INFRACORP B.S.C (c)

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2024

Commercial registration	:	75109-1
Registered office	:	Flat / Shop No. 11 Building 1436, Road 4626 Block 346, Manama/ Sea Front Kingdom of Bahrain
Directors	:	Hesham Ahmed Alrayes, Chairman Salah Abdulla Mohamed Sharif Majed Abdulla Mohamed Alkhan Ahmed Ali Ebrahim Saeed Osama Mohamed Muein Hassan Walid El Hindi Abdulla Noorudin Wael Sahawneh
Auditor	:	KPMG Fakhro, Bahrain

INFRACORP B.S.C (c)

CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2024

CONTENTS **Page**

REPORT OF THE BOARD OF DIRECTORS
for the year ended 31 December 2024

On behalf of the Chairman and Board of Directors of Infracorp BSC (c) (the "Company") and its subsidiaries (together "the Group"), it is our pleasure to present this report together with the audited consolidated financial statements of the Group for the year ended 31 December 2024.

Business Activities

The principal activities of the Group is to engage in construction of building and utility projects, general trade, selling and buying shares and securities for Company's account only, real estate activities with own or leased property, manufacturing and packaging of cement, management consultancy activities and combined facilities support activities.

Financial performance

The results of the Group for the year ended 31 December 2024 are set summarised below:

	31 December 2024 USD ('000)	31 December 2023 USD ('000)
Profit for the year	55,037	40,144
Profit for the year attributable to equity holders of the Company	54,552	45,466
Total assets	1,847,478	1,652,448
Total equity	832,984	1,242,724

Representations and audit

The Group's activities for the year ended 31 December 2024 have been conducted in accordance with the Commercial Companies Law 2001 (as amended) and other relevant statutes of the Kingdom of Bahrain.

We have maintained proper and complete accounting records which, together with all the information and explanations, have been made freely available to the auditors, KPMG Fakhro.

We know of no events since 31 December 2024 which would affect the consolidated financial statements.

We take this opportunity to thank our fellow board members and express our appreciation to the management team and staff of the Group for their sincere and dedicated work.

REPORT OF THE BOARD OF DIRECTORS
for the year ended 31 December 2024

Remuneration of the Board of Directors

Name	Fixed remunerations					Variable remunerations					End-of-service award	Aggregate amount (Does not include expense allowance)	Expenses allowance
	Proposed Remunerat--ions of the Chairman and BOD	Total allowance for attending Board and committee	Salaries	Others	Total	Remunerat--ions of the Chairman and BOD	Bonus	Incentive plans	Others	Total			
First: Independent Directors													
1- Osama Muein	10,000	4,901			14,901								
2- Ahmed Al Ebrahim	10,000	3,770			13,770								
3- Walid Al Hindii	10,000	2,639		26,390	39,029								
4- Abdulla Noorudin	10,000	5,655			15,655								
5- Wael Sahawneh	10,000	3,016			13,016								
6- Zeeba Askar	-	1,131		11,310	12,441								
Second: Non-Executive Directors													
1- Hesham Ahmed Al Rayes	15,000	2,639		-	17,639								
2- Salah Sharif	10,000	3,016		-	13,016								
Third: Executive Directors													
1- Majed Al Khan	10,000	3,393		-	13,393								
Total	**85,000**	**30,160**		**37,700**	**152,860**								

Notes:
1- All amounts are stated in BHD.
2- The Group does not have any variable remuneration payments, end of service benefits, or expense allowances paid to its non-executive and independent directors.
3- Salaries paid to chief executive officer who is also on the board of directors are disclosed as part of executive management remuneration details below.

Remuneration for the Top Six Executives

Executive management	Total paid salaries and allowances	Total paid remuneration (Bonus)	Any other cash/ in kind remuneration for 2024	Aggregate Amount
Remunerations of top 6 executives (including CEO and CFO)	645,048	1,160,788	-	1,805,836

Notes:
1- All amounts are stated in BHD.
2- Remuneration details exclude any Board remuneration earned by executive management from their role in investee companies or other subsidiaries.

Hesham Ahmed Alrayes
Chairman
19 February 2025

Majed Abdulla Alkhan
Board Member & CEO
19 February 2025

KPMG Fakhro
Audit
12th Floor, Fakhro Tower,
P.O. Box 710, Manama,
Kingdom of Bahrain

Telephone +973 17224807
Telefax +973 17227443
Website: www.kpmg.com/bh
CR No. 6220 - 2

Independent auditors' report

To the Shareholders of

Infracorp B.S.C (c)
Manama, Kingdom of Bahrain

Opinion

We have audited the accompanying consolidated financial statements of Infracorp BSC (c) (the "Company") and its subsidiaries (together the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Kingdom of Bahrain, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The board of directors is responsible for the other information. The other information obtained at the date of this auditors' report is the report of the board of directors set out on pages 1-2.

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

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

Responsibilities of Board of Directors for the Consolidated Financial Statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditors' report (continued)
Infracorp B.S.C (c)

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Regulatory Requirements

1) As required by the Commercial Companies Law 2001 (as amended), we report that:

a) the Company has maintained proper accounting records and its consolidated financial statements are in agreement therewith;

b) the financial information contained in the report of the board of directors is consistent with the consolidated financial statements;

c) we are not aware of any violations during the year of the Commercial Companies Law 2001 (as amended) or the terms of the Company's Memorandum and Articles of Association that would have had a material adverse effect on the business of the Company or on its consolidated financial position; and

d) satisfactory explanations and information have been provided to us by management in response to all our requests.

Independent auditors' report (continued)
Infracorp B.S.C (c)

2) As required by the Ministry of Industry, Commerce and Tourism in their letter dated 30 January 2020 in respect of the requirements of Article 8 of Section 2 of Chapter 1 of the Corporate Governance Code, we report that the Company has:

a) a corporate governance officer; and
b) a Board approved written guidance and procedures for corporate governance.

KPMG

KPMG Fakhro
Partner registration number 137
5 March 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2024 US$ 000's

	Note	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	52,425	55,270
Right-of-use asset		6,956	7,274
Investment property	6	222,449	192,043
Investment securities	7	91,659	102,777
Equity-accounted investees		65,968	21,563
Deferred tax asset		287	233
Total non-current assets		**439,744**	379,160
Current assets			
Inventories		5,860	5,706
Development properties	9	926,498	893,203
Due from related parties	24	159,673	103,322
Other assets	11	83,664	38,166
Trade receivables	10	130,777	125,703
Cash and bank balances	8	101,262	107,188
Total current assets		**1,407,734**	1,273,288
Total assets		**1,847,478**	1,652,448
EQUITY			
Share capital	12	102,525	102,525
Share premium		96,822	96,834
Subordinated perpetual mudaraba	13	500,000	900,000
Statutory reserve		13,302	7,847
Fair value reserve		(4,504)	(1,368)
Foreign currency translation reserve		(50,295)	(29,494)
Retained earnings		23,637	12,540
Total equity, before non-controlling interests		**681,487**	1,088,884
Non-controlling interests	14	151,497	153,840
Total equity		**832,984**	1,242,724
LIABILITIES			
Non-current liabilities			
Borrowings from banks	18	20,938	14,445
Term Sukuk	19	500,000	-
Trade and other payables	17	10,432	10,408
Lease liability		7,990	8,147
Total non-current liabilities		**539,360**	33,000
Current liabilities			
Borrowings from banks	18	29,203	31,877
Due to related parties	24	246,840	195,983
Trade and other payables	17	198,931	148,679
Lease liability		160	185
Total current liabilities		**475,134**	376,724
Total liabilities		**1,014,494**	409,724
Total equity and liabilities		**1,847,478**	1,652,448

The board of directors approved the consolidated financial statements on 19 February 2025 and signed on its behalf by:

Hesham Ahmed Alrayes
Chairman

Majed Abdulla Alkhan
Board Member & CEO

The accompanying notes 1 to 29 form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the year ended 31 December 2024 US$ 000's

	Note	**31 December 2024**	31 December 2023
Income			
Development and management income	20 (i)	326,920	163,535
Operational income	20 (ii)	13,674	14,872
Investment and other income	20 (iii)	17,867	10,883
Total income		**358,461**	189,290
Expenses			
Direct cost of materials	21	252,213	102,443
Staff cost	22	11,971	10,154
Finance expenses		6,009	1,609
Other operating expenses	23	33,285	35,003
Total expenses		**303,478**	149,209
Profit before tax		54,983	40,081
Income tax credit		54	63
Profit for the year		**55,037**	40,144
Profit attributable to			
Equity holders of the Company		**54,552**	45,466
Non-controlling interests		485	(5,322)
		55,037	40,144

Hesham Ahmed Alrayes
Chairman

Majed Abdulla Alkhan
Board Member & CEO

The accompanying notes 1 to 29 form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2024 US$ 000's

	31 December 2024	31 December 2023
Profit for the year	**55,037**	40,144
Other comprehensive income		
Item that are or may be reclassified subsequently to profit or loss		
Foreign currency translation differences	(22,909)	4,772
Debt investments at FVOCI – fair value change	(3,136)	435
Other comprehensive income	**(26,045)**	5,207
Total comprehensive income for the year	**28,992**	45,351
Total comprehensive income attributable to		
Equity holders of the Company	30,615	50,556
Non-controlling interests	(1,623)	(5,205)
	28,992	45,351

The accompanying notes 1 to 29 form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024

US$ 000's

31 December 2024	Attributable to equity holders of the Group								Non-controlling interest	Total Equity
	Share capital	Share premium	Statutory reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Subordinated perpetual mudaraba	Total		
Balance at 1 January 2024	102,525	96,834	7,847	(1,368)	(29,494)	12,540	900,000	1,088,884	153,840	1,242,724
Comprehensive income for the year										
Profit for the year	-	-	-	-	-	54,552	-	54,552	485	**55,037**
Other comprehensive income										
Foreign currency translation movement	-	-	-	-	(20,801)	-	-	(20,801)	(2,108)	**(22,909)**
Fair value movement	-	-	-	(3,136)	-	-	-	(3,136)	-	**(3,136)**
Total other comprehensive income	**-**	**-**	**-**	**(3,136)**	**(20,801)**	**54,552**	**-**	**30,615**	**(1,623)**	**28,992**
Sukuk Issuance (refer note 13)	-	(12)	-	-	-	-	100,000	99,988	-	**99,988**
NCI arising from acquisition of business	-	-	-	-	-	-	-	-	(720)	**(720)**
Transfer to statutory reserve	-	-	5,455	-	-	(5,455)	-	-	-	**-**
Conversion of Sukuk (refer note 19)	-	-	-	-	-	-	(500,000)	(500,000)	-	**(500,000)**
Payment of coupon on Subordinated Perpetual Mudaraba	-	-	-	-	-	(38,000)	-	(38,000)	-	**(38,000)**
Balance at 31 December 2024	**102,525**	**96,822**	**13,302**	**(4,504)**	**(50,295)**	**23,637**	**500,000**	**681,487**	**151,497**	**832,984**

The accompanying notes 1 to 29 form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024

US$ 000's

31 December 2023	Attributable to equity holders of the Group								Non- controlling interest	Total equity
	Share capital	Share premium	Statutory reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Subordinated perpetual mudaraba	Total		
Balance at 1 January 2023	102,525	96,834	3,300	(1,803)	(34,149)	10,905	900,000	1,077,612	161,178	1,238,790
Comprehensive income for the year										
Profit for the year	-	-	-	-	-	45,466	-	45,466	(5,322)	40,144
Other comprehensive income										
Foreign currency translation movement	-	-	-	-	4,655	-	-	4,655	117	4,772
Fair value movement	-	-	-	435	-	-	-	435	-	435
Total other comprehensive income	-	-	-	435	4,655	45,466	-	50,556	(5,205)	45,351
Transfer to statutory reserve	-	-	4,547	-	-	(4,547)	-	-	-	-
NCI arising from acquisition of business (note 22)	-	-	-	-	-	-	-	-	16,288	16,288
Acquisition of NCI without change in control	-	-	-	-	-	(3,284)	-	(3,284)	(18,421)	(21,705)
Payment of coupon on Subordinated Perpetual Mudaraba	-	-	-	-	-	(36,000)	-	(36,000)	-	(36,000)
Balance at 31 December 2023	102,525	96,834	7,847	(1,368)	(29,494)	12,540	900,000	1,088,884	153,840	1,242,724

The accompanying notes 1 to 29 form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2024 US$ 000's

	31 December 2024	31 December 2023
OPERATING ACTIVITIES		
Profit for the year	54,552	40,144
Adjustments for:		
Finance income	(2,640)	(3,623)
Depreciation on property, plant and equipment	5,529	4,835
Depreciation on investment property	1,563	1,578
Depreciation on right of use assets	318	366
Share in profit of equity accounted investee	(992)	169
Gain on purchase of equity accounted investee	(3,149)	(4,136)
Impairment of investment properties	249	-
Impairment on equity accounted investee	1,527	-
	56,957	39,333
Changes in operating activities:		
Development properties	224,200	58,335
Bank balances- escrow accounts	(19,434)	(10,751)
Trade receivables	(19,205)	(65,208)
Inventory	(154)	407
Due from related parties	18,407	(10,524)
Payables and other liabilities	(3,222)	22,813
Due to related parties	(231,760)	25,504
Other assets	(45,498)	(1,386)
Net cash (used in) / from operating activities	**(19,709)**	58,523
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment, net	(2,110)	(5)
Acquisition of Investment property, net	(32,218)	(30,821)
Bank balance – call mudaraba account	5,502	15,308
Finance income received	2,640	3,623
Net cash used in investing activities	**(26,186)**	(11,895)
FINANCING ACTIVITIES		
Coupon on subordinated perpetual mudaraba	(38,000)	(36,000)
Term Sukuk issuance	99,988	-
Acquisition of NCI without change in control	(720)	-
Additions to borrowings from banks, net	3,819	382
Payment of lease liability, net	(182)	(148)
Net cash from / (used in) financing activities	**64,905**	(35,766)
Net increase in cash and cash equivalents	19,010	10,862
Cash and cash equivalents at beginning of the year	25,148	14,286
Cash and cash equivalents at year end (Note 8)	**44,158**	25,148

The accompanying notes 1 to 29 form an integral part of the consolidated financial statements.

for the year ended 31 December 2024 US$ 000's

1 REPORTING ENTITY

INFRACORP B.S.C (c) (the "Company") is a closely held Bahraini shareholding company incorporated in the Kingdom of Bahrain under commercial registration number 75109-1, on 23 May 2010. The registered address of the Company is Shop 11, Building 1436, Road 4626, Block 346, Manama / Sea Front, Bahrain. The Company is principally engaged in business of real estate and infrastructure development, asset management, investment and product development, fund raising and sourcing opportunities and development rights of infrastructure assets.

The consolidated financial statements for the year ended 31 December 2024 comprise the financial statements of the Company and its subsidiaries (together referred to as "the Group"). The following are the subsidiaries consolidated in the consolidated financial statements.

Investee name	Country of incorporation	Effective ownership as at 31 December 2024	Effective ownership as at 31 December 2023	Activities
Harbour Row 2 Real Estate W.L.L.	Kingdom of Bahrain	100%	100%	Development, sale and management of real estate assets in Bahrain Financial Harbour.
Harbour Row 3 Real Estate W.L.L.		100%	100%	
Residential South Real Estate Development Co. WLL ("RSRED")		100%	-	
Falcon Cement Company BSC (c) ("FCC")		51.72%	51.72%	Manufacturing and packaging of cement
N.S.12 W.L.L. ("N.S. 12")		79.69%	79.69%	Mixed-use development and sale of real estate assets
Bahrain Harbour Marines W.L.L.		100%	100%	Operation of recreational water transportation facilities
Bahrain Harbour Events W.L.L.		100%	100%	Organization of conventions, events, and trade shows
Infinity 7		100%	-	Development, sale and management of real estate assets
Villamar Nest		100%	-	
South East Real Estate W.L.L		100%	-	Real estate activities with own or leased property
LS Real Estate Company W.L.L.		60%	-	Leasing of properties
Energy City Navi Mumbai Investment Company & Mumbai IT & Telecom Technology Investment Company (together "India Projects")	Cayman Islands	78.66%	78.66%	Owning land banks for mixed-used development projects in India, Morocco, and Tunisia.
Tunis Bay Investment Company ("TBIC")		86.22%	82.97%	
Infracorp Asset Company		100%	100%	
Morocco Gateway Investment Company ("MGIC")		90.27%	90.27%	
US Data Center Portfolio ("US Data")		87.53%	59.18%	Portfolio of data center facilities located in high technology business parks in Virginia, USA
GFH Real Estate LLC	United Arab Emirates	100%	100%	Mixed-use development and sale of real estate assets in Dubailand, based in UAE

for the year ended 31 December 2024 US$ 000's

1 *REPORTING ENTITY (continued)*

The Company has other investment holding companies, SPV's and subsidiaries, which are set up to supplement the activities of the Company and its principal subsidiaries.

The issued and paid-up share capital of the Company as at 31 December 2024 is USD 102,525,000 divided into 102,525,000 shares each with a nominal value of USD 1 per share. The shareholders of the Company as at the reporting date were as follows:

Name of shareholder	**Shareholding**	
	31 December 2024	31 December 2023
GFH Financial Group BSC	**52.5%**	39%
Nash'at Farhan Awad Sahawneh	**47.5%**	47.5%
Other shareholders	**-**	13.5%
	100.00%	100.00%

2 BASIS OF PREPERATION

a) Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

b) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in United States Dollar ("USD"), which is the Company's functional and presentation currency.

c) New standards, amendments and interpretations effective as of 1 January 2024

- Non-current Liabilities with Covenants - Amendments to IAS 1 and Classification of Liabilities as Current or Non-current - Amendments to IAS 1
- Lease Liability in a Sale and Leaseback - Amendments to IFRS 16
- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

These amendments to standards did not have a material impact on the Group's consolidated financial statements.

d) New standards issued and not yet applicable or early adopted by the Company for the periods starting on or after 1 January 2024

- Lack of Exchangeability – Amendments to IAS 21
- Classification and Measurement of Financial Instruments- Amendments to IFRS 9 and IFRS 7
- Annual Improvements to IFRS Accounting Standards – Volume 11
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

The above amendments to accounting standards have been published and are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. The Group is currently assessing the impact of these new and amended standards issued but not yet effective on the Group's consolidated financial statements.

2 *BASIS OF PREPARATION (continued)*

e) Basis of measurement and presentation

The financial statements are measured under the historical cost convention except for investment securities which are carried at fair value. The below paragraphs and tables describe the Group's significant lines of business and sources of revenue they are associated with.

Activities:
The Group's primary activities include: a) to undertake targeted development and sale of infrastructure and real estate projects for enhanced returns and managing real-estate projects and properties for third parties. b) to engage in manufacturing and real estate operations for rental yields and c) to manage its liquid assets and investments in securities with the objective of earning higher returns from capital and money market opportunities.

Segments:
To undertake the above activities, the Group has organized itself in the following units:

Development and management	This business unit is primarily involved in development and sale of infrastructure and real estate projects/ assets and managing real-estate projects and properties for third parties.
Operational	This business unit represents the Group's involvement in operational business- like manufacturing units and rental income yields from the real estate assets.
Investment	Sale of assets (without development), treasury and investment income generated from the Group's liquid and strategic investments and management of its surplus liquidity by the parent.

Sources of revenue:
The Group primarily earns its revenue from the following sources and presents its statement of profit or loss and other comprehensive income accordingly:

Activity/Source	Products	Types of revenue
Development and management	- Development and sale of infrastructure and real estate projects. - Managing real-estate projects and properties for third parties.	*Development and sale income*, from development and sale of real estate projects of the Group. *Fee based income*, management fees, performance fee, acquisition fee and exit fee which are contractual in nature.
Operational	- Revenue generated from manufacturing operations. - Holdings of real estate for rental yields.	Sale of units manufactured and its associated products. *Rental and operating income*, from rental and other ancillary income from investment in real estate.
Investment	- Income from sale of assets (without development). - Income generated from the Group's strategic investments and surplus liquidity. - Finance income from normal operational funds.	Includes dividends, gain / (loss) on sale and remeasurement of investment securities, real estate assets (includes income from swap of real estate assets in settlement or structured acquisition deals) and share of profit or (loss) of equity accounted investees. Financing income, fees and other investment income.

3 MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these consolidated financial statements are set below. The Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements.

a) Basis of consolidation

(i) Business combinations
Business combinations prior to the relevant reporting periods have been accounted for on a 'carryover accounting basis', using book values recognized by the parent under whose common control all entities were operating prior to the reorganization.

Business combinations during the relevant reporting periods (after the beginning of the earliest period presented) are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

Control is the power to govern the financial and operating policies of an entity to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The Group measures goodwill at the acquisition date as:
- the fair value of the consideration transferred; plus
- the recognized amount of any non-controlling interest in the acquiree; plus
- if the business combination achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.
- When the excess is negative, a bargain purchase gain is recognized immediately in the consolidated statement of profit or loss.

The consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are generally recognised in the consolidated statement of profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured, and settlement is accounted within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in the consolidated statement of profit or loss.

(ii) Subsidiaries
Subsidiaries are those enterprises controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an enterprise to obtain benefits from its activities. Subsidiaries are consolidated from the date on which control commences until when control ceases.

(iii) Non-controlling interests (NCI)
NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

If less than 100% of a subsidiary is acquired, then the Group elects on a transaction by transaction basis to measure non-controlling interests either at:

- Fair value at the date of acquisition, which means that goodwill, or the gain on a bargain purchase, includes a portion attributable to ordinary non-controlling interests; or
- the holders' proportionate interest in the recognized amount of the identifiable net assets of the acquiree, which means that goodwill recognized, or the gain on a bargain purchase, relates only to the controlling interest acquired.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3 MATERIAL ACCOUNTING POLICIES (continued)
a) Basis of consolidation (continued)

(iv) Loss of control
When the Group losses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity. Any surplus or deficit arising on the loss of control is recognised in consolidated statement of profit and loss. Any interest retained in the former subsidiary, is measured at fair value when control is lost. Subsequently it is accounted for as an equity accounted investee or in accordance with the Group's accounting policy for investment securities depending on the level of influence retained.

(v) Equity accounted investees
This comprises investment in associates and joint ventures. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. A joint venture is an arrangement in which the Group has joint control, where the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Associates and Joint ventures are accounted for under equity method. These are initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investees after the date of acquisition. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the investor's proportionate interest in the investees arising from changes in the investee's equity. When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the equity accounted investees. Equity accounting is discontinued when an associate is classified as held for sale.

(vi) Transactions eliminated on consolidation and equity accounting
Intragroup balances and transactions, and any unrealised income and expenses (except for foreign currency translation gains or losses) from intragroup transactions with subsidiaries are eliminated in preparing the consolidated historical financial statements. Intragroup gains on transactions between the Group and its equity accounted investees are eliminated to the extent of the Group's interest in the investees. Unrealised losses are also eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Accounting policies of the subsidiaries and equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

b) Foreign currency transactions

(i) Functional and presentation currency
Items included in the consolidated historical financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated historical financial statements are presented in US dollars, which is the Group's functional and presentation currency.

(ii) Transactions and balances
Transactions in foreign currencies are translated into the functional currency using the spot exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rate at the reporting date. Nonmonetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate at the date of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss. Translation differences on nonmonetary items carried at their fair value, such as certain equity securities measured at fair value through equity, are included in investments fair value reserve.

3. MATERIAL ACCOUNTING POLICIES (continued)
b) Foreign currency transactions (continued)

(iii) Foreign operations
The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into US$ at exchange rates at the reporting date. The income and expenses of foreign operations are translated into US$ at the exchange rates at the date of the transactions. Foreign currency differences are accumulated into foreign currency translation reserve in owners' equity, except to the extent the translation difference is allocated to NCI. When foreign operation is disposed of in its entirety such that control is lost, cumulative amount in the translation reserve is reclassified to consolidated statement of profit or loss as part of the gain or loss on disposal.

c) Financial instruments

Investment securities
Investment securities currently comprise equity type and debt type instruments but exclude investment in subsidiaries and equity accounted investees.

(i) Recognition and initial measurement
Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent Measurement
On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) - debt security; FVOCI - equity security; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

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

A debt security is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity security that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on a security-by-security basis.

3 *MATERIAL ACCOUNTING POLICIES (continued)*

c) *Financial instruments (continued)*

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment
The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities, or expected cash outflows or realizing cash flows through the sale of the assets.
- how the performance of the portfolio is evaluated and reported to the Group's management.
- the risks that affect the performance of the business model (and the financial assets held within hat business model) and how those risks are managed.
- how managers of the business are compensated - e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume, and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest:
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

3 MATERIAL ACCOUNTING POLICIES (continued)

c) Financial instruments (continued)

Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses arising from changes in fair value including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt securities at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI under Fair value reserve as part of equity. On derecognition, gains and losses accumulated in Fair value reserve are reclassified to profit or loss from equity.
Equity securities at FVOCI	These assets are subsequently measured at fair value. Gains and losses are recognized in OCI and are never reclassified to profit or loss. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3 MATERIAL ACCOUNTING POLICIES (continued)
c) Financial instruments (continued)

(v) Impairment of financial assets

Non-derivative financial assets
Measurement of expected credit loss (ECLs) - Trade receivables (simplified approach):
Loss rates are calculated using a 'roll rate (Net-flow)' method based on the probability of a receivable progressing through successive stages of delinquency to the loss bucket. Recovery from the loss bucket is also considered for computing the historical loss rates. Roll rates are calculated separately for exposures based on the customer's common credit risk characteristics.

Loss rates are based on actual credit loss experience over the past five years. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. The forward-looking adjustment of the loss rates is based on a qualitative score card which factors the management's view on the future economic and business conditions.

Measurement of ECLs - Cash and cash equivalents (General approach)
Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

d) Cash and cash equivalents

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, bank balances and placements with financial institutions with original maturities of three months or less when acquired that are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. Bank balances that are restricted and not available for day-to-day operations of the Group (if any), are not included in cash and cash equivalents.

e) Investment property

Investment property comprise land plots and buildings. Investment property is property held to earn rental income or for capital appreciation or both but not for sale in the ordinary course of business, use in the supply of services or for administrative purposes. Investment property is measured initially at cost, including directly attributable expenses. Subsequent to initial recognition, investment property is carried at cost less accumulated depreciation and accumulated impairment allowances (if any). Land is not depreciated and building is depreciated over a period of 25 to 35 years.

A property is transferred to investment property when, there is change in use, evidenced by:

- end of owner occupation, for a transfer from owner occupied property to investment property; or
- commencement of an operating Ijara to another party, for a transfer from a development property to investment property.

Further, an investment property is transferred to development property when, there is a change in use, evidenced by:

- commencement of own use, for a transfer from investment property to owner occupied property; or
- commencement of development with a view to sale, for a transfer from investment in real estate to development property.

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

3 *MATERIAL ACCOUNTING POLICIES (continued)*

f) Development properties

Development properties are properties held for sale or development and sale in the ordinary course of business. Development properties are measured at the lower of cost or net realisable value.

g) Inventories

Inventories represent raw materials and manufactured goods from the cement business and are carried at the lower of cost or net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

Cost of materials is determined on a weighted average basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location.

Cost of manufactured products includes the purchase cost of raw materials, labour, and an appropriate portion of production overheads.

h) Property plant and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long term construction projection if the recognition criteria are met. All other repair and maintenance costs are recognized in the consolidated statement of profit or loss and other comprehensive income as incurred.

Depreciation is calculated to write off the cost of items of property, plant, and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in the consolidated statement of profit or loss and other comprehensive income.

The estimated useful lives of property and equipment of the industrial business assets are as follows:

Plant and Machinery	40 years
Computers	3 - 5 years
Furniture and fixtures	5 - 8 years
Motor vehicles	4 - 5 years
Office equipment	5 years

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amounts, being the higher of the fair value less costs to sell and their value in use.

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

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in the consolidated statement of profit or loss and other comprehensive income in the year of derecognition.

The assets' residual values, useful lives and methods of depreciation are reviewed annually and adjusted prospectively if appropriate.

Impairment of non financial assets
At each reporting date, the Group reviews the carrying amounts of its non-financial assets (Property, plant and equipment, but not inventories) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

3 MATERIAL ACCOUNTING POLICIES (continued)

h) Property plant and equipment (continued)

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised

i) Provisions

A provision is recognised in the statement of financial position when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

j) Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised to the extent that it is probable that future economic benefits associated with the item of revenue will flow to the Group, the revenue can be measured with reliability and specific criteria have been met for each of the Group's activities as described below:

(i) Development and management income

- *Development and sale of infrastructure and real estate projects*

The Company satisfies a performance obligation and recognises revenue for sale of properties under construction over time whereby sale of land at point in time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

The revenue is measured at the fair value of the consideration received or receivables as per the contract with a customer. Revenue is recognized over time based on contract costs incurred to date as a percentage of total forecast cost. The related costs are recognized in profit or loss when they are incurred. Advances received are included in "contract assets/liabilities".

- *Management fees*

The Group provides development and property management services, management fee related income is recognised when the service is provided, and income is earned. This is usually when the Group has performed all significant acts in relation to a transaction and it is highly probable that the economic benefits from the transaction will flow to the Group. Significant acts in relation to a transaction are determined based on the terms agreed in the contracts for each transaction. The assessment of whether economic benefits from a transaction will flow to the Group is determined when legally binding commitments have been obtained from underwriters and external investors for a substantial investment in the transaction.

(ii) Operational Income

- *Revenue generated from manufacturing operations*

Revenue from sale of products is recognised at a point in time when customer obtains control over goods Customer obtains control when the goods are delivered and have been accepted by the customers.

- *Rental income*

Revenue from rendering of services is recognised when services are rendered.

3 MATERIAL ACCOUNTING POLICIES (continued)
j) Revenue recognition (continued)

(iii) Investment Income

Interest income/expenses are recognised using the amortised cost method at the effective profit rate of the financial asset / liability.

Dividend income from investment securities is recognised when the right to receive is established. This is usually the ex-dividend date for equity securities.

Income from debt type instruments are recognised on a time-apportioned basis over the year of the contract using the effective profit method.

k) Expenses recognition

Expenses are recognized in profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen and can be measured reliably. An expense is recognized immediately in profit or loss when an expenditure produces no future economic benefits, or when, and to the extent that, future economic benefits do not qualify or cease to qualify for recognition in the statement of financial position as an asset, such as in the case of asset impairments.

l) Employees benefits

Short term benefits
Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Termination benefits are recognised as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Post-employment benefits
Pensions and other social benefits for Bahraini employees are covered by the Social Insurance Organisation scheme, to which employees and employers contribute monthly on a fixed percentage of salaries basis. Contributions by the Group are recognised as an expense in statement of profit or loss when they are due.

Expatriate and certain Bahraini employees on fixed contracts are entitled to leaving indemnities payable, based on length of service and final remuneration. Provision for this unfunded commitment, has been made by calculating the notional liability had all employees left at the reporting date. increase or decrease in the benefit obligation is recognised in the statement of profit or loss. Effective 1 March 2024, all Bahrain based employers are required to make monthly contributions in relation to the expat indemnity to SIO, who would be responsible to settle leaving indemnities for expat at the time of end of service. Any indemnity liability prior to 1 March 2024 and pending transfer to the SIO in subsequent periods remains the obligation of the Company.

m) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

n) Income tax

The Group is exposed to taxation by virtue of operations of subsidiaries in Morocco, Tunisia, United States of America and India. Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

3 MATERIAL ACCOUNTING POLICIES (continued)

n) Income tax (continued)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Currently, the Group does not have any material current or deferred tax exposure that requires recognition in the statement of profit or loss.

o) Leases

At the inception of the contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for the year of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset, this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and to account for the lease and non-lease components as a single lease component.

Measurement

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises:

- the amount of the initial measurement of the lease liability;
- any lease payment made at or before the commencement date, less any lease incentives received;
- any initial direct cost incurred by the lessee; and
- estimated cost to dismantle and to remove the underlying asset, or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined based on the lease term. Lease liability is measured as the present value of the future lease payments that are not paid at the commencement date. The lease payments are discounted based on the Group's incremental borrowing rate. Lease liability comprises the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option;

3 MATERIAL ACCOUNTING POLICIES (continued)

o) Leases (continued)

- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and for leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

p) Term financing

Term financing is recognized initially at its fair value, which is the amount received, less any directly attributable transaction costs. Subsequent to initial recognition, it is measured at amortized cost using the effective profit rate method. Interest expenses are recognized in profit or loss over the term of the financing. Repayments of principal reduce the carrying amount of the liability, while profit payments are expensed as incurred.

q) Other equity instruments – Subordinated Perpetual Mudaraba

The Group classifies instruments issued as financial liability or equity in accordance with the substance of the contractual terms of the instrument. The Group's other equity instruments have no contractual maturity and are not redeemable by the holder and bear an entitlement to coupons at the sole discretion of the board of directors. Accordingly, they are presented within other equity. Based on the Group's assessment of the terms of the instrument, the coupon payments meet the definition of dividends and are also recognized as a distribution within equity. Incremental costs that are directly attributable to the issue of equity instruments are deducted from the initial measurement of the equity instrument.

r) Statutory reserve

In accordance with Commercial Companies Law, the Company is required to appropriate 10 percent of the net profit to a statutory reserve, which is normally distributable only on dissolution. Appropriations may cease when the reserve reaches 50% of the share capital.

4 ESTIMATES AND JUDGMENTS

Use of estimates and judgements

Preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The areas of significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those applied to the audited financial statements as at and for the year ended 31 December 2023.

4 *ESTIMATES AND JUDGEMENTS (continued)*
Use of estimates and judgements (continued)

a) Judgements

Classification of investments
In the process of applying the Group's accounting policies, the board of directors of the Company decides on acquisition of an investment whether it should be classified as investments carried at fair value through profit and loss or investments carried at fair value through other comprehensive income or investments carried at amortised cost. The classification of each investment reflects the management's intention in relation to each investment and is subject to different accounting treatments based on such classification (note 3(c)).

b) Estimations

(i) Impairment of exposures subject to credit risk carried at amortised cost
The Group measures expected credit loss for trade receivables using a 'roll rate' (net flow) method based on the probability of a receivable progressing through successive stages of delinquency to the loss bucket.

The Group estimates the loss rates based on historical loss experience, which are adjusted to reflect future economic and business conditions.

(ii) Measurement of fair value of unquoted equity investments
The Group determines fair value of equity investments that are not quoted in active markets by using valuation techniques such as discounted cashflows, income approach and market approaches. Fair value estimates are made at a specific point in time, based on market conditions and information about the investee companies. These estimates are subjective in nature and involve uncertainties and matter of significant judgment and therefore, cannot be determined with precision. There is no certainty about future events such as continued operating profits and financial strengths. It is reasonably possible based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the investments. In case where discounted cash flows models have been used to estimate fair values, the future cashflows have been estimated by the board of directors of the Company based on information form and discussion with representatives of investee companies and based on the latest available audited and unaudited financial statements. The basis of valuation has been reviewed by the board of directors of the Group in terms ofthe appropriateness of the methodology, soundness of assumptions and correctness of calculations and have been approved by the board of directors.

Valuation of equity investments are measured at fair value through other comprehensive income which involves judgment and is normally based on one of the following:

- Valuation by independent external valuer for underlying properties / projects.
- Recent arms-length market transaction.
- Current fair value of another contract that is substantially similar.
- Present value of expected cash flows at current rates applicable for items with similar terms and risk characteristics; or
- Application of other valuation models.

(iii) Impairment of investment property
The Group conducts impairment assessment of investment property periodically using external independent property valuers to value the property. The fair value is determined based on the market value of the property using either sales comparable approach, the residual value basis, replacement cost or the market value of the property considering its current physical condition. The Group's investment properties are situated in GCC, North Africa and United States of America. Given the dislocation in the property market and infrequent property transactions, it is reasonably possible, based on existing knowledge, that the current assessment of impairment could require a material adjustment to the carrying amount of these assets within the next financial year due to significant changes in assumptions underlying such assessments.

4 ESTIMATES AND JUDGEMENTS (continued)
Use of estimates and judgements (continued)

(iv) Impairment of other non financial assets and cash generating units
At each reporting date, the Group reviews the carrying amounts of its non-financial assets (Property, plant and equipment, but not inventories and development properties) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

(v) Estimating net realisable value of development property
Development property is stated at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated selling expenses. The board of directors of the Group has forecasted the cost of completion of development property and has engaged independent valuers to estimate the residual value of the development property based on estimated market selling prices for similar properties. Net realisable value estimates are made at a specific point in time, based on market conditions and information about the expected use of development property. These estimates involve uncertainties and matters of significant judgement and therefore, cannot be determined with precision. There is no certainty about future events. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the development property.

(vi) Consideration transferred and fair value of identifiable assets acquired, and liabilities assumed in a business combination
The estimate in relation to consideration transferred and determination of fair value of identifiable assets acquired and liabilities assumed in a business combination are given in note 16.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2024

US$ 000's

5 PROPERTY, PLANT AND EQUIPMENT

2024	Capital work-in-progress	Plant and machinery	Office furniture	Office fixtures & fittings	Computer equipment	Motor vehicles	Total
Gross assets							
At 1 January 2024	4,353	73,868	700	2,770	266	1,278	83,235
Additions through business combination	77	-	-	779	-	-	856
Additions	599	-	908	573	119	19	2,218
Disposal	-	-	(6)	(181)	(15)	-	(202)
At 31 December 2024	**5,029**	**73,868**	**1,602**	**3,941**	**370**	**1,297**	**86,107**
Accumulated depreciation							
At 1 January 2024	-	23,710	614	2,120	244	1,277	27,965
Additions through business combination		-	-	250			250
Charge for the year	-	3,766	188	1,552	20	3	5,529
Depreciation on disposal	-	-	-	(62)	-	-	(62)
At 31 December 2024	**-**	**27,476**	**802**	**3,860**	**264**	**1,280**	**33,682**
Net carrying value as at 31 December 2024	**5,029**	**46,392**	**800**	**81**	**106**	**17**	**52,425**

2023	Capital work-in- progress	Plant and machinery	Office furniture	Office fixtures & fittings	Computer equipment	Motor vehicles	Total
Gross assets							
At 1 January 2023	4,353	73,868	700	2,770	261	1,278	83,230
Additions	-	-	-	-	5	-	5
At 31 December 2023	4,353	73,868	700	2,770	266	1,278	83,235
Accumulated depreciation							
At 1 January 2023	-	19,708	521	1,408	226	1,267	23,130
Charge for the year	-	4,002	93	712	18	10	4,835
At 31 December 2023	-	23,710	614	2,120	244	1,277	27,965
Net carrying value as at 31 December 2023	4,353	50,158	86	650	22	1	55,270

for the year ended 31 December 2024 US$ 000's

6 INVESTMENT PROPERTY

Investment property includes land plots and buildings in GCC, North Africa and United States of America.

	31 December 2024	31 December 2023
At 1 January	192,043	189,585
Additions through business combination	61,166	35,146
Sale of land	(33,437)	(4,351)
Acquisition of land	3,693	-
Acquisition of properties	796	26
Depreciation (note 23)	(1,563)	(1,578)
Adjustment in cost of asset*	(249)	(26,785)
Closing balance	**222,449**	192,043

*During the year, the gross cost of assets and liability associated with its acquisition were adjusted to reflect the final terms between the acquisition vehicle and the transferors. This was considered as an adjustment to the cost as there is no impact on statement of profit or loss.

7 INVESTMENT SECURITIES

	31 December 2024	31 December 2023
Debt-type investments		
- At fair value through other comprehensive income	20,061	20,296
- At fair value through profit or loss	3,155	5,930
	23,216	26,226
Equity type investments		
At fair value through other comprehensive income		
- Perpetual instrument	4,081	3,799
- Equity shares (unquoted)	64,362	72,752
	68,443	76,551
	91,659	102,777

Movements in investment securities are as follow:

	31 December 2024	31 December 2023
At 1 January	102,777	95,172
Acquisition through business combination	7,000	-
Sale of investment in equity securities	(12,207)	(5,261)
Reclassification from other assets	-	12,500
Fair value change*	(5,911)	366
Closing balance	**91,659**	102,777

* Out of the total fair value change amount recognised in the consolidated statement of profit or loss is USD 2,775 (USD 69).

for the year ended 31 December 2024 US$ 000's

8 CASH AND BANK BALANCES

	31 December 2024	31 December 2023
Cash in hand	1	1
Bank balances	61,763	62,187
Placements – call mudaraba account	39,498	45,000
	101,262	107,188

	31 December 2024	31 December 2023
Bank balances consist of:		
- Current account*	44,158	25,148
- Escrow account	17,606	37,040
Placements - original maturities of more than three months	39,498	45,000
	101,262	107,188

* These balances are forming part of cash flow statement.

9 DEVELOPMENT PROPERTIES

Development properties represents properties under development for sale in GCC, North Africa, and India.

	31 December 2024	31 December 2023
Land and building	926,498	893,203
	926,498	893,203

Movements in the development properties are as follows:

	31 December 2024	31 December 2023
At 1 January	893,203	934,671
Acquisition through business combination	234,585	-
Additions during the year – net	40,649	38,449
Cost of sale	(219,030)	(84,689)
Foreign exchange translation differences	(22,909)	4,772
Closing balance	**926,498**	893,203

9 *DEVELOPMENT PROPERTIES (continued)*

Key transactions on development properties during the year

During November 2024, GFH indirectly owns 100% of the shares of South East Real Estate WLL ("South East") which in turn owns land plots located in Reef Island, Bahrain. (the "Marina Bay Land Plots"). South East is in the process of developing the 'Marina Bay Project' on the above mentioned Marina Bay Land Plots, comprising of residential villas and buildings. During November 2024, Group acquired Marina Bay land plots from GFH based on sale purchase agreement entered between two parties and below consideration.

Particulars	**Amount (in USD'000s)**
Assets received	
Investment in South East Real Estate W.L.L	70,823
Total assets received (A)	**70,823**
Harbour West land plot	13,751
Payable to related party	57,072
Total consideration paid (B)	**70,823**
Gain on acquisition (A-B)	-

As a result of the above transaction, Group recognised gain on transfer of harbour west land plot amounting to USD 5.01mn in consolidated statement of profit or loss.

The cost of development property includes all associated costs incurred in arranging for the acquisition of the land and development related expenses and are carried at lower of cost and net realisable value ('NRV'). NRV has been determined by using an independent valuation of the land site assuming that the planning approval can be obtained by any third party, the urbanisation works of the land are complete and the property is available for sale. The valuation of the development property has been performed conforming to the Royal Institute of Chartered Surveyors (RICS) Valuation standards and considering the development program authorized for the site, using the Direct Comparison approach and the Land Residual approach. The management has considered the same methodologies and assumptions used by the independent valuer and has estimated the infrastructure cost that is required to be spent on the project for completion and has deducted the estimated cost from the projected final selling price of the development property to arrive at the NRV.

10 TRADE RECEIVABLES

Trade receivables consists of receivables from development and management services and cement operations. Refer to note 25 (ii) for risk management related disclosures.

11 OTHER ASSETS

	31 December 2024	31 December 2023
Prepayment	6,810	6,046
Receivables from owners union	6,282	-
Receivable for sale of asset	7,909	-
Duties and indirect taxes recoverable	29,446	22,600
Advances paid to contractors and suppliers	21,945	2,229
Others	11,272	7,291
	83,664	38,166

for the year ended 31 December 2024 US$ 000's

12 SHARE CAPITAL

	31 December 2024	31 December 2023
Authorised:		
1,000,000,000 ordinary shares (2023: 1,000,000,000 shares) of USD 1 each (2023: USD 1 each)	**1,000,000**	1,000,000
Issued, subscribed and paid up:		
102,525,000 ordinary shares (2023: 102,525,000 shares) of USD 1 each (2023: USD 1 each)	**102,525**	102,525

13 SUBORDINATED PERPETUAL MUDARABA

	31 December 2024	31 December 2023
Subordinated perpetual mudaraba	**500,000**	900,000

The Group issued a Subordinated perpetual mudaraba of face value of US$ 900 million. During the year, the Group issued additional subordinated perpetual mudaraba of US$ 100 million, in line with the original approved terms for a tap issuance. This tap issuance was utilised as consideration for acquisition of assets. Further during the year, the Group converted 50% (USD 500mn) of its subordinated perpetual mudaraba sukuk to senior sukuk carrying fixed rate of coupon at 6% (refer note 19).

Such capital was issued as consideration against the acquisition of business and group of assets from GFH Financial Group BSC. Summary of key terms and conditions are as follows:

- Profits on these securities are discretionary for the issuer and once declared shall be distributed on a semi-annual basis subject to and in accordance with terms and conditions on the outstanding nominal value of the securities. The Sukuk carries an expected profit coupon of 7.5%, of which, based on the current projections, it is expected that there would be a capacity to make a profit distribution of 4% per annum, to be paid semi-annually, and any unpaid portion of the expected profit rate is payable, at the sole and absolute discretion of the issuer, on a subsequent distribution date or at the time of early redemption at the choice of the issuer.
- The Subordinated perpetual mudaraba is recognized under equity in the consolidated statement of financial position and the profits paid to rab al-maal (security holder) are accounted for as appropriation of profits when declared and distributed.
- Subordinated perpetual mudaraba is invested in a general mudarba pool of assets on an unrestricted combined basis.
- Security holder will not have a right to claim the profits and a non-payment event will not be considered as event of default.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2024 US$ 000's

14 NON-CONTROLLING INTERESTS

The following table summarises the information relating to each of the Group's subsidiaries that has material non-controlling interests (NCI), before any intra-group eliminations:

31 December 2024	India Projects	MGIC	TBIC	FCC	US Data	N.S. 12	Lagoon	Total
NCI Percentage	**21.34%**	**9.73%**	**13.78%**	**48.28%**	**12.47%**	**20.31%**	**40.00%**	
Non-current assets	-	1,516	4,125	58,894	-	6,222	35,686	106,443
Current assets	377,033	293,547	265,564	11,952	68,042	1,856	5,601	1,023,595
Non-current liabilities	-	866	-	38,654	28,048	-	-	67,568
Current liabilities	62,186	88,363	57,054	6,404	1,303	1	1,090	216,401
Net assets	**314,847**	**205,834**	**212,635**	**25,788**	**38,691**	**8,077**	**40,197**	**846,069**
Net assets attributable to NCI	**67,174**	**20,028**	**29,301**	**12,450**	**4,825**	**1,640**	**16,079**	**151,497**
Revenue	4,412	-	-	8,768	29	-	1,706	**14,915**
Profit/(loss) for the year	3,555	(1,700)	(641)	1,030	(4,865)	-	227	(2,394)
Other comprehensive income	(45,077)	(1,284)	(3,934)	-	-	-	-	(50,295)
Total comprehensive income	**(41,522)**	**(2,984)**	**(4,575)**	**1,030**	**(4,865)**	**-**	**227**	**(52,689)**
NCI at acquisition								
Profit/ (loss) allocated to NCI	758	(165)	(88)	497	(608)	-	91	485
OCI allocated to NCI	(2,605)	(44)	541	-	-	-	-	(2,108)
Acquisition of NCI without change in control	-	-	-	-	(720)	-	-	(720)
Total NCI	**67,174**	**20,028**	**29,301**	**12,450**	**4,825**	**1,640**	**16,079**	**151,497**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2024 US$ 000's

14 NON-CONTROLLING INTERESTS (continued)

31 December 2023	India Projects	MGIC	TBIC	FCC	US Data	N.S. 12	Lagoon	Total
NCI Percentage	21.34%	9.73%	13.78%	48.28%	14.13%	20.31%	40.00%	
Non-current assets	-	1,637	3,922	57,645	-	6,224	35,146	104,574
Current assets	412,213	264,458	283,269	16,335	86,585	1,947	5,932	1,070,739
Non-current liabilities	-	720	-	32,281	33,309	-	-	66,310
Current liabilities	88,709	57,386	77,839	16,942	9,726	95	1,107	251,804
Net assets	323,504	207,989	209,352	24,757	43,550	8,076	39,971	857,199
Net assets attributable to NCI	69,021	20,237	28,848	11,953	6,153	1,640	15,988	153,840
Revenue	1,489	-	-	526	26,794	1,220	917	30,946
Profit/(loss) for the year	705	(601)	(119)	(5,770)	(6,222)	1,127	(750)	(11,630)
Other comprehensive income	(32,867)	-	(3,337)	-	-	-	-	(36,204)
Total comprehensive income	(32,162)	(601)	(3,456)	(5,770)	(6,222)	1,127	(750)	(47,834)
NCI at acquisition	69,399	19,693	35,618	14,739	20,317	1,412	31,354	192,532
Profit/ (loss) allocated to NCI	150	(58)	(16)	(2,786)	(2,540)	228	(300)	(5,322)
OCI allocated to NCI	(528)	602	43	-		-	-	117
Acquisition of NCI without change in control	-	-	(6,797)	-	(11,624)	-	(15,066)	(33,487)
Total NCI	69,021	20,237	28,848	11,953	6,153	1,640	15,988	153,840

for the year ended 31 December 2024 US$ 000's

15 ACQUISITION OF EQUITY ACCOUNTED INVESTEE

During the period, The Group acquired a 38.65 % ownership interest in Gulf Holding Company KSC (Holding), an equity accounted investee from GFH. The acquisition was completed for a total consideration of USD 27,055. The fair value of the identifiable net assets acquired on the acquisition date is as follows:

Non-current assets	81,183
Current assets	3,916
Non-current liabilities	(882)
Current liabilities	(6,010)
Net assets (100%)	**78,207**
Permanent adjustment of goodwill by the Group	(59)
Net assets after permanent adjustment (100%)	**78,148**
Groups share of net assets after permanent adjustments (38.65%)	30,204
Consideration paid	(27,055)
Gain on acquisition of equity accounted investees	**3,149**

No goodwill or intangible asset has been recognised as a result of above acquisitions.

16 BUSINESS COMBINATION

During January 2024, the Group acquired 100% ownership in Residential South Real Estate Development Co. WLL ("RSRED"), Villamar Nest, and Infinity 7 for a carrying amount of USD 322.5m. The companies are principally engaged in real estate activities with owned or leased properties. The Group also acquired a non-controlling percentage of holding in LPOD and Domina Hotel. Furthermore, The Group acquired AlFaris Healthcare Building in Dubai, United Arab Emirates for a value of $22.5m. All of the above acquisitions were from GFH.

Consideration transferred for the acquisition of assets is as following:

Additional Sukuk Perpetual Mudaraba issued	100,000
Transfer of development property	222,456
Total consideration for acquisition	**322,456**

for the year ended 31 December 2024 US$ 000's

17 TRADE AND OTHER PAYABLES

Non-current liabilities

	31 December 2024	31 December 2023
Advances*	9,259	9,259
Trade and other payables	731	731
Employee Benefits	442	418
	10,432	10,408

*These comprise murabaha facilities obtained by FCC from Cemena Holding Company BSC (c), a related party through GFH, to finance the construction of the new cement mill. The facility amount is not repayable before 1 January 2025.

Current liabilities

	31 December 2024	31 December 2023
Trade payables	98,167	46,615
Accrual for expenses	21,053	31,514
Advances received from customers	61,114	65,150
Taxes and duties payable	2,940	2,859
Dividend payable	943	943
Others	14,714	1,598
	198,931	148,679

18 BORROWINGS FROM BANKS

	31 December 2024	31 December 2023
Non-current	20,938	14,445
Current	29,203	31,877
	50,141	46,322

The borrowings from bank comprises financing availed by FCC to fund project development and working capital requirements. The financing is secured against plant and machinery. These financing have been availed at rates varying between 2.5%-6.5% per annum. The Company is not a party to these financing contracts and has not guaranteed repayment in any form. These balances are reported in the consolidated financial statements as a result of consolidation of subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2024 US$ 000's

19 TERM SUKUK

	31 December 2024	31 December 2023
Non-current (refer note 13 and below)	500,000	-
	500,000	-

On 12 December 2024, the Group converted 50% (USD 500mn) of its Subordinated Perpetual Mudaraba USD (1bn) to Term Sukuk. The Term Sukuk is repayable in December 2029 and carries a fixed rate coupon of 6% and accrued coupon for the same has been recognised in the consolidated statement of profit and loss. This Term Sukuk is asset based with option of substituting the asset.

20 REVENUE

(i) DEVELOPMENT AND MANAGEMENT INCOME

	31 December 2024	31 December 2023
Management fee	14,555	33,236
Development and sale of properties	312,365	130,299
	326,920	163,535

(ii) OPERATIONAL INCOME

	31 December 2024	31 December 2023
Rental income	73	-
Revenue from cement operations	13,601	14,872
	13,674	14,872

(iii) INVESTMENT AND OTHER INCOME

	31 December 2024	31 December 2023
Share of loss from equity accounted investees	(535)	(169)
Fair value gain of equity accounted investees	-	1,321
Gain on bargain purchase of shares (note 15)	3,149	2,815
Income from investment securities	515	2,769
Finance income	2,816	3,623
Other income	11,922	524
	17,867	10,883

During the year, revenue amounting to USD 46,096 (2023: USD 58,991) thousand was recognized at point in time and USD 312,365 (2023: USD 130,299) thousand recognized over time.

for the year ended 31 December 2024 US$ 000's

21 DIRECT COST OF MATERIALS

	31 December 2024	31 December 2023
Development and sales		
- Cost of real estate inventory sold	243,164	89,040
Cement operations		
- Cost of goods sold	9,049	13,403
	252,213	102,443

22 STAFF COSTS

	31 December 2024	31 December 2023
Salaries and short-term benefits	11,492	9,459
Social Insurance and other insurance expenses	479	695
	11,971	10,154

23 OTHER OPERATING EXPENSES

	31 December 2024	31 December 2023
Marketing and brokerage	5,911	9,506
Administration expenses	6,617	5,123
Depreciation on PPE	5,529	4,835
Accrued expenses	2,750	3,448
Rent & Utility	1,869	1,984
Depreciation on investment property	1,563	1,578
Office related expenses	1,327	1,211
Professional and consultancy fees	1,304	1,037
Maintenance	303	572
Property management	409	540
Depreciation on right of use asset	318	366
Taxes	509	314
IT related	365	248
Bank charges	94	156
Travel related expenses	-	167
Other expenses	4,417	3,918
	33,285	35,003

24 RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include entities over which the Group exercises significant influence, major shareholders, directors and executive management of the Group. A significant portion of the Group's management fees are from entities over which the Group exercises influence (assets under management). Although these entities are considered related parties, the Group administers and manages these entities on behalf of its clients, who are by and large third parties and are the economic beneficiaries of the underlying investments. The transactions with these entities are based on agreed terms.

for the year ended 31 December 2024 US$ 000's

24 RELATED PARTIES (continued)

In addition to the transfer of business and assets under note 16, the significant transactions during the year and balances as at year end included in these consolidated financial statements are as follows:

a) Balances with related parties

31 December 2024	**Significant shareholders / entities in which directors are interested**	**Subsidiary of Significant shareholder**	**Total**
Assets			
Due from related parties	155,998	3,675	**159,673**
Liabilities			
Due to related party	173,536	73,304	**246,840**
Term Sukuk	392,234	77,316	**469,550**

31 December 2023	Significant shareholders / entities in which directors are interested	Subsidiary of Significant shareholder	Total
Assets			
Due from related parties	88,776	14,546	103,322
Bank balance – current accounts	-	10,782	10,782
Liabilities			
Due to related party	156,438	39,545	195,983

b) Transactions with related parties

For the year ended 31 December 2024	**Equity accounted investee**	**Subsidiary of Significant shareholder**	**Significant Shareholders/ entities in which directors are interested**	**Total**
Development management income	-	828	5,569	**6,397**
Sale of development property	-	-	279,740	**279,740**
Payment of coupon	-	-	(38,000)	**(38,000)**
Finance cost on Term Sukuk	-	241	1,225	**1,466**
Finance income	49	-	-	**49**
Cost of sales	-	-	(218,597)	**(218,597)**
Share of profit, net	992	-	-	**992**

Note:

As at 31 December 2024, assets amounting to USD 38,159 million (2023: USD 256,678 million) were held by related parties on behalf of the Group. Further, during the year, assets valued at Nil (2023: USD 9.9 million) were swapped with subsidiaries of significant shareholder.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2024 US$ 000's

24 RELATED PARTIES (continued)

For the year ended 31 December 2023	Equity accounted investee	Subsidiary of Significant shareholder	Significant Shareholders/ entities in which directors are interested	Total
Development management income	-	637	32,599	33,236
Sale of development property	-	9,857	7,850	17,707
Investment income	-	-	1,439	1,439
Other income	-	48	-	48
Payment of coupon	-	-	(36,000)	(36,000)
Finance income	-	193	947	1,140
Cost of sales	-	(5,806)	(3,747)	(9,553)
Share of loss	(169)	-	-	(169)

Transactions with key management personnel:
Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The compensation of the key management personnel was as follows:

	For the year ended 31 December 2024	For the year ended 31 December-2023
Board members' remuneration, fees and allowance	405	302
Salaries and other short-term benefits	1,647	1,128
Post-employment benefits	456	218

25 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments include financial assets and financial liabilities. Financial assets of the Group include cash and bank balances, trade receivables. Financial liabilities of the Group include Term financing and Trade payable. The Company has exposure to the following risks from its use of financial instruments:

a) credit risk
b) liquidity risk
c) market risk
d) operational risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The note also presents certain quantitative disclosures in addition to the disclosures throughout the financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group, through its management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

for the year ended 31 December 2024 US$ 000's

25 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

a) Credit risk

Credit risk is the risk that a counter party to a financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. Credit risk arises principally from the Group's balances with banks, related parties' balances, and other receivables. For risk management reporting purposes, the Group considers and consolidates all elements of credit risk exposure (such as individual obligor default risk, country and sector risk).

Credit risk by location:
Geographically, the concentration of credit risk is in the Kingdom of Bahrain as majority of the Group's customers are based in Bahrain.

Exposure to credit risk:
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31 December 2024	31 December 2023
Investment securities - debt-type investments	23,216	26,226
Due from related parties	159,673	103,322
Cash and bank balances	101,262	107,188
Trade receivables	130,777	125,703
Other assets	19,181	7,291
	434,109	369,730

(i) Balances with bank
The Group limits its exposure to credit risk on balances with bank by maintaining balances with bank having good local standing. Given the overall profits of banks, the Group does not expect the bank to fail to meet its obligations. Accordingly, no impairment allowance has been recorded on balances with bank (including accrued profit on call account) as on 31 December 2024 (31 December 2023: Nil).

(ii) Trade receivables
The creditworthiness of each customer is evaluated prior to sanctioning credit facilities. Appropriate procedures for follow-up and recovery are in place to monitor credit risk.

	31 December 2024	31 December 2023
Development and management	105,969	90,267
Cement Business	1,062	9,184
Others	23,746	26,252
Total trade receivables - net	**130,777**	125,703

The ageing of trade receivables at the reporting date was:

	2024			2023		
	Gross	**Loss rate**	**Expected Credit loss**	Gross	Loss rate	Expected Credit loss
Not past due nor impaired	115,270	3.10%	(3,572)	110,495	0.2%	(179)
<u>Past due but not impaired</u>						
Past due 1-90 days	5,576	4.24%	(236)	9,724	2%	(180)
Past due 181-365 days	6,085	5.55%	(337)	4,104	17%	(702)
<u>Impaired</u>						
Over 365 days	10,558	24.31%	(2,567)	11,565	79%	(9,124)
	137,489		**(6,712)**	135,888		(10,185)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2024 US$ 000's

25 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)
(a) credit risk (continued)

The credit period established by the Group for all its receivables on average is 90 to 120 days after which the dues are classified as past due. Based on the past experience and current status of discussions with customers, the Group believes that no further impairment allowance is necessary in respect of trade receivables which are past due as all contractual obligations are fulfilled, further, the Group receives post-dated cheques from customers on amounts due from sale of properties.

(iii) Related parties
Receivable from related parties pertains to the receivable from the group companies that arise in the ordinary course of business with group companies which are at agreed terms which are not detrimental to the interests of the Group. Credit risk on these is perceived to be minimal by the Group based on current discussions and overall credit assessment of future plans and transactions with the counterparties.

b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's approach to managing liquidity is to ensure, as far possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Maturity profile
The table below shows the maturity profile of the Group's financial assets and unrecognised commitments on the basis of their contractual maturity. Where such contractual maturity is not available, the Group has considered expected realisation / settlement profile for assets and liabilities respectively. Non-financial assets and liabilities have no stated maturity.

31 December 2024	**Up to 3 months**	**3 months to 1 year**	**More than 1 year**	**No stated maturity**	**Total**
Assets					
Cash and bank balances	91,764	9,498	-	-	101,262
Developmental properties	-	-	-	926,498	926,498
Trade receivables	5,060	15,179	110,538	-	130,777
Other assets	19,181	-	-	-	19,181
Deferred tax asset	-	-	-	287	287
Investment property	-	-	-	222,449	222,449
Due from related parties	159,673	-	-	-	159,673
Investment securities	-	-	-	91,659	91,659
Inventories	-	-	-	5,860	5,860
Equity accounted investees	-	-	-	65,968	65,968
Property plant and equipment	-	-	-	37,930	37,930
Total assets	**275,678**	**24,677**	**110,538**	**1,350,651**	**1,761,544**
Liabilities					
Borrowings from bank	7,301	21,902	20,938	-	50,141
Lease liability	-	-	8,150	-	8,150
Trade payables and other payables	198,931	-	10,432	-	209,363
Term Sukuk	-	-	500,000	-	500,000
Due to related parties	173,231	-	-	73,609	246,840
Total liabilities	**379,463**	**21,902**	**539,520**	**73,609**	**1,014,494**

for the year ended 31 December 2024 US$ 000's

25 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)
(b) liquidity risk (continued)

31 December 2023	Up to 3 months	3 months to 1 year	More than 1 year	No stated maturity	Total
Assets					
Cash and bank balances	77,188	30,000	-	-	107,188
Developmental properties	-	-	-	893,203	893,203
Trade receivables	42,460	12,599	70,644	-	125,703
Other assets	7,291	-	-	-	7,291
Deferred tax asset	-	-	-	233	233
Investment property	-	-	-	192,043	192,043
Due from related parties	103,322	-	-	-	103,322
Investment securities	-	-	-	102,777	102,777
Inventories	-	-	-	5,706	5,706
Equity accounted investees	-	-	-	21,563	21,563
Property plant and equipment	-	-	-	55,270	55,270
Total assets	230,261	42,599	70,644	1,270,795	1,614,299

Liabilities					
Borrowings from bank	7,969	23,908	14,445	-	46,322
Lease liability	46	139	8,147	-	8,332
Trade payables and other payables	148,679	-	10,408		159,087
Due to Related Parties	122,374	-	-	73,609	195,983
Total liabilities	279,068	24,047	33,000	73,609	409,724

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates that will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Currency risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Group's functional currency.

The Group's major financial exposure is in US Dollars and Bahraini Dinar. Transactions of the Group in the US Dollar bear no foreign currency risk as this currency is pegged with the Bahrain Dinar. The Group has structural exposure to Indian Rupees, Tunisian Dinar and Moroccan Dirhams. Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

(ii) Interest rate risk

Interest rate risk arises when the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Group has no floating interest-bearing assets or liabilities, the Group's income, expenses and cash flows are independent of changes in market interest rates.

(iii) Equity risk

The Group is exposed to equity price risk on investment securities equity securities. The Group monitors the investment portfolio based on market indices.

for the year ended 31 December 2024 US$ 000's

25 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(d) Capital Management
The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to the other stakeholders. The Company manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes during the year ended 31 December 2024.

26 CLASSIFICATION OF FAIR VALUE OF FINANCIAL INSTRUMENTS

Classification
The Company's financial instruments have been classified as "at amortised cost", "at fair value through profit or loss" and "at fair value through other comprehensive income".

Fair value
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is a presumption that an enterprise is a going concern without any intention or need to liquidate, curtail materially the scale of its operations or undertake a transaction on adverse terms.

Fair value hierarchy
The different levels have been defined as follows:

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

The Group's investment in quoted equity and debt type securities are classified as level 1 or 2 whereas the unquoted equity investments are classified as level 3 under the fair value hierarchy. The fair value of the Group's financial instruments are not materially different from their carrying values as at 31 December 2023 due to the recent acquisitions at fair value by the Group.

Fair value of financial instruments measured at fair value
The table below analyses financial instruments, measured at fair value as at the end of the year, by level in the fair value hierarchy into which the fair value measurement is categorized:

31 December 2024	**Level 1**	**Level 2**	**Level 3**	**Total**
Investment in securities	24,142	3,155	64,362	91,659

31 December 2023	Level 1	Level 2	Level 3	Total
Investment in securities	24,095	5,930	72,752	102,777

There were no transfers between Level 2 and Level 3 of the fair value hierarchy and no fair value movement in level 3 investment in security from date of acquisition (2023: nil).

for the year ended 31 December 2024 US$ 000's

26 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Sensitivity Analysis

Investments at fair value through other comprehensive income include investments in unquoted equity securities. The main principles, estimates and assumptions adopted to arrive at fair value include estimated future cash flows which have been provided by the management of the investee companies, have been reviewed for reasonableness by the Group and the external independent valuer.

2024

Valuation technique used	**Key unobservable inputs**	**Fair value at 31 December 2024**	**Reasonable possible shift +/- (in any input)**	**Reasonable possible shift +/- (in any input)**
Discounted cash flow	Discount rate Terminal growth rate	USD 64,362	+/- 5% +/- 5%	3,218/ (3,218)

2023

Valuation technique used	Key unobservable inputs	Fair value at 31 December 2023	Reasonable possible shift +/- (in any input)	Reasonable possible shift +/- (in any input)
Discounted cash flow	Discount rate Terminal growth rate	USD 72,752	+/- 5% +/- 5%	3,638 / (3,638)

The table below shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 1,2 and 3 of the fair value hierarchy:

	31 December 2024	31 December 2023
At 1 January	72,752	65,513
Acquisition through business combination	7,000	-
Sale of investment in security	(12,207)	(5,261)
Reclassification from other assets	-	12,500
Fair value movement	(3,183)	-
	64,362	72,752

The fair values of financial assets and financial liabilities carried at amortised cost approximate the carrying values as at the reporting date due to their short-term nature.

Investment property not measured at fair value

The following table sets out the fair values of investment property not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised as at reporting date.

31 December 2024	**Level 1**	**Level 2**	**Level 3**	**Total fair value**	**Total carrying value**
Investment property	-	-	279,522	279,522	**222,449**

31 December 2023	Level 1	Level 2	Level 3	Total fair value	Total carrying value
Investment property	-	-	312,123	312,123	192,043

for the year ended 31 December 2024 US$ 000's

26 CLASSIFICATION AND FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Categorisation of financial instruments

The classification of financial assets and liabilities by accounting categorisation is as follows:

31 December 2024	**Amortized cost**	**FVTOCI**	**FVTPL**	**Total carrying amount**
Investment securities	-	88,504	3,155	91,659
Cash and bank balances	101,262	-	-	101,262
Due from related parties	159,673	-	-	159,673
Trade receivables	130,777	-	-	130,777
Other assets	19,181	-	-	19,181
	410,893	**88,504**	**3,155**	**502,552**
Borrowings from bank	50,141	-	-	50,141
Term Sukuk	500,000	-	-	500,000
Trade and other payables	209,363	-	-	209,363
Due to related parties	246,840	-	-	246,840
Lease liabilities	8,150	-	-	8,150
	1,014,494	**-**	**-**	**1,014,494**

31 December 2023	Amortized cost	FVTOCI	FVTPL	Total carrying amount
Investment securities	-	96,847	5,930	102,777
Cash and bank balances	107,188	-	-	107,188
Due from related parties	103,322	-	-	103,322
Trade receivables	125,703	-	-	125,703
Other assets	7,291	-	-	7,291
	343,504	96,847	5,930	446,281
Borrowings from bank	46,322	-	-	46,322
Trade and other payables	159,087	-	-	159,087
Due to related parties	195,983	-	-	195,983
Lease liabilities	8,332	-	-	8,332
	409,724	-	-	409,724

27 SEGMENT REPORTING

The Group has three distinct operating segments, Development and management, Operational segment and Investment which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different strategies for management and resource allocation within the Group. For each of the strategic business units, the Group's Board of Directors (chief operating decision makers) review internal management reports on a quarterly basis.

for the year ended 31 December 2024 US$ 000's

27 SEGMENT REPORTING (continued)

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

- **Development and management:** Involved in development and/ or sale of infrastructure and real estate projects/ assets and managing real-estate projects and properties for third parties
- **Operational segment:** Revenue generated from manufacturing operations and holdings of real estate for rental yields
- **Investment:** Fixed income generated from the Group's liquid and strategic investments and management of its surplus liquidity by the parent

The performance of each operating segment is measured based on segment results and are reviewed by the management committee and the Board of Directors on a quarterly basis. Segment results is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

The Group classifies directly attributable revenue and cost relating to transactions originating from respective segments as segment revenue and segment expenses respectively. Indirect costs is allocated based on cost drivers/factors that can be identified with the segment and/ or the related activities. The internal management reports are designed to reflect revenue and cost for respective segments which are measured against the budgeted figures. The unallocated revenues, expenses, assets and liabilities related to entity-wide corporate activities and treasury activities at the Group level. Segment revenue and expenses were net-off inter segment revenue and expenses.

31 December 2024	**Development and management**	**Operational**	**Investment**	**Total**
Segment revenue	326,920	27,733	3,808	**358,461**
Segment expenses (including impairment allowances)	282,154	19,726	1,598	**303,478**
Segment result	44,766	8,007	2,210	**54,983**
Segment assets	1,329,076	148,974	369,428	**1,847,478**
Segment liabilities	969,396	45,098	-	**1,014,494**

31 December 2023	Development and management	Operational	Investment	Total
Segment revenue	163,535	14,872	10,883	189,290
Segment expenses (including impairment allowances)	123,143	24,394	1,609	149,146
Segment result	40,392	(9,522)	9,274	40,144
Segment assets	1,130,500	195,711	326,237	1,652,448
Segment liabilities	360,501	49,223	-	409,724

During the previous year, a single entity level reporting is being done to the Chief operating decision maker ("CODM") and accordingly no segment reporting has been presented for the comparative year.

for the year ended 31 December 2024 US$ 000's

28 COMMITEMENTS AND CONTINGENCIES

The commitments contracted in the normal course of business of the Group:

	31 December 2024	31 December 2023
Commitment for infrastructure development projects	**31,868**	47,030

29 RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

2024	**Liabilities**			**Equity**	
	Borrowings from banks	**Trade and other payables**	**Lease liability**	**Retained earnings**	**Total**
Balance as of 1 January	**46,322**	**159,087**	**8,332**	**12,540**	**226,281**
Subordinated Perpetual Mudaraba Coupon paid	-			(38,000)	**(38,000)**
Movement in borrowings	3,819	-	-	-	**3,819**
Movement in lease liability	-	-	(182)	-	**(182)**
Total changes from financing cash flows	**3,819**	**-**	**(182)**	**(38,000)**	**(34,363)**
Liability related changes					
Others	-	39,844	-	-	**39,844**
Total liability related changes	**-**	**39,844**	**-**	**-**	**39,844**
Total equity- related other changes	**-**	**-**	**-**	**49,097**	**49,097**
Balance as of 31 December	**50,141**	**198,931**	**8,150**	**23,637**	**280,859**

2023	Liabilities			Equity	
	Borrowings from banks	Trade and other payables	Lease liability	Retained earnings	Total
Balance as of 1 January	72,725	136,210	8,480	10,905	228,320
Subordinated Perpetual Mudaraba Coupon paid	-	-	-	(36,000)	(36,000)
Movement in borrowings	382	-	-	-	382
Movement in lease liability	-	-	(148)	-	(148)
Total changes from financing cash flows	382	-	(148)	(36,000)	(35,766)
Liability related changes					
Interest expense	-	1,323	467	-	1,790
Interest paid	-	(907)	(467)	-	(1,374)
Others	(26,785)	22,461	-	-	(4,324)
Total liability related changes	(26,785)	22,877	-	-	(3,908)
Total equity- related other changes	-	-	-	37,635	37,635
Balance as of 31 December	46,322	159,087	8,332	12,540	226,281