE Dirham is pegged to the US Dollar and therefore the risks associated therewith are considered to be insignificant.

The following paragraph details the Group's sensitivity to a 10% increase or decrease in the UAE Dirham against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents the Group's assessment of the reasonably conceivable change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates.

Based on the sensitivity analysis to a 10% (2024: 10%) increase / decrease in the Egyptian Pound against the UAE Dirham with all other variables held constant will result in equity for the year to be higher or lower by AED 151,317 thousand (2024: AED 100,238 thousand) mainly as a result of foreign exchange differences on translation of Egyptian Pound denominated amounts.

Based on the sensitivity analysis to a 10% (2024: 10%) increase / decrease in the Euro against the UAE Dirham with all other variables held constant will result in equity for the year to be higher or lower by AED 112,447 thousand (2024: AED 27,234 thousand) mainly as a result of foreign exchange differences on translation of Euro denominated amounts.

Based on the sensitivity analysis to a 10% (2024: 10%) increase / decrease in the Great Britain Pound against the UAE Dirham with all other variables held constant will result in equity for the year to be higher or lower by AED 8,784 thousand (2024: AED 13,764 thousand) mainly as a result of foreign exchange differences on translation of Great Britain Pound denominated amounts.

The Group believes that the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting year does not reflect the exposure during the year.

Equity price risk

The Group is exposed to equity price risks arising from equity investments.

Equity investments in unlisted entities (see Note 12) are held for strategic rather than trading purposes. The Group does not actively trade these investments.

The Group invested in a portfolio of listed shares which are held-for-trading (see Note 12). This type of investment is approved by the Board as the alternative to investment in money market funds in order to generate higher investment return on the spare funds.

The Group's listed equity securities are susceptible to market price arising from uncertainties about future values of the investment securities. The Group manages equity price risk through diversification and placing limits on individual and total equity investments.

The sensitivity analyses below have been determined based on the exposure to equity price risks at the reporting date. If equity prices had been 5 per cent higher / lower:

- Net profit for the year ended 31 December 2025 would increase by AED 105,235 thousand (2024: AED 332,666 thousand) as a result of the changes in fair value of the investments in listed shares and vice versa.
- Other comprehensive income would increase by AED 1,251 thousand (2024: AED 1,244 thousand) as a result of the changes in fair value of the investments in equity instruments and vice versa.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

45 FINANCIAL INSTRUMENTS continued**Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at 31 December 2025, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise credit risk, the Group develops and maintains its credit risk grading to categorise exposures according to their degree of risk of default. The credit rating information is based on available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. The tables below detail the credit quality of the Group's financial assets, contract assets and financial guarantee contracts, as well as the Group's maximum exposure to credit risk by credit risk rating grades.

	Notes	External credit ratings	Internal credit ratings	12 month or lifetime ECL	Gross carrying amount AED '000	Loss allowance AED '000	Net carrying amount AED '000
31 December 2025							
Trade receivables	15	N/A	(i)	Lifetime ECL	19,428,984	(497,996)	18,930,988
Retention receivables	15	N/A	(i)	Lifetime ECL	4,049,695	(76,730)	3,972,965
Contract assets	13	N/A	(i)	Lifetime ECL	19,865,420	(194,687)	19,670,733
Due from related parties	18	N/A	(i)	12-month ECL	1,750,072	(920,313)	829,759
Bank balances	19	BB	NA	12-month ECL	40,259,041	-	40,259,041
Financial investments	12	N/A	(i)	12-month ECL	121,472	(38)	121,434
Other receivables	15	N/A	(i)	12-month ECL	3,422,130	(7,079)	3,415,051

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

45 FINANCIAL INSTRUMENTS continued**Credit risk** continued

	Notes	External credit ratings	Internal credit ratings	12 month or lifetime ECL	Gross carrying amount AED '000	Loss allowance AED '000	Net carrying amount AED '000
31 December 2024							
Trade receivables	15	N/A	(i)	Lifetime ECL	12,524,127	(444,680)	12,079,447
Retention receivables	15	N/A	(i)	Lifetime ECL	2,503,542	(67,473)	2,436,069
Contract assets	13	N/A	(i)	Lifetime ECL	12,704,720	(164,084)	12,540,636
Due from related parties	18	N/A	(i)	12-month ECL	6,365,248	(871,729)	5,493,519
Bank balances	19	BB	NA	12-month ECL	28,780,409	(5)	28,780,404
Financial investments	12	N/A	(i)	12-month ECL	4,166	(153)	4,013
Other receivables	15	N/A	(i)	12-month ECL	6,280,993	(15,310)	6,265,683

For trade receivables, retention receivables and contract assets, the Group has applied the simplified approach under IFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix.

Liquidity risk

Ultimate responsibility for liquidity risk rests with the management, which has built an appropriate liquidity risk management framework for the planning of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

45 FINANCIAL INSTRUMENTS continued

Liquidity risk continued

	Current less than 1 year AED '000	Non-current greater than 1 year AED '000	Total AED '000
31 December 2025			
Trade and other payables (excluding provision for onerous projects)	36,032,536	5,197,665	41,230,201
Bank borrowings	5,578,927	23,886,811	29,465,738
Non-convertible sukuks and hybrid notes	882,796	19,035,365	19,918,161
Due to related parties	619,650	-	619,650
Contract liabilities	14,345,438	-	14,345,438
Lease liabilities	474,478	4,225,895	4,700,373
	57,933,825	52,345,736	110,279,561
31 December 2024			
Trade and other payables (excluding provision for onerous projects)	29,507,143	4,141,527	33,648,670
Bank borrowings	4,417,299	19,106,119	23,523,418
Non-convertible sukuks and hybrid notes	1,743,880	7,158,759	8,902,639
Due to related parties	1,114,963	-	1,114,963
Contract liabilities	12,357,004	-	12,357,004
Lease liabilities	268,172	2,874,154	3,142,326
	49,408,461	33,280,559	82,689,020

At 31 December 2025, the Group had available AED 20,289 million (2024: AED 20,124 million) of undrawn committed borrowing facilities in respect of which all conditions precedent have been met.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

46 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from the financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

Particulars	Bank borrowings AED '000	Loan from a related party AED '000	Lease liabilities AED '000	Derivative financial instruments AED '000
At 1 January 2025	21,207,434	13,300	2,010,583	45,630
Recognition of lease liability	-	-	1,164,590	-
Acquired through business combinations	425,283	-	122,832	-
Derecognition of subsidiaries	-	-	(3,590)	-
Financing cashflows	4,462,746	-	(491,601)	(75)
Other changes	104,096	-	126,224	(45,068)
At 31 December 2025	26,199,559	13,300	2,929,038	487

Particulars	Bank borrowings AED '000	Loan from a related party AED '000	Lease liabilities AED '000	Derivative financial instruments AED '000
At 1 January 2024	17,133,370	13,300	1,530,366	12,138
Recognition of lease liability	-	-	590,062	-
Acquired through business combinations	-	-	90,150	-
Derecognition of subsidiaries	-	-	(610)	-
Financing cashflows	4,236,048	-	(268,999)	11,926
Other changes	(161,984)	-	69,614	21,566
At 31 December 2024	21,207,434	13,300	2,010,583	45,630

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

47 SUBSEQUENT EVENTS

Subsequent to the year end, the Group has entered into the following transactions:

- a. On 14 January 2026, Aldar Properties PJSC, a subsidiary of the Group, issued USD-denominated conventional dated hybrid notes “Dated Hybrid Note No. 3”, amounting to USD 1,000,000 thousand (equivalent to AED 3,672,500 thousand) with a 30.25-year maturity and a non-call period of 7.25-year. Dated Hybrid Note No. 3 is listed on Euronext Dublin, carries an annual interest rate of 5.875%, and is due for repayment in April 2056.
- b. During the year, Aldar Retail LLC OPC, a subsidiary of the Group, entered into an agreement with Gaia SPV Holding RSC Limited (“Mubadala”), a related party and major shareholder of the Group, to contribute assets to Gaia Retail Partners Holding Ltd (“Gaia JV Co.”), a private limited company incorporated in the Abu Dhabi Global Market (“ADGM”), UAE. Prior to this transaction, the Group held a 100% ownership interest in Gaia JV Co.

The transaction was structured as an in-kind asset contribution, pursuant to which the Group contributed Yas Mall, valued at approximately AED 7.0 billion (subject to adjustments in accordance with the terms of the agreement), and Mubadala contributed The Galleria Luxury Collection, valued at approximately AED 2.7 billion (subject to similar adjustments).

Upon completion of the transaction, the Group retained a 75% ownership interest in Gaia JV Co., with the remaining 25% interest held by Mubadala. The Group continues to control Gaia JV Co. and, accordingly, will continue to fully consolidate it in its consolidated financial statements.

Subsequent to the reporting period, on 28 January 2026, all significant conditions precedent were satisfied and the transaction was completed. At the date of issuance of these consolidated financial statements, the accounting for this transaction had not yet been finalised.