EMIRATES REEM INVESTMENTS COMPANY P.J.S.C.

Review report and condensed consolidated financial information for the nine-month period ended 30 September 2024

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF EMIRATES REEM INVESTMENTS COMPANY P.J.S.C.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Emirates Reem Investments Company P.J.S.C (the "Company") and its subsidiaries (together referred to as the "Group") as at 30 September 2024 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine-month period then ended and certain explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 Interim *Financial Reporting* (IAS 34). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

Deloitte & Touche (M.E.)

Mohammad Khamees Al Tah
Registration No. 717
12 November 2024
Abu Dhabi
United Arab Emirates

Condensed consolidated statement of financial position
as at 30 September 2024

	Notes	30 September 2024 AED	31 December 2023 AED
ASSETS			
Non-current assets			
Property, plant and equipment	5	**25,862,103**	27,348,584
Intangible assets	6	**3,487,907**	4,170,323
Goodwill	7	**5,297,658**	5,297,658
Investment properties	8	**3,280,000**	3,280,000
Right-of-use assets	9	**3,640,929**	4,814,777
Investment in financial assets	10	**1,090,575**	1,211,058
Total non-current assets		**42,659,172**	46,122,400
Current assets			
Inventories	11	**8,863,972**	9,904,567
Trade and other receivables	12	**32,494,585**	32,546,866
Due from related parties	13	**30,016,418**	7,135,837
Investment in financial assets	10	**25,075,336**	33,337,968
Cash and bank balances	14	**242,601,782**	234,173,518
Total current assets		**339,052,093**	317,098,756
Total assets		**381,711,265**	363,221,156
EQUITY AND LIABILITIES			
Equity			
Share capital	15	**319,871,064**	319,871,064
Statutory reserve	16	**2,727,146**	2,727,146
Fair value reserve		**695,626**	816,109
Retained earnings		**16,303,886**	9,454,606
Total equity		**339,597,722**	332,868,925
Non-current liabilities			
Provision for employees' end of service benefits	17	**2,093,549**	1,899,171
Deferred tax	22	**313,912**	375,329
Lease liabilities	18	**2,717,723**	3,509,946
Total non-current liabilities		**5,125,184**	5,784,446
Current liabilities			
Trade and other payables	19	**35,119,287**	23,313,090
Lease liabilities	18	**1,167,341**	1,254,695
Income tax liabilities	22	**701,731**	-
Total current liabilities		**36,988,359**	24,567,785
Total liabilities		**42,113,543**	30,352,231
Total equity and liabilities		**381,711,265**	363,221,156

To the best of our knowledge, the financial information included in this condensed consolidated financial information fairly presents in all material respects the financial condition, results of operations and cash flows of the Group as of, and for, the periods presented therein. The condensed consolidated financial information was approved by the Board of Directors and authorised for issue on ______________.

Director **Chairman**

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

Condensed consolidated statement of profit or loss for the nine-month period ended 30 September 2024

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2024 AED (unaudited)	2023 AED (unaudited)	**2024 AED (unaudited)**	2023 AED (unaudited)
Revenues	**20**	**47,212,421**	18,281,997	**88,573,158**	36,559,347
Less: Discount		**(183,103)**	(45,758)	**(433,118)**	(76,917)
Revenue (net)		**47,029,318**	18,236,239	**88,140,040**	36,482,430
Cost of sales	**21**	**(37,006,115)**	(13,495,940)	**(67,610,953)**	(25,403,398)
Gross profit		**10,023,203**	4,740,299	**20,529,087**	11,079,032
Selling and distribution expenses		**(3,022,289)**	(2,755,814)	**(8,518,436)**	(8,042,760)
General and administrative expenses		**(2,071,037)**	(1,600,028)	**(6,107,214)**	(3,912,098)
Operating (loss)/profit for the period		**4,929,877**	384,457	**5,903,437**	(875,826)
Finance cost		**(108,776)**	(153,930)	**(292,227)**	(424,110)
Finance income		**2,928,921**	2,540,683	**9,289,357**	7,182,591
Rental income	**7**	**35,714**	35,714	**107,143**	107,143
Gain on sale of investment in financial assets	**10**	**56,215**	-	**56,215**	(150,000)
Gain on sale of property, plant and Equipment		**-**	-	**8,320**	-
Fair value gain/(loss) of investment in financial assets classified as fair value through profit or loss	**9**	**2,786,281**	5,711,575	**(7,074,323)**	(5,164,019)
Other expenses		**(91,535)**	(119,187)	**(508,328)**	(165,473)
Profit before tax		**10,536,697**	8,399,312	**7,489,594**	510,306
Income tax	**22**	**(914,553)**	-	**(640,314)**	-
Profit after tax		**9,622,144**	8,399,312	**6,849,280**	510,306
Basic and diluted earnings per share	**23**	**0.030**	0.026	**0.021**	0.002

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

Condensed consolidated statement of comprehensive income
for the nine-month period ended 30 September 2024

		Three months ended 30 September		Nine months ended 30 September	
	Note	**2024 AED (unaudited)**	2023 AED (unaudited)	**2024 AED (unaudited)**	2023 AED (unaudited)
Profit for the period		**9,622,144**	8,399,312	**6,849,280**	510,306
Other comprehensive income					
Items that will not be reclassified subsequently to statement of profit or loss					
Fair value (loss)/gain on investments in equity instruments designated as at FVTOCI	**9**	**(20,079)**	69,830	**(120,483)**	170,546
Total comprehensive income for the period		**9,602,065**	8,469,142	**6,728,797**	680,852

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

Condensed consolidated statement of changes in equity for the nine-month period ended 30 September 2024

	Share capital AED	Statutory reserve AED	Fair value reserve AED	Retained earnings AED	Total equity AED
Balance at 1 January 2023 (audited)	319,871,064	2,727,146	716,651	13,187,244	336,502,105
Profit for the period	-	-	-	510,306	510,306
Other comprehensive income for the period	-	-	170,546	-	170,546
Total comprehensive income for the period	-	-	170,546	510,306	680,852
Balance at 30 September 2023 (unaudited)	319,871,064	2,727,146	887,197	13,697,550	337,182,957
Balance at 1 January 2024 (audited)	319,871,064	2,727,146	816,109	9,454,606	332,868,925
Profit for the period	-	-	-	6,849,280	6,849,280
Other comprehensive loss for the period	-	-	(120,483)	-	(120,483)
Total comprehensive income/(loss) for the period	-	-	(120,483)	6,849,280	6,728,797
Balance at 30 September 2024 (unaudited)	**319,871,064**	**2,727,146**	**695,626**	**16,303,886**	**339,597,722**

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

Condensed consolidated statement of cash flows
for the nine-month period ended 30 September 2024

	Nine months ended 30 September	
	2024	2023
	AED	AED
	(unaudited)	(unaudited)
Cash flows from operating activities		
Profit before tax for the period	**7,489,594**	510,306
Adjustments for:		
Depreciation of property, plant and equipment	**2,300,169**	1,882,601
Depreciation on right-of-use assets	**1,173,848**	1,368,955
Amortisation of Intangible assets	**682,416**	-
Provision for employees' end of service benefits	**373,060**	281,943
Finance expense	**292,227**	424,110
Finance income	**(9,229,814)**	(7,123,048)
Dividend income from investment securities	**(59,543)**	(59,543)
Allowance for expected credit loss	**62,500**	9,746
Provision for obsolete inventories	**33,717**	115,487
Gain on sale of property, plant and equipment	**(8,320)**	-
(Gain)/loss on sale of financial investment	**(56,215)**	150,000
Fair value loss of investment in financial assets classified as fair value through profit or loss	**7,074,323**	5,164,019
Operating cash flows before movements in working capital	**10,127,962**	2,724,576
Decrease/(increase) in inventories	**1,006,878**	(2,356,116)
(Increase)/decrease in trade and other receivables	**(4,249,766)**	1,342,855
Increase in amount due from related parties	**(22,880,581)**	(1,343,952)
Increase in trade and other payables	**12,029,816**	290,744
Cash (used in)/generated from operations	**(3,965,691)**	658,107
Employees' end of service benefits paid	**(178,682)**	(297,170)
Net cash (used in)/generated from operating activities	**(4,144,373)**	360,937
Cash flows from investing activities		
Payment for acquisition of a subsidiary	**-**	(44,000,000)
Payment for purchase of property, plant and equipment	**(814,397)**	(1,208,346)
Proceeds from sale of property, plant and equipment	**9,029**	-
Purchase of investment securities	**(1,678,692)**	(2,600,446)
Sale of investment in financial assets	**2,923,216**	-
Dividend income received	**59,543**	59,543
Finance income received	**13,469,361**	7,182,591
Movement of fixed deposits	**44,448,759**	49,790,178
Cash acquired from the new subsidiary	**-**	5,782,561
Restricted cash	**(11,550,000)**	-
Net cash generated from investing activities	**46,866,819**	15,006,081
Cash flows from financing activities		
Finance cost paid	**(292,227)**	(424,110)
Payment of lease liabilities	**(1,103,196)**	(1,571,868)
Net cash used in financing activities	**(1,395,423)**	(1,995,978)
Net increase in cash and cash equivalents	**41,327,023**	13,371,040
Cash and cash equivalents at beginning of the period	**18,473,693**	5,160,359
Cash and cash equivalents at end of the period (note 14)	**59,800,716**	18,531,399

Non-cash transactions

Sold investment securities recorded as due from related party	-	8,250,000

Notes to the condensed consolidated financial information for the nine-month period ended 30 September 2024

1 General information

Emirates Reem Investments Company P.J.S.C ("the Company") is a Public Shareholding Company, incorporated in Dubai, United Arab Emirates under a decree issued by His Highness the Ruler of Dubai. The Company is listed on the Dubai Financial Market. The condensed consolidated financial information relate to the Company and its subsidiaries (together referred to as "the Group").

Effective 16 August 2023, the shareholders resolved to change the legal name of the Company from Emirates Refreshments (P.S.C.) to Emirates Reem Investments Company P.J.S.C. The legal formalities were completed on 16 August 2023.

The registered address of the Company is P.O. Box 5567, Dubai, UAE.

The principal activities of the Company are bottling and selling mineral water as well as manufacturing plastic bottles and containers. The Company has a plant located in Hatta, UAE. The Company markets, distributes and sells its products across the UAE, other Middle East countries and Africa.

The Company has two wholly owned subsidiaries; Evergreen Plastic Products Manufacturing LLC and Emirates Refreshments LLC (Dubai & Sharjah) in the UAE. These subsidiaries are engaged in the manufacturing plastic bottles, cups and trading of mineral water, juice, soft drinks, tissues and trading food products.

2 Application of new and revised International Financial Reporting Standards (IFRS)

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

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2024, have been adopted in these condensed consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior periods but may affect the accounting for future transactions or arrangements.

- Amendments to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 Presentation of Financial Statements - Non-current Liabilities with Covenants
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements
- Amendment to IFRS 16 Leases - Lease Liability in a Sale and Leaseback

Notes to the condensed consolidated financial information for the nine-month period ended 30 September 2024 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRS)

2.2 New and revised IFRS in issue but not yet effective

New and revised IFRSs	**Effective for annual periods beginning on or after**
Amendment to IAS 21 - Lack of Exchangeability	1 January 2025
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards — Volume 11.	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' • IAS 7: Cost method	
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date not yet decided
IFRS Accounting Taxonomy 2023 - Update 2 Common Practice for Financial Instruments, General Improvements and Technology Update	Effective date not yet decided
IFRS Accounting Taxonomy 2023—Update 1 International Tax Reform—Pillar Two Model Rules, Supplier Finance Arrangements and Lack of Exchangeability	Effective date not yet decided
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	Effective date not yet decided by the regulator in the United Arab Emirates)
IFRS S2 Climate-related Disclosures	Effective date not yet decided by the regulator in the United Arab Emirates)

The above stated new standards and amendments are not expected to have any significant impact on this condensed consolidated financial information of the Group.

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

3 Summary of material accounting policies

3.1 Statement of compliance

The condensed consolidated financial information is prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting" and comply with the applicable requirements of the laws in the U.A.E. They do not include all the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the period ended 31 December 2023. In addition, results for nine-month period ended 30 September 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

3.2 Basis of preparation

The condensed consolidated financial information is presented in UAE Dirhams (AED), which is the functional currency of the Group.

This condensed consolidated financial information has been prepared on the historical cost basis, except for financial asset carried at fair value through other comprehensive income (FVOCI), financial asset carried at fair value through profit or loss (FVPL) and investment property that carried at fair value.

3.3 Material accounting policies

The accounting policies used in the preparation of this condensed consolidated financial information are consistent with those used in the preparation of the audited annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the new and revised standards and interpretations effective 1 January 2024 that are mentioned in Note 2.1 and taxation below.

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 period. Taxable profit differs from profit as reported in the condensed statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates enacted or substantively enacted by the end of the reporting period.

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 condensed statement of financial position 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.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the condensed statement of financial position and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

3 Summary of significant accounting policies (continued)

3.3 Material accounting policies (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.

Current and deferred tax are recognised in condensed statement of profit or loss and other comprehensive income, 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 are also recognised in other comprehensive income or directly in equity respectively.

4 Use of judgements and estimates

The preparation of condensed consolidated financial information requires management to make judgement, estimates and assumptions that effect the application of the accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimates uncertainty were the same as those that applied to the Group’s annual financial statements as at and for the period ended 31 December 2023.

5 Property, plant and equipment

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
Cost of property, plant and equipment	**74,660,504**	74,207,315
Accumulated depreciation	**(48,798,401)**	(46,858,731)
	25,862,103	27,348,584

Additions:

During the nine months period ended 30 September 2024, the Group acquired assets amounting to AED 0.87 million (nine months period ended 30 September 2023: acquired AED 1.21 million assets and AED 24.77 million through business combination).

Depreciation:

The depreciation expense amounted to AED 2.3 million during the nine months period ended 30 September 2024 (nine months period ended 30 September 2023: AED 1.88 million).

6 Intangible assets

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
Customer related intangibles		
At the beginning of the period/year	**4,170,323**	-
Additions from business combination	**-**	4,549,443
Amortisation for the period/year	**(682,416)**	(379,120)
	3,487,907	4,170,323

Intangible assets acquired through business combinations pertain to customer relationships and has a useful life of 5 years.

7 Goodwill

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
At the beginning of the period/year	**5,297,658**	-
Additions from business combination	**-**	5,297,658
	5,297,658	5,297,658

8 Investment properties

Investment properties comprises of warehouses on leasehold land situated in Fujairah.

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
At the beginning of the period/year	**3,280,000**	3,380,000
Loss on fair value of investment properties	**-**	(100,000)
	3,280,000	3,280,000

Based on management assessment, the investment properties' fair value as of 30 September 2024 is not materially different to its fair value as at 31 December 2023. For disclosure purposes, these investment properties are being considered as Level 3.

Completed investment properties are stated at fair value, which has been determined based on valuations performed by an accredited independent valuer with a recognized and relevant professional qualification and with recent experience in the location and category of investment properties being valued. The valuation techniques adopted comprise the investment value method. The valuations were prepared in accordance with the Royal Institution of Chartered Surveyors "RICS" valuation standards.

The Group has earned rental income during the nine-month period ended 30 September 2024 is AED 0.11 million (30 September 2023: AED 0.11 million).

9 Right-of-use of assets

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
At the beginning of the period/year	**4,814,777**	6,252,742
Additions from business combination	**-**	2,127,898
Depreciation for the year	**(1,173,848)**	(1,820,796)
Disposals during the year (note 25)	**-**	(1,745,067)
	3,640,929	4,814,777

The Group has lease contracts for various plots of land and motor vehicles used in its operations. The average lease term is 2-5 years (2023: 2-5 years). On 9 November 2023, the Group entered into a sale agreement to dispose its operations in Dibba Plant, which carried out all of the Group's operations in Dibba, Fujairah. There were no material termination penalties as a result of the cancellation of the agreement.

10 Investment in financial assets

Financial assets carried at fair value through profit or loss and financial assets carried at fair value through other comprehensive income are classified as follows:

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
Financial assets carried at fair value through profit and loss ("FVTPL")		
Equity instruments – quoted	**25,075,336**	33,337,968
Financial assets carried at fair value through other comprehensive income ("FVTOCI")		
Equity instruments – quoted	**1,090,575**	1,211,058

The classification of the investments in financial assets are as follows:

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
FVTPL investments		
Current	**25,075,336**	33,337,968
FVTOCI investments		
Non-current	**1,090,575**	1,211,058

Quoted securities		
FVTPL investments		
At the beginning of the year	**33,337,968**	47,646,491
Additions during the year	**1,678,692**	5,656,270
Disposal during the year	**(2,923,216)**	(8,250,000)
Gain/(loss) on sale of investment	**56,215**	(150,000)
Changes in fair value	**(7,074,323)**	(11,564,793)
At the end of the year	**25,075,336**	33,337,968
FVTOCI investments		
At 1 January	**1,211,058**	1,111,600
Changes in fair value	**(120,483)**	99,458
	1,090,575	1,211,058

Notes to the condensed consolidated financial information
for the nine-month period ended 30 September 2024 (continued)

10 Investment in financial assets (continued)

These investments in equity securities are listed on Abu Dhabi Securities Exchange and Dubai Financial Markets Stock Exchanges. The fair value of the quoted equity securities is determined by reference to quoted market prices at the close of business at the end of the reporting date.

Dividend income amounting to AED 0.06 million (2023: AED 0.06 million) is included in the condensed consolidated statement of profit or loss under finance income.

11 Inventories

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
Raw materials	**6,913,894**	7,807,287
Spare parts	**3,230,512**	3,257,625
Finished goods	**1,159,052**	1,291,202
Others	**527,910**	482,132
	11,831,368	12,838,246
Less: allowance for slow moving inventories	**(2,967,396)**	(2,933,679)
	8,863,972	9,904,567

Movement in provision for slow moving inventories are as follows:

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
At the beginning of the period/year	**2,933,679**	2,794,317
Charge for the period/year	**33,717**	139,362
Balance at 31 December	**2,967,396**	2,933,679

12 Trade and other receivables

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
Trade receivables	**21,165,239**	18,035,945
Less : Allowance for expected credit losses	**(2,222,723)**	(2,160,223)
Trade receivables, net	**18,942,516**	15,875,722
Prepayments	**1,363,879**	946,733
Interest receivable	**738,078**	5,019,463
Advances to suppliers	**648,932**	429,356
Other receivables	**10,801,180**	10,275,592
	32,494,585	32,546,866

Other receivables include AED 9.0 million (2023: AED 9.0 million) receivable from the sale of Dibba Plant operations (note 25).

Movement in allowance for expected credit loss are as follows:

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
At the beginning of the period/year	**2,160,223**	2,120,477
Net remeasurement of loss allowance	**62,500**	39,746
	2,222,723	2,160,223

13 Related parties

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

Notes to the condensed consolidated financial information
for the nine-month period ended 30 September 2024 (continued)

13 Related parties (continued)

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

		2024	2023
		AED	AED
		(unaudited)	(audited)
Due from related parties	**Relationship**		
Harvest Food General Trading LLC	Common control	**27,854,211**	-
Life Line Drug Store L.L.C	Other related party	**795,935**	483,792
Khalifa Bin Zayed Al Nahyan Foundation	Other related party	**510,681**	-
Trojan General Contracting L.L.C.	Common control	**318,731**	185,657
Al Ufuq Almalaki General Trading-Sole Proprietorship LLC	Common control	**255,671**	503,911
Royal Keita Catering L.L.C	Other related party	**232,909**	312,555
Zee Store P.J.S.C	Common control	**43,691**	39,979
Cine Royal Cinema L.L.C	Common control	**1,654**	1,323
Alliance Foods Co. L.L.C	Common control	**1,990**	579
Somerian Health L.L.C	Common control	**945**	2,627
International Securities LLC	Common control	**-**	5,201,689
Invictus Investment Company PLC	Common control	**-**	403,725
		30,016,418	7,135,837
Payable to a related party (note 19)			
Quant Lase Lab L.L.C	Common control	**2,720,319**	4,720,319
FVTPL investments (note 10)	Common control	**25,075,336**	33,337,968

On 9 November 2023, the Group entered into a sale agreement to dispose its operations in Dibba Plant, which carried out all of the Group's operations in Dibba, Fujairah. As part of this agreement, the Group's agreement with Quant Lase Lab L.L.C. was terminated and AED 4.72 million will be paid to Quant Lase Lab L.L.C. as reimbursement. As at 30 September 2024, AED 2.0 million was paid to Quant Lase Lab L.L.C.

Notes to the condensed consolidated financial information for the nine-month period ended 30 September 2024 (continued)

13 Related parties (continued)

Significant transactions with related parties are as follows:

	Three-months period ended 30 September		Nine-months period ended 30 September	
	2024 AED (unaudited)	2023 AED (unaudited)	**2024 AED (unaudited)**	2023 AED (unaudited)
Sales to a related party	**29,512,227**	3,288,083	**36,459,395**	4,743,239
Purchases of goods and services from a related party	**2,205,215**	58,276	**2,205,215**	2,660,887
Payment of expenses on behalf of a related party*	**106,050**	-	**1,273,938**	4,956,335
Sale of FVTPL investments	**2,923,216**	-	**2,923,216**	8,250,000
Purchase of FVTPL investments	**1,678,692**	-	**1,678,692**	-

Key management personnel compensation for the year is as follows:

	Three-months period ended 30 September		Nine -months period ended 30 September	
	2024 AED (unaudited)	2023 AED (unaudited)	**2024 AED (unaudited)**	2023 AED (unaudited)
Short term benefits	**150,000**	96,000	**424,000**	281,000
Provision for end of service benefits	**5,111**	3,195	**101,535**	39,997
Board remuneration & sitting fees	**-**	-	**480,000**	-

Notes to the condensed consolidated financial information for the nine-month period ended 30 September 2024 (continued)

14 Cash and bank balances

For the purpose of the condensed consolidated statement of cash flows, cash and cash equivalents are comprised for the following:

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
Cash on hand	**134,845**	129,535
Other cash equivalents	**109,153**	85,300
Cash at bank	**71,106,718**	18,258,858
Short-term deposits	**171,251,066**	215,699,825
Cash and bank balances	**242,601,782**	234,173,518
Less:		
Fixed deposits with original maturity of more than three months	**(171,251,066)**	(215,699,825)
Restricted cash	**(11,550,000)**	-
Cash and cash equivalents in the consolidated statement of cash flows	**59,800,716**	18,473,693

Cash at banks include restricted cash of AED 11.55 million (2023: nil) for the purchase of new business acquisitions made by the Company, subsequent to 30 September 2024 (note 29).

15 Share capital

The share capital of the Parent Company consists of fully paid ordinary shares with a par value of AED 1 each. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of the Group.

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
Issued and fully paid up		
319.87 million ordinary shares of AED 1 each (2023: 319.87 million ordinary shares of AED 1 each)	**319,871,064**	319,871,064

16 Statutory reserve

In accordance with the UAE Federal Law No. (32) of 2021 and the Parent Company's Articles of Association, a minimum of 10% of the profit of the Group is to be allocated annually to a non-distributable statutory reserve. Such allocations may be ceased when the statutory reserve becomes equal to half of the share capital.

17 Provision for employees' end of service benefits

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
At the beginning of the period/year	**1,899,171**	1,718,700
Additions from business combination	**-**	222,334
Charge for the period/year	**373,060**	385,054
Payments made during the period/year	**(178,682)**	(426,917)
	2,093,549	1,899,171

18 Lease liabilities

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
At the beginning of the period/year	**4,764,641**	7,621,551
Assets arising on acquisition of a subsidiary	**-**	2,128,560
Finance cost	**223,619**	515,560
Disposal during the period/year (note 25)	**-**	(3,167,758)
Payments during the period/year	**(1,103,196)**	(2,333,272)
	3,885,064	4,764,641
Presented as:		
Current	**1,167,341**	1,254,695
Non-current	**2,717,723**	3,509,946

19 Trade and other payables

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
Trade payables	**27,895,942**	16,224,710
Payable to a related party (note 13)	**2,720,319**	4,720,319
Accrued expenses and other payables	**2,582,335**	1,848,932
Value added tax payable	**1,740,145**	389,504
Advances from customers	**180,546**	129,625
	35,119,287	23,313,090

Notes to the condensed consolidated financial information for the nine-month period ended 30 September 2024 (continued)

20 Revenue

	Three months period ended 30 September		Nine-month period ended 30 September	
	2024 (unaudited)	2023 (unaudited)	**2024 (unaudited)**	2023 (unaudited)
Income from trading activities recognized at a point in time	**47,212,421**	18,281,997	**88,573,158**	36,559,347

Geographical markets:

	Three months period ended 30 September		Nine-month period ended 30 September	
	2024 (unaudited)	2023 (unaudited)	**2024 (unaudited)**	2023 (unaudited)
UAE	**44,123,895**	14,108,477	**79,547,228**	31,758,807
Outside the UAE	**3,088,526**	4,173,520	**9,025,930**	4,800,540
	47,212,421	18,281,997	**88,573,158**	36,559,347

There was no revenue recognized in the current reporting period that is related to performance obligations that were unsatisfied from prior years.

21 Cost of sales

	Three months period ended 30 September		Nine-month period ended 30 September	
	2024 (unaudited)	2023 (unaudited)	**2024 (unaudited)**	2023 (unaudited)
Direct materials	**33,969,974**	10,258,735	**59,206,767**	19,007,656
Staff costs	**1,076,922**	1,067,138	**3,123,722**	2,537,120
Utilities expenses	**1,014,755**	949,175	**2,645,220**	1,832,595
Depreciation	**604,335**	1,160,434	**1,768,682**	1,654,809
Other costs	**340,129**	60,458	**866,562**	371,218
	37,006,115	13,495,940	**67,610,953**	25,403,398

22 Taxation

Corporate income tax

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance ("MoF") released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. As the Group's accounting year ends on 31 December, the first tax period will be the period from 1 January 2024 to 31 December 2024, with the respective tax return to be filed on or before 30 September 2025.

The taxable income of the entities that are in scope for UAE CT purposes will be subject to the rate of 9% corporate tax. It is not currently foreseen that the Group's UAE operations will be subject to the application of the Global Minimum Tax rate of 15% in FY2024. The application is dependent on the implementation of Base Erosion Profit Shifting (BEPS 2) – Pillar Two rules by the countries where the Group operates and the enactment of Pillar Two rules by the UAE MoF.

The following are the major deferred tax liabilities and assets recognised by the group and movements thereon during the current period.

Deferred tax

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. Deferred taxes of the Group is computed at the rate of 9% (2023 - 9%).

Income tax

The Group incurred taxable profit of AED 7.80 million for the period ended 30 September 2024, resulting income tax payable on taxable profit accordance with the CT Law and probable.

As such, the Group recognized income tax payable as follows:

	30 September 2024 AED (unaudited)
Profit before tax	**7,489,594**
Add: Expenses not allowed for deduction	**682,416**
Adjusted profit before tax	**8,172,010**
Less: Tax exempt threshold	**(375,000)**
Profit subject to tax	**7,797,010**
Income tax on taxable profit at 9%	**701,731**

Notes to the condensed consolidated financial information
for the nine-month period ended 30 September 2024 (continued)

22 Taxation (continued)

Deferred tax liability

Deferred tax liabilities relate to the intangible assets acquired due to the acquisition of a subsidiary, Evergreen Plastic Manufacturing LLC, in 2023. The movement is as follows:

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
At the beginning of the period/year	**375,329**	-
Acquired in business combination	**-**	375,329
Reversal for the period/year	**(61,417)**	-
	313,912	375,329

Deferred tax presented in the condensed consolidated statement of financial position is as under:

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
Deferred tax liability	**313,912**	375,329

Income tax expenses in the condensed consolidated statement of comprehensive income is as follows:

	30 September 2024 AED (unaudited)	30 September 2023 AED (unaudited)
Current tax expense	**701,731**	-
Deferred tax income	**(61,417)**	-
Net income tax expense	**640,314**	-

Notes to the condensed consolidated financial information
for the nine-month period ended 30 September 2024 (continued)

23 Basic and diluted earnings per share

Basic earnings per share amounts is calculated by dividing the earnings for the period by the weighted average number of shares outstanding during the period.

There are no dilutive securities, therefore diluted earnings per share is the same as basic earnings per share.

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

	Three months period ended 30 September		**Nine-month period ended 30 September**	
	2024 (unaudited)	2023 (unaudited)	**2024 (unaudited)**	2023 (unaudited)
Profit for the period (AED)	**9,622,144**	8,399,312	**6,849,280**	510,306
Weighted average number of shares in issue	**319,871,064**	319,871,064	**319,871,064**	319,871,064
Basic and diluted earnings per share (AED)	**0.030**	0.026	**0.021**	0.002

24 Contingencies and commitments

	30 September 2024 AED (unaudited)	31 December 2023 AED (audited)
Letter of guarantees	**105,000**	55,000
Capital commitments	**62,550**	45,303
Letters of credit	**-**	1,276,853

25 Discontinued operations

On 9 November 2023, the Group entered into a sale agreement to dispose its operations in Dibba Plant, which carried out all of the Group's operations in Dibba, Fujairah. The disposal resulted in cancellation of the agreement with Quant Lase Lab L.L.C. (note 13).

The disposal was completed on 10 November 2023, on which date control of the Dibba assets effectively passed to the acquirer. Details of the assets and liabilities disposed of, and the calculation of the profit or loss on disposal, are disclosed below:

	2023 **AED**
Assets	
Property, plant and equipment	**5,189,684**
Inventories	**2,483,843**
Right of use asset	**1,745,067**
Liabilities	
Lease liabilities	**3,167,758**
Other liabilities	**69,262**
Net assets disposed off	**6,181,574**
Loss on disposal	**(47,147)**
Consideration allocated for the net assets	**6,134,427**
Consideration allocated for payment to Quant Lase Lab L.L.C.	**2,865,573**
Total consideration	**9,000,000**

AED 2.87 million out of the AED 9.0 million cash consideration was for the purposes of settling Quant Lase account due to termination of JV agreement.

26 Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value risk, interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

There have been no changes in the risk management policies of the Company since year end.

Liquidity risk

Compared to the consolidated financial statements for the period ended 31 December 2023, there were no material changes in the contractual undiscounted cash outflows of the financial liabilities.

Fair value estimation

Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities.

Financial assets of the Group include investment securities, trade and other receivables, cash and bank balances and amount due from a related party. Financial liabilities of the Group include trade and other payables and bank overdraft.

The fair values of financial instruments are not materially different from their carrying values.

Fair value hierarchy

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

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
30 September 2024 (unaudited)				
Investment in financial assets	**26,165,911**	-	-	**26,165,911**
31 December 2023 (audited)				
Investment in financial assets	34,549,026	-	-	34,549,026

Notes to the condensed consolidated financial information for the nine-month period ended 30 September 2024 (continued)

26 Financial risk management (continued)

Fair value measurement of non-financial assets

Fair value of investment properties has been determined by an independent valuer (the "Valuer") using market value approach, based on the current property market condition in the UAE. The market has been assessed by the Expert and certain internal data has been provided by the management, therefore, the fair valuation falls under level 3. The following are the valuation technique and fair value hierarchy as at 31 December 2023, and based on management assessment, the investment properties' fair value as of 30 September 2024 is not materially different to its fair value as at 31 December 2023:

	Fair value AED	Fair value hierarchy	Valuation technique	Sensitivity Analysis
Investment properties	3,280,000 (2023: 3,280,000)	Level 3	Investment value approach (2023: Investment value approach)	A slight increase in the capitalization rate and estimated net operating income (NOI) would result in a significant decrease in fair value, and vice versa.

27 Seasonality of results

No income of a seasonal nature was recorded in the condensed consolidated statement of profit or loss for the nine-month period ended 30 September 2024 and 2023.

28 Operating segment information

The Group has three reportable segments, as described below, which are aligned with the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Board of Directors review internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segment:

- Operations segment, which involves the segment of bottling, plastic manufacturing, distribution and trading of mineral water, tissues, snacks , carbonated drink, cereals and juices trading;
- Corporate segment, which involves investing activities of the Group; and
- Land and building leasing segment, which involves the segment of leasing investment property warehouses.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit, as included in the internal management reports data reviewed by the Group's executive management. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Notes to the condensed consolidated financial information for the nine-month period ended 30 September 2024 (continued)

28 Operating segment information (continued)

Condensed consolidated statement of profit or loss for the period ended 30 September 2024 (unaudited):

	Operations AED	Corporate AED	Land and building leasing AED	Eliminations AED	Group AED
Revenue from external customers (net)	**88,140,040**	**-**	**-**	**-**	**88,140,040**
Intersegment revenue	**1,822,755**	**-**	**-**	**(1,822,755)**	**-**
Cost of sales	**(69,430,988)**	**-**	**-**	**1,820,035**	**(67,610,953)**
Gross profit	**20,531,807**	**-**	**-**	**(2,720)**	**20,529,087**
Selling and distribution expenses	**(8,518,436)**	**-**	**-**	**-**	**(8,518,436)**
General and administrative expenses	**(6,107,214)**	**-**	**-**	**-**	**(6,107,214)**
Finance costs	**-**	**(292,227)**	**-**	**-**	**(292,227)**
Finance income	**-**	**9,289,357**	**-**	**-**	**9,289,357**
Rental income	**-**		**107,143**		**107,143**
Gain on sale of property, plant and equipment	**8,320**	**-**	**-**	**-**	**8,320**
Gain on sale of investment	**-**	**56,215**	**-**	**-**	**56,215**
Fair value loss of investment in financial assets classified as FVTPL	**-**	**(7,074,323)**	**-**	**-**	**(7,074,323)**
Other expenses	**(508,328)**	**-**	**-**	**-**	**(508,328)**
Profit/(loss) before tax	**5,406,149**	**1,979,022**	**107,143**	**(2,720)**	**7,489,594**

Condensed consolidated statement of profit or loss for the period ended 30 September 2023 (unaudited):

	Operations AED	Corporate AED	Land and building leasing AED	Eliminations AED	Group AED
Revenue from external customers (net)	36,482,430	-	-	-	36,482,430
Intersegment revenue	540,793	-	-	(540,793)	-
Cost of sales	(25,943,272)	-	-	539,874	(25,403,398)
Gross profit	11,079,951	-	-	(919)	11,079,032
Selling and distribution expenses	(8,042,760)	-	-	-	(8,042,760)
General and administrative expenses	(3,912,098)	-	-	-	(3,912,098)
Finance costs	-	(424,110)	-	-	(424,110)
Finance income	-	7,182,591	-	-	7,182,591
Rental income	-	-	107,143	-	107,143
Loss on sale of investment	-	(150,000)	-	-	(150,000)
Fair value loss of investment in financial assets classified as FVTPL	-	(5,164,019)	-	-	(5,164,019)
Other income	(165,473)	-	-	-	(165,473)
(Loss)/profit for the period	(1,040,380)	1,444,462	107,143	(919)	510,306

Notes to the condensed consolidated financial information for the nine-month period ended 30 September 2024 (continued)

28 Operating segment information (continued)

Condensed consolidated statement of financial position as at 30 September 2024 (unaudited):

	Operations AED	Corporate AED	Land and building leasing AED	Eliminations AED	Group AED
Total current assets	**142,772,637**	**196,326,402**	**-**	**(46,946)**	**339,052,093**
Total non-current assets	**38,288,597**	**1,090,575**	**3,280,000**	**-**	**42,659,172**
Total assets	**181,061,234**	**197,416,977**	**3,280,000**	**(46,946)**	**381,711,265**
Total liabilities	**42,160,489**	**-**	**-**	**(46,946)**	**42,113,543**

Consolidated statement of financial position as at 31 December 2023 (audited):

	Operations AED	Corporate AED	Land and building leasing AED	Eliminations AED	Group AED
Total current assets	69,082,174	249,037,793	-	(1,021,211)	317,098,756
Total non-current assets	41,631,342	1,211,058	3,280,000	-	46,122,400
Total assets	110,713,516	250,248,851	3,280,000	(1,021,211)	363,221,156
Total liabilities	31,373,465	-	-	(1,021,234)	30,352,231

Additional information required by IFRS 8 Segment Reporting, is disclosed below:

Information about geographical segments

During the period ended 30 September 2024, revenue from customers located in the Company's country of domicile (UAE) is AED 79.55 million (period ended 30 September 2023: AED 31.76 million) and revenue from customers outside UAE (foreign customers) is AED 9.03 million (period ended September 2023: AED 4.80 million).

Major customers

The Group made sales of 26.53 million to a related party, which represents 30% of the total sales for the period ended 30 September 2024. There were no other customers of the Group with revenues greater than 10% of the total revenue of the Company during the periods ended 30 September 2024 and 2023.

Notes to the condensed consolidated financial information
for the nine-month period ended 30 September 2024 (continued)

29 Events after reporting period

On 1 October 2024, the Company announced that they have acquired two new subsidiaries, Worldwide General Trading – Sole Proprietorship LLC and Pallets General Trading - Sole Proprietorship LLC, for a total consideration of AED 15.4 million. As at report date, the sale and purchase agreement is under process and the transaction is expected to be accounted for at 31 December 2024 financial statements.

30 Approval of condensed consolidated financial information

The consolidated financial statements were approved by the Directors and authorised for issue on 12 November 2024.