

INFRACORP B.S.C (c)

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

31 MARCH 2023

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 Salman Ahmed Haider Ahmed Ali Ebrahim Saeed Osama Mohamed Muein Hassan Salem Patel
Auditor	:	KPMG Fakhro, Bahrain

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
for the three months ended 31 March 2023

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Independent auditors' report on review of condensed consolidated interim financial information

To the Board of Directors
INFRACORP B.S.C (c)
Manama, Kingdom of Bahrain

Introduction

We have reviewed the accompanying 31 March 2023 condensed consolidated interim financial information of Infracorp BSC (c) (the "Company") and its subsidiaries (together the "Group"), which comprises:

- the condensed consolidated statement of financial position as at 31 March 2023;
- the condensed consolidated statement of profit or loss for the three-month period ended 31 March 2023;
- the condensed consolidated statement of other comprehensive income for the three-month period ended 31 March 2023;
- the condensed consolidated statement of changes in equity for the three-month period ended 31 March 2023;
- the condensed consolidated statement of cash flows for the three-month period ended 31 March 2023; and
- notes to the condensed consolidated interim financial information.

The Board of Directors of the Company is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2023 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

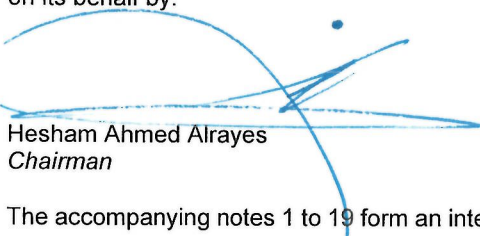
21 May 2023

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 March 2023

US\$ 000's

	Note	31 March 2023 (Reviewed)	31 December 2022 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		59,449	60,100
Right of use asset		7,594	7,640
Investment property	8	185,465	189,585
Deferred tax asset		185	170
Equity-accounted investees		29,728	29,777
Investment securities		95,391	95,172
Total non-current assets		377,812	382,444
Current assets			
Inventories		5,604	6,113
Development properties	7	944,136	934,671
Due from related parties	15(a)	86,463	92,798
Other assets	9	79,878	71,699
Trade receivables		36,316	38,076
Cash and bank balances	6	104,296	100,883
Total current assets		1,256,693	1,244,240
Total assets		1,634,505	1,626,684
EQUITY AND LIABILITIES			
Equity			
Share capital		102,525	102,525
Share premium		96,834	96,834
Statutory reserve		3,300	3,300
Fair value reserve		(1,584)	(1,803)
Foreign currency translation reserve		(29,721)	(34,149)
Retained earnings		(1,883)	10,905
Total equity attributable to shareholders of Company		169,471	177,612
Subordinated perpetual mudaraba		900,000	900,000
Non-controlling interests	10	154,479	161,178
Total equity		1,223,950	1,238,790
Liabilities			
Non-current liabilities			
Non-current borrowings	11	12,288	11,763
Trade payables and other payables	12	10,481	8,915
Lease liability		8,311	8,301
Total non-current liabilities		31,080	28,979
Current liabilities			
Current borrowings	11	58,959	60,962
Due to related parties	15(a)	189,431	170,479
Trade and other payables	12	130,908	127,295
Lease liability		177	179
Total current liability		379,475	358,915
Total equity and liability		1,634,505	1,626,684

The Board of Directors approved the condensed consolidated interim financial information on 21 May 2023 and signed on its behalf by:


Hesham Ahmed Alrayes
Chairman


Majed Abdulla Alkhan
Board Member & CEO

The accompanying notes 1 to 19 form an integral part of the condensed consolidated interim financial information.

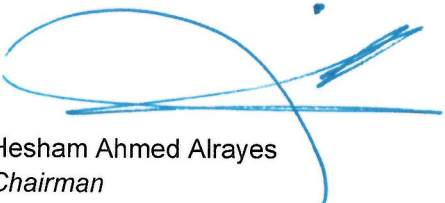
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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the three months ended 31 March 2023

US\$ 000's

	Note	Three months ended	
		31 March 2023 (Reviewed)	31 March 2022 (Reviewed)
Income			
Development and management income	13(i)	19,107	9,956
Operational income	13(ii)	2,581	5,524
Investment income	13(iii)	1,290	1,949
Total income		22,978	17,429
Expenses			
Direct cost of materials		8,262	8,357
Staff cost		1,608	1,014
Finance expenses		441	140
Other operating expenses	14	5,027	1,717
Total expenses		15,338	11,228
Profit for the period		7,640	6,201
Profit/(loss) attributable to			
Owners of the Company		8,496	6,204
Non-controlling interests		(856)	(3)
		7,640	6,201

The Board of Directors approved the condensed consolidated interim financial information on 21 May 2023 and signed on its behalf by:




Hesham Ahmed Alrayes
Chairman



Majed Abdulla Alkhan
Board Member & CEO

The accompanying notes 1 to 19 form an integral part of the condensed consolidated interim financial information.



CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
for the three months ended 31 March 2023

US\$ 000's

	Three months ended	
	31 March 2023 (Reviewed)	31 March 2022 (Reviewed)
Profit for the period	7,640	6,201
Other comprehensive income		
Item that are or may be reclassified subsequently to profit or loss		
Foreign currency translation differences	5,382	-
Debt instruments at FVOCI	219	
Total comprehensive income for the period	13,241	6,201
Total comprehensive income attributable to		
Owners of the Company	13,143	6,204
Non-controlling interests	98	(3)
	13,241	6,201

The accompanying notes 1 to 19 form an integral part of the condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the three months ended 31 March 2023

US\$ 000's

31 March 2023 (Reviewed)	Attributable to shareholders of the Company						Subordinated perpetual mudaraba	Non-controlling interest	Total owner's equity	
	Share capital	Share Premium	Statutory reserve	Fair value reserve	Foreign Currency translation reserve	Retained earnings				Total
Balance at 1 January 2023	102,525	96,834	3,300	(1,803)	(34,149)	10,905	177,612	900,000	161,178	1,238,790
Profit for the period	-	-	-	-	-	8,496	8,496	-	(856)	7,640
Acquisition of NCI without change in control	-	-	-	-	-	(3,284)	(3,284)	-	(6,797)	(10,081)
Foreign currency translation differences	-	-	-	-	4,428	-	4,428	-	954	5,382
Change in fair value reserve	-	-	-	219	-	-	219	-	-	219
Payment of Coupon on Subordinated Perpetual Mudaraba	-	-	-	-	-	(18,000)	(18,000)	-	-	(18,000)
Balance at 31 March 2023	102,525	96,834	3,300	(1,584)	(29,721)	(1,883)	169,471	900,000	154,479	1,223,950

31 March 2022 (Reviewed)	Attributable to shareholders of the Company				Subordinated perpetual mudaraba	Non-controlling interest	Total owner's equity
	Share capital	Share premium	(Accumulated losses)/ Retained earnings	Total			
Balance at 1 January 2022	102,525	100,002	(798)	201,729	-	-	201,729
Total comprehensive income for the period	-	-	6,204	6,204	-	(3)	6,201
Sukuk issuance	-	-	-	-	900,000	-	900,000
NCI arising from acquisition of business	-	-	-	-	-	145,431	145,431
Transaction cost relating to acquisition	-	(2,500)	-	(2,500)	-	-	(2,500)
Balance at 31 March 2022	102,525	97,502	5,406	205,433	900,000	145,428	1,250,861

The accompanying notes 1 to 19 form an integral part of the condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the three months ended 31 March 2023

US\$ 000's

	31 March 2023 (Reviewed)	31 March 2022 (Reviewed)
OPERATING ACTIVITIES		
Profit for the period	7,640	6,201
<i>Adjustments for:</i>		
Finance income	(869)	(377)
Depreciation	1,145	1,067
Share of loss from equity accounted investee	49	
	7,965	6,891
Changes in operating activities:		
Development properties	(4,083)	-
Bank balances - escrow accounts	2,622	-
Trade receivables	1,760	(7,713)
Due from related parties	6,335	-
Inventory	509	-
Payables and other liabilities	5,164	2,277
Due to related parties	18,952	-
Other assets	(8,179)	-
	31,045	1,455
Net cash from operating activities		
INVESTING ACTIVITIES		
Acquisition of property and equipment (net)	(76)	-
Cash acquired from acquisition (net)	-	79,117
Acquisition in Investment property	3,748	-
Finance income received	869	377
	4,541	79,494
Net cash from investing activities		
FINANCING ACTIVITIES		
Payment of borrowings	(1,478)	-
Subordinated perpetual mudaraba coupon paid	(18,000)	-
Acquisition of NCI without change in control - net	(10,081)	-
Lease liability	8	-
	(29,551)	-
Net cash (used in) financing activities		
Net increase in cash and cash equivalents	6,035	80,949
Cash and cash equivalents at period beginning	14,286	22,569
Cash and cash equivalents at period end and (i)	20,321	103,518

The accompanying notes 1 to 19 form an integral part of the condensed consolidated interim financial information.

(i) Cash and cash equivalents comprises of current account (refer note 6)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
for the three months ended 31 March 2023

US\$ 000's

1 REPORTING ENTITY

The condensed consolidated interim financial information for the three months ended 31 March 2023 comprise the financial information of INFRACORP B.S.C (c) ("Infracorp" or the "Company") and its subsidiaries (together referred to as "the Group").

The following are the principal subsidiaries consolidated in the condensed consolidated interim financial information.

Investee name	Country	Effective ownership interests as at 31 March 2023	Effective ownership interests as at 31 December 2022	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%	
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%	
Bahrain Harbour Marines W.L.L.		100%	100%	Operational of recreational water transportation facilities
Bahrain Harbour Events W.L.L.		100%	100%	Organization of conventions, events, and trade shows
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%	
Morocco Gateway Investment Company ('MGIC')		90.27%	90.27%	
US Data Center Portfolio		59.18%	59.18%	Portfolio of data center facilities located in high technology business parks in Virginia, USA
GFH Real Estate LLC & Encor Outlook Real Estate LLC	United Arab Emirates	100%	100%	Mixed use development and sale of real estate assets in Dubailand, based in UAE

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.

INFRACORP B.S.C (c) 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 Group 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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
for the three months ended 31 March 2023

US\$ 000's

1 REPORTING ENTITY (continued)

The shareholders who have subscribed to paid up share capital as at the reporting were as follows:

Name of shareholder	Shareholding	
	31 March 2023	31 December 2022
GFH Financial Group BSC	39%	39%
Nash'at Farhan Awad Sahawneh	47.5%	47.5%
Other shareholders	13.5%	13.5%
	100.00%	100.00%

2 BASIS OF PREPERATION

a) Statement of compliance

This condensed consolidated interim financial information has been prepared in accordance with IAS 34 *Interim Financial Reporting* and should be read in connection with the Group's last financial statements as at and for the year ended 31 December 2022. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events in transactions that are significant to an understanding of the changes in the Groups financial position and performance since the last annual financial statements. This condensed consolidated interim financial information are reviewed and not audited.

The interim financial information is reviewed, not audited. The comparatives for the condensed consolidated statement of financial position have been extracted from the Group's audited consolidated financial statements for the year ended 31 December 2022. The comparatives for the condensed consolidated statements of profit or loss and other comprehensive income, cash flows and changes in equity have been extracted Group's reviewed accounts for the three months ended 31 March 2022.

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 2023

There are no new standards and interpretations for financial year beginning on or after 1 January 2023 that would be expected to have a material impact on the Group.

d) New standards and amendments issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however; the Group does not expect the new or amended standards to have significant impact on its financial statements.

e) Use of estimates and judgements

Preparation of condensed consolidated interim financial information 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 2022.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
for the three months ended 31 March 2023

US\$ 000's

2 BASIS OF PREPARATION (continued)

f) Basis of presentation

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. b) to engaged in the manufacturing operations, holdings of real estate for rental yields and c) to manage its liquid assets and to 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 segment units:

Development and management	This business unit is primarily involved in origination and management of large-scale economic infrastructure projects. The business unit also covers the Group's investment in real estate and related assets.
Operational	This business unit represents the Group's involvement in operational business-like manufacturing units and fixed generating income from the real estate business.
Investment	All common costs and activities that are undertaken at the Group level, including liquidity and residual investment assets, is considered as part of the investment activities of the Group.

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 real estate and infrastructure projects	<i>Development and sale income</i> , from development and sale of real estate projects of the Group based on percentage of completion (POC) method.
	- managing real-estate projects and properties	<i>Fee based income</i> , management fees, performance fee, acquisition fee and exit fee which are contractual in nature
Operational	- Revenue generated from manufacturing activities	Sale of units manufactured and its associated products
	- Holdings of real estate for rental yields	<i>Rental and operating income</i> , from rental and other ancillary income from investment in real estate.
Investment	- Fixed income generated from the Group's investments and surplus liquidity	Includes dividends, gain / (loss) on sale and remeasurement of investment securities and share of profit or (loss) of equity accounted investees
	- Finance income from normal operational funds	Financing income, fees and other investment income

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

for the three months ended 31 March 2023

US\$ 000's

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation applied by the Group in the preparation of the condensed consolidated interim financial information are the same as those used in the preparation of the Group's last audited financial statements as at and for the year ended 31 December 2022.

4 SEASONALITY

Due to the inherent nature of the Group's business, the three-month results reported in this condensed consolidated interim financial information may not represent a proportionate share of the overall annual results.

5 COMPARATIVES

The comparative figures have been regrouped in order to confirm with the presentation for current period. Such regrouping did not affect previously reported profit for the period or total equity.

6 CASH AND BANK BALANCES

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Cash in hand	1	1
Current account*	20,321	14,286
Escrow account	23,666	26,288
Placements - call mudaraba account	60,308	60,308
	104,296	100,883

7 DEVELOPMENT PROPERTIES

This represents properties under development for sale in UAE, Bahrain, North Africa, and India.

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
At 1 January	934,671	-
Acquisition through business combination	-	994,263
Additions during the period – net	11,451	2,198
Reclassification from investment property (note 8)	-	842
Cost of sale	(1,986)	(62,632)
Closing balance	944,136	934,671

8 INVESTMENT PROPERTY

Investment property includes land plots and buildings in Bahrain, USA, UAE, Tunisia and Morocco.

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
At 1 January	189,585	-
Additions through business combination	-	187,516
Sale of land	(3,748)	(10,340)
Acquisition of land	-	13,896
Acquisition of properties	-	842
Reclassification to development property (note 7)	-	(842)
Depreciation	(372)	(1,487)
Closing balance	185,465	189,585

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
for the three months ended 31 March 2023

US\$ 000's

9 OTHER ASSETS

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Prepayment	5,879	6,680
Asset held for sale	12,500	12,500
Receivable from sale of asset	22,419	22,419
Duties and taxes receivable	20,112	19,867
Advance paid to contractors and suppliers	1,984	2,113
Others	16,984	8,120
	79,878	71,699

10 NON-CONTROLLING INTERESTS

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

31 March 2023	India Projects	MGIC	TBIC	Others	Total
Non-current assets	-	1,726	3,926	68,423	74,075
Current assets	423,115	254,389	290,205	127,899	1,095,608
Non-current liabilities	-	860	-	88,432	89,292
Current liabilities	94,481	51,993	83,987	22,522	252,983
Net assets	328,634	203,262	210,144	85,368	827,408
Net assets attributable to NCI	70,115	19,777	28,958	35,629	154,479
Opening NCI	69,399	19,693	35,618	36,468	161,178
Revenue	26	-	-	70	96
Profit/loss for the period	3	(155)	(20)	(1,886)	(2,058)
Other comprehensive income ("OCI")	(27,041)	-	(3,378)	-	(30,419)
Total comprehensive income	(27,038)	(155)	(3,398)	(1,886)	(32,477)
Profit/Loss allocated to NCI	1	(15)	(3)	(839)	(856)
OCI allocated to NCI (impact of FCTR)	715	99	140	-	954
Step-up acquisition impact	-	-	(6,797)	-	(6,797)
Total NCI as on 31 March 2023	70,115	19,777	28,958	35,629	154,479

11 BORROWINGS

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Non-Current	12,288	11,763
Current	58,959	60,962
	71,247	72,725

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

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
for the three months ended 31 March 2023

US\$ 000's

12 TRADE AND OTHER PAYABLES**NON-CURRENT LIABILITIES**

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Advances	9,990	8,454
Employee benefits	491	461
	10,481	8,915

CURRENT LIABILITIES

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Trade payables	41,000	39,830
Accrual for expenses	19,450	23,552
Advances received from customers	57,399	56,971
Taxes and duties payable	2,787	2,818
Dividend payable	1,913	1,913
Others	8,359	2,211
	130,908	127,295

13 REVENUE**(i) DEVELOPMENT AND MANAGEMENT INCOME**

	Three months ended	
	31 March 2023 (Reviewed)	31 March 2022 (Reviewed)
Management fee	7,822	3,102
Development and sale of properties	11,285	6,854
	19,107	9,956

(ii) OPERATIONAL INCOME

	Three months ended	
	31 March 2023 (Reviewed)	31 March 2022 (Reviewed)
Rental income	-	133
Revenue from cement operations	2,581	5,391
	2,581	5,524

(iii) INVESTMENT INCOME

	Three months ended	
	31 March 2023 (Reviewed)	31 March 2022 (Reviewed)
Share of (loss) / profit from equity accounted investee	(49)	1
Income from investment securities	239	582
Finance income	869	406
Other income	231	960
	1,290	1,949

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
for the three months ended 31 March 2023

US\$ 000's

14 OTHER OPERATING EXPENSES

	Three months ended	
	31 March 2023 (Reviewed)	31 March 2022 (Reviewed)
Depreciation	1,145	1,067
Other expenses	3,882	650
	5,027	1,717

15 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.

The significant transactions during the period and balances as at period end included in these consolidated financial statements are as follows:

a) Balances with related parties

31 March 2023

	Significant shareholder	Subsidiary of Significant shareholder	Total
Assets			
Due from related parties	16,610	69,853	86,463
Cash at banks – call mudaraba account	5,761	-	5,761
Bank balances - Fixed deposits	10,000	50,000	60,000
Liabilities			
Due to related party	15,359	174,072	189,431

31 December 2022

	Significant shareholder	Subsidiary of Significant shareholder	Total
Assets			
Due from related parties	76,748	16,050	92,798
Bank balances- current account	-	5,761	5,761
Bank balances- mudaraba	50,000	10,000	60,000
Liabilities			
Due to related parties	162,447	8,032	170,479

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
for the three months ended 31 March 2023

US\$ 000's

15 *RELATED PARTIES (continued)*

b) Transactions with related parties

For the period ended 31 March 2023

	Significant Shareholders/ entities in which directors are interested	Subsidiary of Significant shareholder	Total
Share of loss	(49)	-	(49)
Development management income	7,663	159	7,822
Sale of development property	-	15,867	15,867
Payment of coupon on subordinated perpetual mudaraba	(18,000)	-	(18,000)
Investment income	525	275	800
Other income	-	64	64

For the period ended 31 March 2022

	Significant Shareholders/ entities in which directors are interested	Total
Cash received	50,000	50,000
Value of assets transferred	915,310	915,310
Revenue	4,478	4,478
Expenses	1,014	1,014

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:

	31 March 2023	31 March 2022
Salaries and other short-term benefits	229	68
Post-employment benefits	73	5

16 CAPITAL MANAGEMENT

The Company's objectives 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 period ended 31 March 2023.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
for the three months ended 31 March 2023

US\$ 000's

17 CLASSIFICATION AND 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 March 2023 due to short term nature of such instruments.

18 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.

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

- **Development and management:** Involved in Development and sale of infrastructure and real estate projects and managing real-estate projects and properties
- **Operational segment:** Revenue generated from manufacturing operations and Holdings of real estate for rental yields
- **Investment:** Fixed income generated from the Group's investments and surplus liquidity

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. Inter-segment pricing, if any is determined on an arm's length basis.

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.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
for the three months ended 31 March 2023

US\$ 000's

18 *SEGMENT REPORTING (continued)*

	Development and management	Operational	Investment	Total
31 March 2023				
Segment revenue	19,107	2,581	1,290	22,978
Segment expenses (including impairment allowances)	10,765	4,171	402	15,338
Segment result	8,342	(1,590)	888	7,640
Segment assets	1,074,246	189,367	370,892	1,634,505
Segment liabilities	362,271	48,284	-	410,555

During the previous period, 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 period.

19 COMMITMENTS AND CONTINGENCIES

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

	31 March 2023 (Reviewed)	31 December 2022 (Audited)
Capital commitment for infrastructure development projects	8,780	10,337