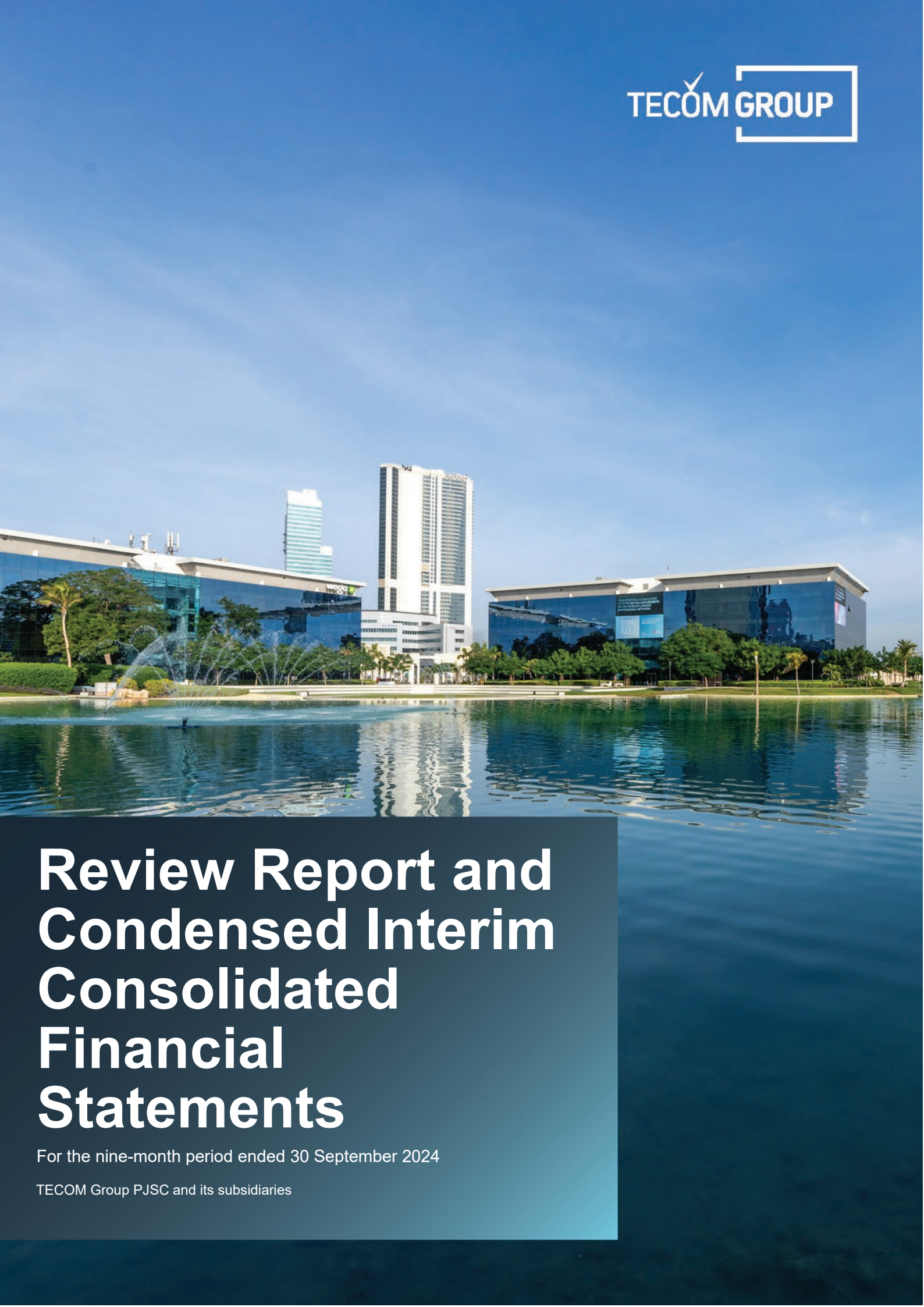


The background of the slide is a photograph of a modern architectural complex. In the foreground, a large, calm body of water reflects the sky and the buildings. A multi-jet fountain is active in the water. Behind the water, there are several modern buildings with glass facades. One building is particularly tall and white, while others are shorter and have blue-tinted glass. The sky is a clear, bright blue.

Review Report and Condensed Interim Consolidated Financial Statements

For the nine-month period ended 30 September 2024

TECOM Group PJSC and its subsidiaries

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

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REVIEW REPORT ON CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**The Board of Directors
TECOM Group PJSC
Dubai
United Arab Emirates**

Introduction

We have reviewed the accompanying condensed interim consolidated balance sheet of TECOM Group PJSC (the "Company") and its subsidiaries (together, the "Group") as at 30 September 2024, and the related condensed interim consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine-month period then ended, and other 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 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 interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Deloitte & Touche (M.E.)



Firas Anabtawi
Registration No. 5482
31 October 2024
Dubai
United Arab Emirates

**CONDENSED INTERIM CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2024**

	Notes	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
ASSETS			
Non-current assets			
Property and equipment	5	91,295	93,459
Intangible assets		16,729	20,427
Investment property	6	12,999,603	11,864,542
Derivative financial instruments	7	136,315	221,995
Other receivables	8	12,484	14,215
Unbilled receivables	9	798,696	802,057
Deferred tax assets		7,924	-
		14,063,046	13,016,695
Current assets			
Other receivables	8	134,534	124,803
Trade and unbilled receivables	9	156,695	102,159
Due from related parties	10	60,271	35,425
Cash and bank balances	11	1,096,935	1,535,183
		1,448,435	1,797,570
Total assets		15,511,481	14,814,265

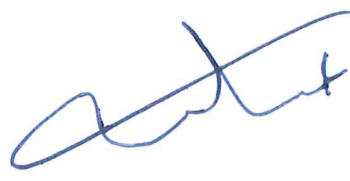
**CONDENSED INTERIM CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2024 (CONTINUED)**

	Notes	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
EQUITY AND LIABILITIES			
Equity			
Share capital	12	500,000	500,000
Legal reserve	13	458,410	458,410
Hedge reserve		138,874	218,995
Retained earnings		5,294,281	5,151,602
Total equity		6,391,565	6,329,007
LIABILITIES			
Non-current liabilities			
Trade and other payables	18	2,889	3,304
Borrowings	14	4,610,606	4,351,767
Advances from customers	15	610,457	623,533
Project liabilities	16	781,073	829,445
Due to related parties	10	91,547	-
Derivative financial instruments	7	5,365	3,000
Employees' end-of-service benefits		46,266	43,912
Provision for other liabilities and charges	17	902,807	902,807
		7,051,010	6,757,768
Current liabilities			
Trade and other payables	18	295,333	348,523
Advances from customers	15	965,920	836,605
Current tax liabilities		30,862	-
Project liabilities	16	478,582	460,533
Due to related parties	10	272,939	60,244
Provisions for other liabilities and charges	17	25,270	21,585
		2,068,906	1,727,490
Total liabilities		9,119,916	8,485,258
Total equity and liabilities		15,511,481	14,814,265

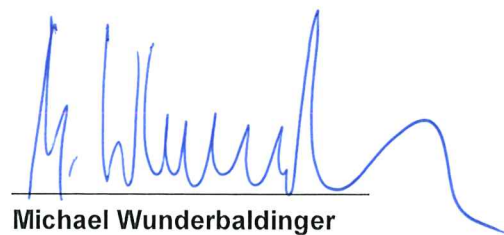
These condensed interim consolidated financial statements were approved by the Board of Directors on 31 October 2024 and were signed on its behalf by:



Malek Sultan Rashed Almalek
Chairman



Abdulla Belhoul
Chief Executive Officer



Michael Wunderbaldinger
Chief Financial Officer

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF INCOME
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

	Notes	Nine-month ended 30 September		Three-month ended 30 September	
		2024	2023	2024	2023
		AED'000 (Reviewed)	AED'000 (Reviewed)	AED'000 (Reviewed)	AED'000 (Reviewed)
Revenue	20	1,758,664	1,592,821	610,905	543,949
Direct costs		(608,565)	(561,622)	(232,185)	(205,191)
Gross profit		1,150,099	1,031,199	378,720	338,758
Other operating income	21	112,563	35,070	76,295	8,163
		1,262,662	1,066,269	455,015	346,921
Expenses					
General and administrative	22	(151,505)	(104,666)	(55,666)	(27,894)
Marketing and selling		(28,632)	(20,049)	(8,698)	(6,524)
Other operating		(3,685)	-	-	-
		(183,822)	(124,715)	(64,364)	(34,418)
Operating profit		1,078,840	941,554	390,651	312,503
Finance income		54,554	40,693	16,314	15,723
Finance costs		(159,853)	(214,707)	(54,062)	(45,187)
Finance costs - net		(105,299)	(174,014)	(37,748)	(29,464)
Profit before tax for the period		973,541	767,540	352,903	283,039
Income tax expense	4(a)	(30,862)	-	(13,268)	-
Profit for the period		942,679	767,540	339,635	283,039
Earnings per share attributable to the Owners of the Company					
Basic and diluted (AED)	23	0.19	0.15	0.07	0.06

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

	Nine-month ended 30 September		Three-month ended 30 September	
	2024 AED'000 (Reviewed)	2023 AED'000 (Reviewed)	2024 AED'000 (Reviewed)	2023 AED'000 (Reviewed)
Profit for the period	942,679	767,540	339,635	283,039
<i>Items that may be subsequently reclassified to profit or loss</i>				
Fair value (loss)/gain on cash flow hedges, net of tax	(80,121)	4,875	(82,640)	2,000
Other comprehensive (loss)/income for the period	(80,121)	4,875	(82,640)	2,000
Total comprehensive income for the period	862,558	772,415	256,995	285,039

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

	Notes	Attributable to owners of the Company			
		Share capital AED'000	Legal reserve AED'000	Hedge reserve AED'000	Retained earnings AED'000
At 1 January 2023 (audited)		500,000	436,321	336,647	4,695,416
Profit for the period		-	-	-	767,540
Other comprehensive income for the period		-	-	4,875	-
Total comprehensive income for the period		-	-	4,875	767,540
Transactions with owners:					
Dividends declared	19	-	-	-	(600,000)
		-	-	-	(600,000)
At 30 September 2023 (reviewed)		500,000	436,321	341,522	4,862,956
At 1 January 2024 (audited)		500,000	458,410	218,995	5,151,602
Profit for the period		-	-	-	942,679
Other comprehensive loss for the period		-	-	(80,121)	-
Total comprehensive income for the period		-	-	(80,121)	942,679
Transactions with owners:					
Dividends declared	19	-	-	-	(800,000)
		-	-	-	(800,000)
At 30 September 2024 (reviewed)		500,000	458,410	138,874	5,294,281

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

	Notes	Nine-month period ended 30 September	
		2024 AED'000 (Reviewed)	2023 AED'000 (Reviewed)
Cash flows from operating activities			
Cash generated from operations	24	1,326,417	1,224,802
Payment of employees' end of service benefits		(968)	(2,491)
Net cash generated from operating activities		1,325,449	1,222,311
Cash flows from investing activities			
Purchase of property and equipment	5	(4,778)	(3,927)
Payments for investment property, net of advances to contractors, project liabilities and related provisions		(1,141,228)	(229,998)
Purchase of intangible assets		(4,784)	(12,031)
Due to a related party		-	(150,000)
Movement in facility service reserve account		-	60,000
Movement in fixed deposits with maturities greater than three months	11	312,900	(160,001)
Interest received		64,464	30,980
Net cash used in investing activities		(773,426)	(464,977)
Cash flows from financing activities			
Proceeds from borrowings		250,000	-
Issuance cost paid		-	(53,796)
Interest paid		(127,371)	(130,097)
Dividends paid	19	(800,000)	(600,000)
Net cash used in financing activities		(677,371)	(783,893)
Net decrease in cash and cash equivalents		(125,348)	(26,559)
Cash and cash equivalents, beginning of the period	11	669,882	276,666
Cash and cash equivalents, end of the period	11	544,534	250,107
Significant non-cash transactions:			
Additions to investment property arising from lease terminations	21	65,670	-

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024

1. LEGAL STATUS AND ACTIVITIES

TECOM Group PJSC (the "Company") is a public joint stock with trade license number 577858 issued by the Department of Economy and Tourism in Dubai.

The Company was initially established as a limited liability company on 14 February 2006. The legal status of the Company was converted to a public joint stock company on 30 June 2022 by virtue of Company's shareholders resolution. On 5 July 2022, the Company listed its 12.5% ordinary shares on the Dubai Financial Market ("DFM" or the "Exchange") through an Initial Public Offering ("IPO").

The Company is domiciled in the United Arab Emirates (UAE) and its registered head office address is P.O. Box 66000, Umm Suqeim, Dubai, United Arab Emirates.

The principal activities of the Group are property leasing, development, facilities management and services.

The parent company is DHAM LLC (the "Parent Company"), which is a fully owned subsidiary of Dubai Holding Commercial Operations Group LLC (the "Intermediate Parent Company"), The Intermediate Parent Company is a fully owned subsidiary of Dubai Holding LLC (the "Ultimate Parent Company"). The "Ultimate Shareholder" of the Company was His Highness Sheikh Mohammed Bin Rashid Al Maktoum till 8 January 2023. On 8 January 2023, the Ultimate Shareholder and Ruler of Dubai issued Law No. 1 of 2023, transferring his direct ownership in the Ultimate Parent Company to the Government of Dubai. The Company and its subsidiaries are collectively referred to as the Group (the "Group").

The Group consolidates investments in the following principal subsidiaries:

Name of the entity	Nature of business	Ownership %	
		2024	2023
TECOM Investmesnts FZ LLC	Develop and lease properties	100	100
Dubai Industrial City LLC*	Develop and lease properties	100	100
Dubai Design District FZ LLC	Develop and lease properties	100	100
Tamdeen LLC*	Project management engineering and feasibility studies	100	100
Dubai Design District Hospitality FZ LLC	Develop and lease properties and real estate services	100	100
AXS FZ LLC	Incorporation and visa related services	100	100
DMC Butterfly Building FZ LLC	Real estate services	100	100
Innovation Hub FZ-LLC	Real estate services	100	100
IN5 FZ LLC	Regional headquarters for real estate services	100	100
DIC 1 FZ LLC	Develop properties and real estate services	100	100
DIC 2 FZ LLC	Develop properties and real estate services	100	100
DKV 1 FZ LLC	Develop properties and real estate services	100	100
Innovation Hub Phase 1 FZ-LLC	Real Estate services	100	100
Dquarters FZ LLC	Regional headquarters for real estate services	100	100

*The ownership percentage represents the beneficial ownership of the Group in these subsidiaries.

The Group only operates in the UAE and has no subsidiaries in foreign jurisdictions.

The Group has not purchased or invested in any shares for the nine-month period ended 30 September 2024.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)****1. LEGAL STATUS AND ACTIVITIES (CONTINUED)**

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 for mainland entities and where conditions are met, 0% for freezones.

The tax charge for period ended 30 September 2024 is AED 30,862,000 (30 September 2023: AED NIL), representing an Effective Tax Rate ("ETR") of 3.17% (30 September 2023: NIL). The deviation from the UAE statutory tax rate (i.e. 9%) is primarily driven by subsidiaries operating in free zones that are subject to tax exemptions.

2. MATERIAL ACCOUNTING POLICY INFORMATION**2.1 Statement of compliance**

The condensed interim consolidated financial statements of the Group have been prepared in accordance with the requirements of International Accounting Standard 34 'Interim Financial Reporting' ("IAS 34") and comply with the applicable requirements of the laws in the UAE.

No income of a seasonal nature was recorded in the condensed interim consolidated financial statements for the nine-month period ended 30 September 2024. In addition, the results for the 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.

These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2023.

2.2 Basis of preparation

The condensed interim consolidated financial statements are presented in United Arab Emirates (AED) which is the Company's functional currency and the Group's presentation currency. All amounts have been rounded to the nearest AED thousands ('000s), unless stated otherwise.

The condensed interim consolidated financial statements have been prepared on the historical cost basis, except for the revaluation of financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of condensed interim consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the condensed interim consolidated financial statements are disclosed in Note 4.

Certain comparative amounts have been reclassified to conform to the presentation used in these condensed interim consolidated financial statements.

The same accounting policies and methods of computation, as well as assumptions, are followed in these condensed interim consolidated financial statements as compared to the most recent annual consolidated financial statements, except for the new policies, standards, and amendments adopted during the current period as outlined in notes 2.3 and 2.4 of the condensed interim consolidated financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Application of new and revised International Financial Reporting Standards (“IFRS Accounting Standards”)

(a) New and revised IFRS Accounting Standards applied with no material effect on the condensed interim consolidated financial statements

The following new and revised IFRS Accounting Standards, which became effective for annual periods beginning on or after 1 January 2024, have been adopted in these condensed interim consolidated financial statements. Their adoption has not had any material impact on the disclosures or on the amounts reported in these condensed interim consolidated financial statements.

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

Other than the above, there are no other significant IFRSs and amendments that were effective for the first time for the financial year beginning on or after 1 January 2024.

(b) New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these condensed interim 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:

New and revised IFRS Accounting Standards	Effective for annual periods beginning on or after
Amendments to IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i> relating to Lack of Exchangeability	1 January 2025
Amendments to the SASB (Sustainability Accounting Standards Board) standards to enhance their international applicability	1 January 2025
IFRS 18 <i>Presentation and Disclosures in Financial Statements</i>	1 January 2027
Amendments to IFRS 10 <i>Consolidated Financial Statements</i> and IAS 28 <i>Investments in Associates and Joint Ventures (2011)</i>	Effective date deferred indefinitely. Adoption is still permitted.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group’s condensed interim consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments may have no material impact on the condensed interim consolidated financial statements of Group in the period of initial application.

2.4 Income tax

The income tax expense or credit for the period is the tax payable on the current period’s taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.4 Income tax (continued)

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxable entity and tax authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

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

The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating to fixed rates.

The condensed interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements.

3.2 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available. Management reviews cash flows at regular intervals.

3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation (continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 30 September 2024:

	Level 2 AED'000 (Reviewed)
Assets	
Derivatives designated as cash flow hedges	136,315
Liabilities	
Derivatives designated as cash flow hedges	5,365

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2023:

	Level 2 AED'000 (Audited)
Assets	
Derivatives designated as cash flow hedges	221,995
Liabilities	
Derivatives designated as cash flow hedges	3,000

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim consolidated financial statements, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's consolidated financial statements for the year ended 31 December 2023, except for as disclosed below:

(a) Income taxes

The Group's current tax provision of AED 30,862,000 (2023: AED NIL) relates to management's assessment of tax liabilities on open positions, based on current interpretations of CT Law and applicable guidance.

TECOM GROUP PJSC AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

5. PROPERTY AND EQUIPMENT

	Notes	Buildings AED'000	Building interior improvements, furniture and fixtures AED'000	Computer hardware AED'000	Motor vehicles AED'000	Other assets AED'000	Capital work in progress AED'000	Total AED'000
2024								
Cost								
At 1 January 2024 (audited)		137,840	128,315	46,181	1,364	19,077	154	332,931
Additions		-	2,707	443	-	1,628	-	4,778
Transfers from/(to) investment property	6	-	395	-	-	-	(154)	241
Disposals		-	-	(11)	-	-	-	(11)
Reclassifications		(2,783)	2,783	-	-	-	-	-
Write-off		-	-	-	-	(1,167)	-	(1,167)
At 30 September 2024 (reviewed)		135,057	134,200	46,613	1,364	19,538	-	336,772
Accumulated depreciation								
At 1 January 2024 (audited)		55,611	123,195	44,775	986	14,905	-	239,472
Depreciation charge		2,625	1,775	655	378	1,568	-	7,001
Transfers from investment property	6	-	182	-	-	-	-	182
Disposals		-	-	(11)	-	-	-	(11)
Write-off		-	-	-	-	(1,167)	-	(1,167)
At 30 September 2024 (reviewed)		58,236	125,152	45,419	1,364	15,306	-	245,477
Net book value at 30 September 2024 (reviewed)		76,821	9,048	1,194	-	4,232	-	91,295

TECOM GROUP PJSC AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

5. PROPERTY AND EQUIPMENT (CONTINUED)

	Notes	Buildings AED'000	Building interior improvements, furniture and fixtures AED'000	Computer hardware AED'000	Motor vehicles AED'000	Other assets AED'000	Capital work in progress AED'000	Total AED'000
2023								
Cost								
At 1 January 2023 (audited)		137,840	124,873	45,415	1,364	14,137	390	324,019
Additions		-	1,778	839	-	4,940	154	7,711
Transfers from/(to) investment property	6	-	1,664	-	-	-	(390)	1,274
Transfers to related parties		-	-	(18)	-	-	-	(18)
Disposals		-	-	(55)	-	-	-	(55)
At 31 December 2023 (audited)		137,840	128,315	46,181	1,364	19,077	154	332,931
Accumulated depreciation								
At 1 January 2023 (audited)		52,115	118,611	43,997	456	11,845	-	227,024
Depreciation charge		3,496	2,920	838	530	3,060	-	10,844
Transfer from investment property	6	-	1,664	-	-	-	-	1,664
Transfers to related parties		-	-	(5)	-	-	-	(5)
Disposals		-	-	(55)	-	-	-	(55)
At 31 December 2023 (audited)		55,611	123,195	44,775	986	14,905	-	239,472
Net book value at 31 December 2023 (audited)		82,229	5,120	1,406	378	4,172	154	93,459

The depreciation charge for the period is recognised under general and administrative expenses amounting to AED 7,001,000 (for the nine-month period ended 30 September 2023: AED 7,760,000).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

6. INVESTMENT PROPERTY

	Notes	Land AED'000	Buildings and improvements AED'000	Infrastructure AED'000	Capital work- in progress AED'000	Total AED'000
2024						
Cost						
At 1 January 2024 (audited)		3,687,468	10,521,991	3,244,663	3,599,897	21,054,019
Additions		413,992	560,564	-	484,841	1,459,397
Transfers to related parties	10	-	-	-	(23,335)	(23,335)
Transfers (to)/from property and equipment	5	-	(395)	-	154	(241)
Transfers within other captions of investment property		-	64,765	30,516	(95,281)	-
At 30 September 2024 (reviewed)		4,101,460	11,146,925	3,275,179	3,966,276	22,489,840
Accumulated depreciation and impairment						
At 1 January 2024 (audited)		1,946,344	4,614,437	1,102,968	1,525,728	9,189,477
Depreciation charge		-	262,040	38,902	-	300,942
Transfers to property and equipment	5	-	(182)	-	-	(182)
At 30 September 2024 (reviewed)		1,946,344	4,876,295	1,141,870	1,525,728	9,490,237
Net book value at 30 September 2024 (reviewed)		2,155,116	6,270,630	2,133,309	2,440,548	12,999,603

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)**

6. INVESTMENT PROPERTY (CONTINUED)

	Notes	Land AED'000	Buildings and improvements AED'000	Infrastructure AED'000	Capital work- in progress AED'000	Total AED'000
2023						
Cost						
At 1 January 2023 (audited)		3,687,468	10,355,799	3,244,663	3,405,743	20,693,673
Additions		-	-	-	382,041	382,041
Transfers to related parties	10	-	-	-	(20,421)	(20,421)
Transfers (to)/from property and equipment	5	-	(1,664)	-	390	(1,274)
Transfers within other captions of investment property		-	167,856	-	(167,856)	-
At 31 December 2023 (audited)		3,687,468	10,521,991	3,244,663	3,599,897	21,054,019
Accumulated depreciation and impairment						
At 1 January 2023 (audited)		1,946,344	4,303,841	1,043,833	1,525,728	8,819,746
Depreciation charge		-	312,260	59,135	-	371,395
Transfers to property and equipment	5	-	(1,664)	-	-	(1,664)
At 31 December 2023 (audited)		1,946,344	4,614,437	1,102,968	1,525,728	9,189,477
Net book value at 31 December 2023 (audited)		1,741,124	5,907,554	2,141,695	2,074,169	11,864,542

During the period, the Group acquired investment property from fellow subsidiaries for a total consideration of AED 957,012,000, recorded in accordance with the Group's accounting policy (Note 10).

Additionally, the Group repossessed partially constructed structures from lease terminations, which were recorded at fair value in accordance with the Group's accounting policy. This transaction resulted in a gain of AED 65,670,000, which is included in Other operating income (Note 21).

The capital work-in-progress encompasses buildings, land, and infrastructure currently under construction, intended for future use as investment properties.

The depreciation charge for the period is recognised under direct costs, amounting to AED 300,942,000 (for the nine-month period ended 30 September 2023: AED 276,313,000).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

6. INVESTMENT PROPERTY (CONTINUED)

As at 30 September 2024, the estimated fair value of the Group's investment property is AED 22,934,827,000 (31 December 2023: AED 22,934,827,000).

No impairment indicators were observed for any classes of investment property during the period ended 30 September 2024.

As at 30 September 2024 and 31 December 2023, no investment property have been pledged as security against loan facilities obtained by the Group.

The following amounts have been recognised in the condensed interim consolidated statement of income in respect of investment property:

	Nine-month period ended 30 September	
	2024	2023
	AED'000	AED'000
	(Reviewed)	(Reviewed)
Operating lease income (Note 20)	1,555,107	1,417,078
Direct costs (including depreciation) arising from investment property that generated operating lease income	542,602	492,045

7. DERIVATIVE FINANCIAL INSTRUMENTS

	Notional amount AED'000	Assets AED'000	Liabilities AED'000
At 30 September 2024 (Reviewed)			
Designated as cash flow hedges			
Interest rate swap contracts	3,646,545	136,315	5,365
At 31 December 2023 (Audited)			
Designated as cash flow hedges			
Interest rate swap contracts	3,990,747	221,995	3,000

The Group uses derivatives only for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria under IFRS, they are classified as 'held for trading' for accounting purposes as required by IFRS. In particular, the Group uses interest rate swaps to minimise the effect of interest rate fluctuations on its borrowings. The contracts entered into by the Group are principally denominated in AED. The fair values of these contracts are recorded in the condensed interim consolidated balance sheet and is determined by reference to valuations by reputable external financial institutions.

Interest rate swaps are commitments to exchange one set of cash flows for another. The swaps result in an economic exchange of interest rates, no exchange of principal takes place. These swap transactions entitle the Group to receive or pay amounts derived from interest rate differentials between an agreed fixed interest rate and the applicable floating rate prevailing at the beginning of each interest period.

At 30 September 2024, the fixed interest rates vary from 1.52% to 4.36% per annum (31 December 2023: 1.52% to 4.36% per annum). The floating rates are linked to Emirates Interbank Offered Rate ("EIBOR").

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

7. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Changes in the fair market values of interest rate swaps that are considered effective and designated as cash flow hedges are recognised in the hedge reserve in other comprehensive income. Amounts are reclassified to profit or loss when the associated hedged transaction affects profit or loss. There was no ineffectiveness to be recorded from the cash flow hedges. The change in fair values of interest rate swaps designated as cash flow hedges for the nine-month period ended 30 September 2024 amounted to a loss of AED 88,045,000 (for the nine-month period ended 30 September 2023: a gain of AED 4,875,000). The related tax on the fair value loss on cash flow hedge for the period is AED 7,924,000 (for the nine-month period ended 30 September 2023: AED NIL), which has been set off against the fair value loss disclosed in the other comprehensive income.

As at 30 September 2024, derivative financial instruments include interest rate swaps entered into with a related party financial institution, with a fair value of AED 50,672,000 (31 December 2023: AED 85,308,000).

8. OTHER RECEIVABLES

	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
Advances to contractors and suppliers	67,100	71,778
Finance lease receivables	16,605	18,336
Prepayments	49,857	19,902
Other receivables	13,456	29,002
	147,018	139,018
Less: non-current	(12,484)	(14,215)
Current	134,534	124,803

9. TRADE AND UNBILLED RECEIVABLES

	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
Trade receivables	148,020	193,814
Less: loss allowance	(78,231)	(91,655)
	69,789	102,159
Less: non-current	-	-
Current	69,789	102,159
Unbilled receivables - operating leases	941,792	958,987
Less: loss allowance	(56,190)	(156,930)
	885,602	802,057
Less: non-current	(798,696)	(802,057)
Current	86,906	-
Trade and unbilled receivables		
Current	156,695	102,159
Non-current	798,696	802,057
	955,391	904,216

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

9. TRADE AND UNBILLED RECEIVABLES (CONTINUED)

The fair values of trade and unbilled receivables approximate their carrying amounts.

Unbilled receivables arise on revenue recognition based on straight lining which is mainly driven by rent free periods and rent escalation as per the contracts.

The Group has a broad base of customers with no concentration of credit risk within trade receivables at 30 September 2024 and 31 December 2023. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable.

The provision against not past due receivables reflects loss allowance against specific customers considered having a higher probability of default. The creation and release of the loss allowance on receivables are recognised in the condensed interim consolidated statement of income under general and administrative expenses. Amounts charged to the allowance account are written off when there is no expectation of recovering additional cash. The Group's trade and unbilled receivables are denominated in AED.

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties comprise shareholders, ultimate parent company, parent company and key management personnel and businesses which are controlled directly by the shareholders or key management personnel. Related parties also include entities over which the ultimate parent company has control or significant influence.

(a) Due from related parties

	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
Intermediate Parent Company	-	49
Parent Company	1,334	1,691
Other subsidiaries of the Parent Company	29,397	14,774
Other related parties	29,540	18,911
	60,271	35,425
Less: non-current	-	-
Current	60,271	35,425

The amount due from related parties as at 30 September 2024 and 31 December 2023 are unsecured in nature and bear no interest. The maximum exposure to credit risk at the reporting date is the fair value of each of the amount receivable from related parties.

The fair values of due from related parties approximate their carrying amounts and are fully performing at 30 September 2024 and 31 December 2023.

Due from and due to related party balances are offset and presented on a net basis in the condensed interim consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to either settle on a net basis or realise the assets and liabilities simultaneously.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)**
10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)
(b) Due to related parties

	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
Ultimate Parent Company	7,508	9,111
Other subsidiaries of the Parent Company	326,750	11,520
Other related parties	30,228	39,613
	364,486	60,244
Less: non-current	(91,547)	-
Current	272,939	60,244

The payables to related parties arise mainly from purchase transactions and are non-interest bearing.

During the period, the amount due to related parties includes AED 316,922,000, which pertains to obligations arising from the acquisition of investment property from fellow subsidiaries (Note 6). Of this amount, AED 91,547,000 is classified as a non-current liability, representing the net present value of obligations with a repayment term of three years. This classification reflects the long-term nature of the liability, consistent with the terms of the underlying agreements, as repayment extends beyond one year.

(c) Related party transactions

Break up of other significant transactions with related parties in the normal course of the business is as follows:

	Nine-month period ended 30 September	
	2024 AED'000 (Reviewed)	2023 AED'000 (Reviewed)
Transactions between related parties:		
Dividends declared to Parent Company	700,000	175,000
Acquisition of investment property from fellow subsidiaries	957,012	-
Transfer of investment property to Parent Company	23,335	20,421
Services provided to related parties included in revenue:		
Operating lease income from fellow subsidiaries and others	34,081	20,796
Services income from the Parent Company and fellow subsidiaries	5,383	3,934
Services provided by related parties included in expenses:		
<i>Direct costs - operation and maintenance costs</i>		
- Parent Company	1,402	2,615
- Entities under common control	74,478	74,434
- Other related parties	46,239	39,926
<i>General and administrative expenses - cost recharged</i>		
- Ultimate Parent Company	318	1,381
- Parent Company	29,746	34,629
- Other related parties	1,306	2,601
Transactions with related party institution:		
Finance income	18,871	-
Finance costs and other bank charges	54,290	-

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

(d) Remuneration of key management personnel

The compensation to key management personnel of the Group is shown below:

	Nine-month period ended 30 September	
	2024	2023
	AED'000	AED'000
	(Reviewed)	(Reviewed)
Salaries and other short-term employee benefits	16,679	15,437
End of service, termination and other post-employment benefits	837	551
Board of Directors' remuneration	6,240	1,445
	23,756	17,433

11. CASH AND BANK BALANCES

	30 September 2024	31 December 2023
	AED'000	AED'000
	(Reviewed)	(Audited)
Cash on hand	591	698
Cash at banks		
- Current account	543,943	569,184
- Fixed deposits	552,401	965,301
	1,096,935	1,535,183

Cash and cash equivalents include the following for the purposes of the condensed interim consolidated statement of cash flows:

	30 September 2024	31 December 2023
	AED'000	AED'000
	(Reviewed)	(Audited)
Cash and bank balances	1,096,935	1,535,183
Fixed deposits with maturities greater than 3 months	(552,401)	(865,301)
	544,534	669,882

Bank accounts are maintained with locally incorporated banks and fixed deposits yield interest rates ranging from 4.70% to 5.75% per annum (31 December 2023: 5.09% to 5.75%).

As at 30 September 2024, cash and bank balances include AED 272,093,000 (31 December 2023: AED 329,610,000) held with a related party financial institution.

12. SHARE CAPITAL

The total authorised and issued share capital of the Company comprises 5,000,000,000 shares (31 December 2023: 5,000,000,000 shares) of AED 0.10 each. All shares were fully paid-up.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

13. LEGAL RESERVE

In accordance with the UAE Federal Decree Law No. (32) of 2021 and Articles of Association, 10% of the profit for the year of the public joint stock company and 5% of the profit for the year of each UAE limited liability registered company are transferred to a legal reserve, which is not distributable. Transfers to this reserve are required to be made until such time as it equals at least 50% of the paid-up share capital of the respective companies. Accordingly, for the year ending 31 December 2024, transfers to the legal reserve are expected to be made by the individual entities within the Group at the end of the year in line with the aforementioned policy.

14. BORROWINGS

	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
Bank borrowings	4,650,000	4,400,000
Unamortised transaction costs	(39,394)	(48,233)
Carrying amount	4,610,606	4,351,767
Less: non-current	(4,610,606)	(4,351,767)
Current	-	-

On 14 June 2023, the Group refinanced its existing bank facilities through a facility aggregating to AED 7,600,000,000 with multiple tranches from consortium of banks, in exchange of settlement of existing obligation. As at 30 September 2024, the unamortised transaction costs amounted to AED 39,394,000 (31 December 2023: AED 48,233,000).

The purpose of the loan facility is to repay existing facilities and for general corporate purposes of the Group. The facility is repayable in a single bullet payment in 2028.

As at 30 September 2024, the Group has undrawn floating rate borrowing amounting to AED 2,950,000,000 from the above facility (31 December 2023: AED 3,200,000,000).

The Group has sufficient headroom to enable it to conform to covenants on its existing borrowings and sufficient working capital and undrawn financing facilities to service its operating activities and ongoing investments as at 30 September 2024 and 31 December 2023.

Below are major financial covenants as required by the terms of the facility:

- i) Leverage for each period not to exceed certain ratios as specified in the facility agreement.
- ii) Debt Service Cover Ratio not to be less than 1.20:1.
- iii) Minimum Net Worth in respect of any relevant period not to be less than AED 3,673,000,000 (or its equivalent in any other currency).

The Group has complied with all covenants in line with the borrowing facility agreements at each reporting period. The Group has not had any defaults of principal, interest or redemption amounts during the periods on its borrowed funds. Interest rates on the above bank borrowings ranged from 5.89% to 6.35% (31 December 2023: ranged from 6.12% to 6.39%) per annum.

Total borrowings of AED 4,650,000,000 (31 December 2023: AED 4,400,000,000) are subject to repricing within three months of the condensed interim consolidated balance sheet date. The Group's borrowings are denominated in AED.

As at 30 September 2024, borrowings include AED 1,859,045,000 (31 December 2023: AED 1,740,707) obtained from a related party financial institution.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)**
15. ADVANCES FROM CUSTOMERS

	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
Operating lease advances	1,286,579	1,187,616
Contract advances	46,785	42,144
Refundable deposits	243,013	230,378
	1,576,377	1,460,138
Less: non-current	(610,457)	(623,533)
Current	965,920	836,605

Operating lease advances and contract advances represents amounts collected from customers in advance which are subsequently released to the condensed interim consolidated statement of income once the revenue recognition criteria are met.

16. PROJECT LIABILITIES

	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
Project payables	1,144,716	1,158,574
Retentions payable	114,939	131,404
	1,259,655	1,289,978
Less: non-current	(781,073)	(829,445)
Current	478,582	460,533

Project payables includes amount contracted with a government authority to pay its share of costs of roadworks serving the Group's developments with present value of AED 864,335,000 (31 December 2023: AED 923,675,000). These costs are paid based on agreed annual fixed installments and are measured at the present value of the expected cash outflows required to settle the obligation.

17. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
Provision for infrastructure cost	902,807	902,807
Provision for legal claims	25,270	21,585
	928,077	924,392
Less: non-current	(902,807)	(902,807)
Current	25,270	21,585

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

18. TRADE AND OTHER PAYABLES

	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
Trade payables	75,316	72,489
Accrued expenses	190,402	222,589
Other payables	32,504	56,749
	298,222	351,827
Less: non-current	(2,889)	(3,304)
Current	295,333	348,523

19. DIVIDENDS

At the Annual General Meeting held on 14 March 2023, shareholders approved the distribution of dividends amounting to AED 200,000,000 (AED 0.04 per share).

On 1 August 2023, the Board of Directors approved the distribution of interim dividends of AED 400,000,000 (AED 0.08 per share).

At the Annual General Meeting held on 4 March 2024, shareholders approved the distribution of final cash dividends of AED 400,000,000 (AED 0.08 per share).

On 1 August 2024, the Board of Directors approved the distribution of interim cash dividends of AED 400,000,000 (AED 0.08 per share).

20. REVENUE

	Nine-month ended 30 September		Three-month ended 30 September	
	2024 AED'000 (Reviewed)	2023 AED'000 (Reviewed)	2024 AED'000 (Reviewed)	2023 AED'000 (Reviewed)
Operating lease income (Note 6)	1,555,107	1,417,078	537,570	479,068
Service income	203,557	175,743	73,335	64,881
	1,758,664	1,592,821	610,905	543,949

The payments for service income are received in advance and have no significant financing component.

The aggregate amount of sale price allocated to performance obligations that are unsatisfied/partially satisfied as at 30 September 2024 amounted to AED 46,785,000 (31 December 2023: AED 42,144,000). The Group expects to recognise revenue from these unsatisfied performance obligations over a period of 2 years.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)**
21. OTHER OPERATING INCOME

	Nine-month ended 30 September		Three-month ended 30 September	
	2024 AED'000 (Reviewed)	2023 AED'000 (Reviewed)	2024 AED'000 (Reviewed)	2023 AED'000 (Reviewed)
Lease termination and other penalties	76,850	12,274	65,973	898
Cost recovery	21,572	20,533	8,350	6,678
Liabilities written back	12,569	354	980	66
Others	1,572	1,909	992	521
	112,563	35,070	76,295	8,163

The gain of AED 65,670,000 (for the nine-month period ended 30 September 2023: AED NIL) from the repossession of partially constructed structures, as detailed in the Investment property note (Note 6), reflects the fair value adjustment in accordance with the Group's accounting policy.

22. GENERAL AND ADMINISTRATIVE EXPENSES

	Nine-month ended 30 September		Three-month ended 30 September	
	2024 AED'000 (Reviewed)	2023 AED'000 (Reviewed)	2024 AED'000 (Reviewed)	2023 AED'000 (Reviewed)
Payroll and related costs	57,492	53,659	21,771	18,351
Management fees and consultancy	33,595	31,630	11,927	11,021
Depreciation and amortisation	15,483	16,526	4,079	5,413
Professional memberships	8,028	2,768	3,085	952
Provision for/(reversal of) loss allowance on receivables	3,602	(31,228)	2,120	(19,119)
Communication	3,242	3,096	927	586
Others	30,063	28,215	11,757	10,690
	151,505	104,666	55,666	27,894

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

23. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical. The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Nine-month ended 30 September		Three-month ended 30 September	
	2024	2023	2024	2023
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Earnings				
Earnings for the purpose of basic and diluted earnings per share (profit for the period attributable to owners of the Company) rounded to the nearest AED'000	942,679	767,540	339,635	283,039
Weighted average number of shares				
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000
Basic and diluted earnings per share attributable to owners of the Company rounded to the nearest Fil	0.19	0.15	0.07	0.06

24. CASH GENERATED FROM OPERATIONS

		Nine-month period ended 30 September	
	Notes	2024	2023
		AED'000	AED'000
		(Reviewed)	(Reviewed)
Profit for the period		942,679	767,540
Adjustments for:			
Depreciation and amortisation		316,425	292,839
Provision for/(reversal of) loss allowance on receivables		3,602	(31,228)
Provisions for other liabilities and charges		7,007	3,492
Lease terminations	21	(65,670)	-
Liabilities written back	21	(12,569)	(354)
Finance income		(54,554)	(40,693)
Finance costs		159,853	214,707
Income tax expense	4(c)	30,862	-
		1,327,635	1,206,303
Changes in operating assets and liabilities:			
Trade and other receivables, before provision and write offs and excluding advances to contractors		(116,900)	(47,250)
Trade and other payables excluding project liabilities		109,498	46,243
Due from related parties		(1,511)	1,992
Due to related parties		7,695	17,514
Cash generated from operations		1,326,417	1,224,802

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)**
25. COMMITMENTS
(a) Capital commitments

	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
Property and equipment	10,224	4,679
Intangible assets	6,599	5,606
Investment properties	500,666	612,463

(b) Operating lease arrangements - the Group as lessor

Operating non-cancellable leases relate to the investment property owned by the Group with lease terms of between 1 to 5 years for building leases and between 20 to 50 years for land leases.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
Later than 5 years	13,237,015	12,157,819
Later than 1 year and not later than 5 years	2,925,249	2,818,047
Not later than 1 year	809,113	798,861
	16,971,377	15,774,727

(c) Contingencies

	30 September 2024 AED'000 (Reviewed)	31 December 2023 AED'000 (Audited)
Bank guarantees (i)	327,247	-
Letter of credits (ii)	78,502	96,602

(i) This represents bank guarantees provided for investment property acquired on deferred payment plan.

(ii) This pertains to letters of credit issued for construction of certain infrastructure costs of the Group.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)****26. SEGMENT REPORTING**

Information regarding the Group's reportable segments is set out below in accordance with IFRS 8 Operating Segments. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Group's Chief Executive Officer, as the chief operating decision maker, in order to allocate resources to the segment and to assess its performance. Information reported to the Group's Chief Executive Officer for the purpose of resource allocation and assessment of segment performance focuses on the financial performance of each business segment only. No information that includes the segments' assets and liabilities are reported to the Group's Chief Executive Officer.

The Group is organised into four reportable segments: (i) commercial leasing, (ii) industrial leasing, (iii) land leasing and (iv) services and others. The following describes the types of properties, products or services that fall within each of our financial segments:

- Commercial leasing consists of built to lease and built to suit properties. Built to lease properties are our commercial properties which are typically developed for multiple tenants and are leased out to customers, and include office, retail space and business centres (built to lease). Built to suit properties typically represent our commercial properties where we were able to identify customers in advance of developing the property in order to build a single-tenant customised property that meet a customer's specifications, which are then leased out to them upon completion or similar properties (built to suit).
- Industrial leasing consists of warehouses and staff accommodation (housing for businesses to accommodate their workers).
- Land leasing consists of land leases. Our land leases represent land available within our business districts that already has or is expected to develop the necessary infrastructure (such as connecting roads, water, electricity and sewage) that allows us to lease the land. We have intentionally retained such land in order to be able to lease it to customers to suit their specific needs, such as manufacturing, commercial, retail, residential or academic purposes.
- Services consist of fees from the services that we provide, including those generated from our AXS platform, venue management services, property management and leasing agreements and our in5 platform.
- Other segments include businesses that individually do not meet the criteria of a reportable segment. These segments include operations and support functions.

The Group operates primarily in United Arab Emirates and accordingly no further geographical analysis of revenue and profit are given. Segment revenue reported represents revenue generated from customers and there were no intersegment sales.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment results represents the profit earned by each segment before interest, depreciation and amortisation. This is the measure reported to the Group's Chief Executive Officer for the purpose of resource allocation and assessment of segment performance.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024 (CONTINUED)

26. SEGMENT REPORTING (CONTINUED)

Information regarding these segments are as follows:

	Commercial leasing AED'000	Land leasing AED'000	Industrial leasing AED'000	Services and others AED'000	Total AED'000
30 September 2024 (Reviewed)					
Revenue	902,229	394,818	258,060	203,557	1,758,664
Direct cost	(176,674)	(1,229)	(58,269)	(34,559)	(270,731)
Other operating income	32,953	76,011	-	3,599	112,563
Other expenses	(142,744)	(25,136)	(21,463)	(15,888)	(205,231)
Segment results before interest and depreciation and amortisation	615,764	444,464	178,328	156,709	1,395,265
Depreciation and amortisation	(260,894)	-	(51,818)	(3,713)	(316,425)
Income tax expense	(9,590)	(14,104)	(6,720)	(448)	(30,862)
Unallocated net finance cost	-	-	-	-	(105,299)
Profit for the period	345,280	430,360	119,790	152,548	942,679
30 September 2023 (Reviewed)					
Revenue	832,839	359,474	224,765	175,743	1,592,821
Direct cost	(171,031)	(3,208)	(48,441)	(25,666)	(248,346)
Other operating income	24,417	10,000	542	111	35,070
Other expenses	(121,429)	(4,974)	(11,525)	(7,224)	(145,152)
Segment results before interest and depreciation and amortisation	564,796	361,292	165,341	142,964	1,234,393
Depreciation and amortisation	(240,306)	-	(48,750)	(3,783)	(292,839)
Unallocated net finance cost	-	-	-	-	(174,014)
Profit for the period	324,490	361,292	116,591	139,181	767,540

Management primarily relies on net finance cost, not the gross finance income and finance cost in managing all segments and does not allocate to segments. Therefore, unallocated net finance cost is disclosed.

No single customer contributed 10% or more to the Group's revenue.

27. SUBSEQUENT EVENT

On 21 October 2024, the Group has completed the acquisition of investment properties from Emirates REIT for a consideration of AED 720,000,000.