

**RAPCO Investment P.J.S.C
Ras Al Khaimah - United Arab Emirates
Independent auditor's review report and
condensed interim financial statements
For the nine months period ended
September 30, 2024 (Unaudited)**

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RAPCO Investment P.J.S.C
Ras Al Khaimah - United Arab Emirates

General information

Principal office address : Aljazirah Alhamra
P. O. Box: 30019
Ras Al Khaimah
United Arab Emirates
T: +971 7 243 4477

Website : www.rakpoultry.com

The Board of Directors	<u>Name</u>	<u>Nationality</u>	<u>Designation</u>
	Shaikh Mohamed Humaid Abdulla Mohamed Alqasemi	Emirati	Chairman
	Mubarak Ali Mubarak Alshamsi	Emirati	Deputy Chairman
	Abdulla Khalfan Mohammed Alshraiqi Almehrzi	Emirati	Member of the Board of Directors
	Aaesha Saif Ahmed Alkhanbouli Alshehhi	Emirati	Member of the Board of Directors
	Mohammed Hasan Mohammed Alshamsi Alawadhi	Emirati	Member of the Board of Directors

The General Manager : Raman Garg Mahabir Saran Garg Indian

The Auditor : Crowe Mak
P.O. Box: 6747
Dubai - United Arab Emirates

The Banks : Abu Dhabi Commercial Bank
National Bank of Ras Al Khaimah
Commercial International Bank
Dubai Islamic Bank
First Abu Dhabi Bank

RAPCO Investment P.J.S.C
Ras Al Khaimah - United Arab Emirates

Directors' report

The Directors have pleasure in presenting their report and the reviewed condensed interim financial statements for the nine months period ended September 30, 2024.

Change in name, objects and Articles of Association of the Entity

Pursuant to the shareholders' approval in General Assembly meeting held on 25th April 2023, the Entity has received approval from the Securities & Commodities Authority ("SCA") on 6th June 2023, regarding amendment to the Articles of Association of the Entity including its name and objects. Accordingly, the Abu Dhabi Securities Exchange has updated the new name of the Entity in its securities list as "RAPCO Investment P.J.S.C". (formerly known as "Ras Al Khaimah Poultry and Feeding Co Public JSC").

Principal activities of the Entity

The principal activities of the Entity are investment, institution, and management of commercial enterprises, real estate enterprises (including development), and agricultural enterprises.

Financial review

The table below summarizes the results of nine months period ended September 30, 2024 and 2023 denoted in Arab Emirates Dirham (AED).

	Nine months period ended		Three months period ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net revenue	12,979,879	11,019,562	6,403,318	1,723,759
Net profit for the period	9,605,813	9,323,633	5,095,444	1,155,668
Basic / diluted earnings per share	0.101	0.098	0.054	0.012

Role of the Directors

The Board of Directors have the overall responsibility for leading and supervising the Entity for delivering sustainable shareholder value through their guidance and supervision of the Entity's business. The Board of Directors set the strategies and policies of the Entity and monitor the performance of the Entity's business.

Events after the period end

In the opinion of the Board of Directors, no transaction or event of material and unusual nature, favorable or unfavorable has arisen in the interval between the end of financial period and the date of this report that is likely to affect substantially the result of the operations or the financial position of the Entity.

Projections and Risk

The Entity is continuously monitoring its liquid funds and investments in equity and fixed income securities to maximize the yield. The Entity is exposed to and affected by the fluctuation in the financial market it operates. However, the Entity has various in-house systems to evaluate these risks and accordingly take steps to mitigate the effect of such risks.

RAPCO Investment P.J.S.C
Ras Al Khaimah - United Arab Emirates


Directors' report (continued)

Statement of Directors' responsibilities

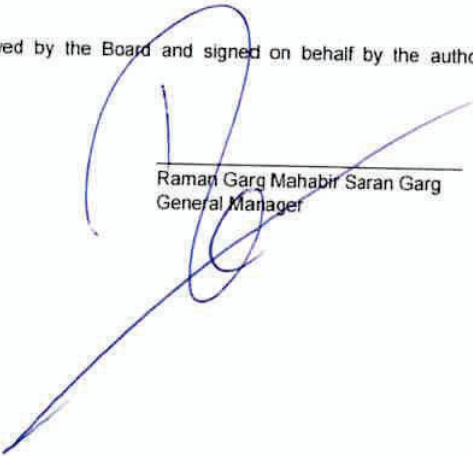
The applicable requirements require the Directors to prepare the condensed interim financial statements for each financial period which present fairly, in all material respects, the financial position of the Entity and its financial performance for the period then ended.

The condensed interim financial statements for the period under review have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Directors confirm that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose, with reasonable accuracy at any time, the financial position of the Entity and enables them to ensure that the condensed interim financial statements comply with the requirements of the applicable statute. The Directors also confirm that the accounting policies and methods of computation adopted in preparing these condensed interim financial information are consistent with those used in the audited financial statements for the year ended December 31, 2023 which are the latest audited financial statements available reflect fairly the form and substance of the transactions carried out during the period under review and reasonably present the Entity's financial conditions and results of its operations.

These condensed interim financial statements were approved by the Board and signed on behalf by the authorized representative of the Entity.



Shaikh Mohamed Humaid Abdulla Mohamed Alqase mi
Chairman
November 13, 2024



Raman Garg Mahabir Saran Garg
General Manager

Ref: BN/A2588/November 2024

Independent auditor's review report on condensed interim financial statements

To,
The Shareholders
RAPCO Investment P.J.S.C
P. O. Box: 30019
Ras Al Khaimah - United Arab Emirates

Introduction

We have reviewed the accompanying condensed interim financial statements of RAPCO Investment P.J.S.C (the "Entity") which comprise the condensed interim statement of financial position as at September 30, 2024 and the condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows for the nine months period then ended and summary of material accounting policy information and other explanatory notes. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34, Interim Financial Reporting (IAS 34). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements for the nine months period ended September 30, 2024 are not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting.

For, Crowe Mak



Khalid Mehmoed Chaudhry
Senior Partner
Registration Number: 635
Dubai, United Arab Emirates

November 13, 2024



RAPCO Investment P.J.S.C
Ras Al Khaimah - United Arab Emirates
Condensed interim statement of financial position as at September 30, 2024 (Unaudited)
In Arab Emirates Dirham

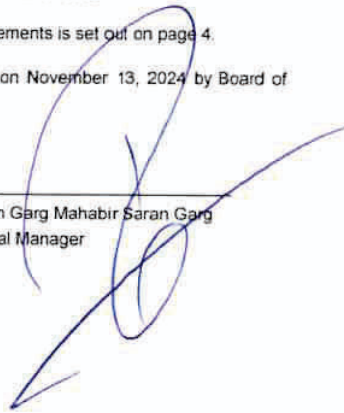
	<u>Notes</u>	September 30, 2024	December 31, 2023
		(Unaudited)	(Audited)
Assets			
<i>Non-current assets</i>			
Property, plant and equipment	4	10,018	9,505
Investment properties	5	82,748,000	83,333,000
Investments in associates	6	64,742,041	72,014,317
Investments at fair value through other comprehensive income (FVTOCI)	7	174,186,350	160,378,569
Financial assets at amortised cost	8	32,795,646	25,113,785
Total non-current assets		354,482,055	340,849,176
<i>Current assets</i>			
Due from a related party	9	143,745	-
Trade and other receivables	11	791,090	1,409,162
Investments at fair value through profit or loss (FVTPL)	12	20,238,889	11,009,492
Cash and bank balances	13	10,473,381	10,710,758
Total current assets		31,647,105	23,129,412
Total assets		386,129,160	363,978,588
Equity and liabilities			
<i>Equity</i>			
Share capital	14	95,040,000	95,040,000
Reserves	15	121,712,319	121,712,319
Cumulative changes in fair value of investments carried at FVTOCI		91,384,742	76,202,049
Retained earnings		74,660,999	62,524,645
Total equity		382,798,060	355,479,013
<i>Non-current liabilities</i>			
Employees' end of service benefits	17	391,694	426,630
Total non-current liabilities		391,694	426,630
<i>Current liabilities</i>			
Due to related parties	9	12,097	-
Trade and other payables	18	2,927,309	8,072,945
Total current liabilities		2,939,406	8,072,945
Total liabilities		3,331,100	8,499,575
Total equity and liabilities		386,129,160	363,978,588

The accompanying notes form an integral part of these condensed interim financial statements.

The independent auditor's review report on these condensed interim financial statements is set out on page 4.

The condensed interim financial statements on pages 5 to 20 were approved on November 13, 2024 by Board of Directors and signed on their behalf by:


 Shaikh Mohamed Humaid Abdulla Mohamed Alqasemi
 Chairman


 Raman Garg Mahabir Saran Garg
 General Manager

RAPCO Investment P.J.S.C
Ras Al Khaimah - United Arab Emirates
Condensed interim statement of profit or loss and other comprehensive income
For the nine months period ended September 30, 2024 (Unaudited)
In Arab Emirates Dirham

		Nine months period ended September 30, 2024 (Unaudited)	Nine months period ended September 30, 2023 (Unaudited)	Three months period ended September 30, 2024 (Unaudited)	Three months period ended September 30, 2023 (Unaudited)
Revenue					
Investment income	19	11,134,138	10,605,367	2,511,903	2,487,811
Gain on sale of investments at FVTPL		529,913	799,269	274,250	100,384
Gain on sale of investment property		126,190	1,409,273	-	1,409,273
Other income	21	1,183,130	133,522	595,450	41,204
Share of (loss) of associates - net		(1,934,768)	(1,897,065)	(1,345,727)	(2,439,057)
Gain on sale of investments in associates		1,627,162	-	1,627,162	-
Unrealised gain / (loss) on investments at FVTPL		314,114	(30,804)	2,740,280	124,144
Net revenue		12,979,879	11,019,562	6,403,318	1,723,759
General and administrative expenses	20	(3,105,125)	(1,656,739)	(1,148,878)	(556,290)
Finance costs		(38,180)	(39,190)	(15,066)	(11,801)
Net profit for the period before tax		9,836,574	9,323,633	5,239,374	1,155,668
Tax expense	22	(230,761)	-	(143,930)	-
Net profit for the period		9,605,813	9,323,633	5,095,444	1,155,668
Other comprehensive income					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Net gain on sale of investments carried at FVTOCI		515,234	-	(124)	-
Net change in fair value of investments carried at FVTOCI		18,098,000	(22,443,747)	29,991,841	(7,798,957)
		18,613,234	(22,443,747)	29,991,717	(7,798,957)
Total comprehensive profit / (loss)		28,219,047	(13,120,114)	35,087,161	(6,643,289)
Basic / diluted earnings per share	16	0.101	0.098	0.054	0.012

The accompanying notes form an integral part of these condensed interim financial statements.

The independent auditor's review report on these condensed interim financial statements is set out on page 4.

RAPCO Investment P.J.S.C
Ras Al Khaimah - United Arab Emirates
Condensed interim statement of changes in equity
For the nine months period ended September 30, 2024 (Unaudited)
In Arab Emirates Dirham

	Share capital	Reserves	Cumulative changes in fair value of investments carried at FVTOCI	Retained earnings	Total equity
Balance as at December 31, 2022 (Audited)	95,040,000	139,568,908	91,256,954	25,860,041	351,725,903
Profit for the period	-	-	-	9,323,633	9,323,633
Other comprehensive (loss)	-	-	(22,443,747)	-	(22,443,747)
Total comprehensive (loss) / profit for the period	-	-	(22,443,747)	9,323,633	(13,120,114)
Transfer on sale of investments at FVTOCI	-	-	(2,201,189)	2,201,189	-
Transfer of voluntary reserve	-	(19,547,272)	-	19,547,272	-
Board of Directors' remuneration	-	-	-	(300,000)	(300,000)
Balance as at September 30, 2023 (Unaudited)	95,040,000	120,021,636	66,612,018	56,632,135	338,305,789
Balance as at December 31, 2023 (Audited)	95,040,000	121,712,319	76,202,049	62,524,645	355,479,013
Profit for the period	-	-	-	9,605,813	9,605,813
Other comprehensive income	-	-	18,098,000	515,234	18,613,234
Total comprehensive income for the period	-	-	18,098,000	10,121,047	28,219,047
Transfer on sale of investments at FVTOCI	-	-	(2,915,307)	2,915,307	-
Board of Directors' remuneration	-	-	-	(900,000)	(900,000)
Balance as at September 30, 2024 (Unaudited)	95,040,000	121,712,319	91,384,742	74,660,999	382,798,060

The accompanying notes form an integral part of these condensed interim financial statements.
The independent auditor's review report on these condensed interim financial statements is set out on page 4.

RAPCO Investment P.J.S.C
Ras Al Khaimah - United Arab Emirates
Condensed interim statement of cash flows
For the nine months period ended September 30, 2024 (Unaudited)
In Arab Emirates Dirham

	Nine months period ended September 30, 2024 (Unaudited)	Nine months period ended September 30, 2023 (Unaudited)
Cash flows from operating activities		
Net profit for the period before tax	9,836,574	9,323,633
<i>Adjustments for:</i>		
Unrealised (gain)/ loss on investments at FVTPL	(314,114)	30,804
Share of (profit) / loss of associates	1,934,768	1,897,065
Gain on sale of investments in associates	(1,627,162)	-
Depreciation on property, plant and equipment	3,977	74,206
Loss on sale of financial assets at amortised cost	-	11,114
Interest income	(1,409,476)	(1,413,167)
Provision for employees' end of service benefits	42,000	24,368
Finance costs	38,180	39,190
Gain on sale of investment property	(126,190)	(1,409,273)
Dividend income	(8,425,227)	(7,955,767)
Gain on sale of investment carried at FVTPL	(529,913)	(799,269)
Operating profit/(loss) before changes in operating assets and liabilities	(576,583)	(177,096)
<i>(Increase) / decrease in current assets</i>		
Inventories	-	8,807
Trade and other receivables	618,072	1,161,080
Due from a related party	(143,745)	392,715
<i>Increase / (decrease) in current liabilities</i>		
Trade and other payables	(5,376,397)	(17,631,097)
Due to related parties	12,097	20,878
Net cash generated from / (used in) operating activities	(5,466,556)	(16,224,713)
Employees' end of services benefits paid	(76,936)	(47,891)
Finance costs paid	(38,180)	(39,190)
Net cash generated from / (used in) operating activities	(5,581,672)	(16,311,794)
Cash flows from investing activities		
Utilisation of fixed deposits	-	2,000,000
Proceeds from sale of investment in associate	6,964,670	-
Purchase of property, plant and equipment	(4,490)	-
Proceeds from sale of financial asset at amortise cost	-	7,256,581
Proceeds from sale of investments carried at FVTOCI	4,805,453	7,975,105
Purchase of investments carried at FVTPL	(18,386,853)	(16,035,948)
Proceeds from sale of investments carried at FVTPL	10,001,483	6,327,003
Assets at amortised cost matured during the period	2,922,580	-
Purchase of financial assets at amortised cost	(10,629,158)	(5,809,526)
Interest income received	1,434,193	1,568,012
Dividend received	8,425,227	7,955,767
Proceeds from sale of investment properties	711,190	5,459,273
Net cash (used in) / generated from investing activities	6,244,295	16,696,267
Cash flows from financing activities		
Board remuneration paid	(900,000)	(300,000)
Net cash (used in) financing activities	(900,000)	(300,000)
Net (decrease) in cash and cash equivalents	(237,377)	84,473
Cash and cash equivalents, beginning of the period	10,710,758	4,771,652
Cash and cash equivalents, end of the period	10,473,381	4,856,125

The accompanying notes form an integral part of these condensed interim financial statements.

The independent auditor's review report on these condensed interim financial statements is set out on page 4.

1 Legal status and business activities

1.1 RAPCO Investment P.S.C (formerly known as "Ras Al Khaimah Poultry and Feeding Co Public JSC") (the "Entity") is public shareholding company, facilitated under Emiri decree No. 76/8 of 1976 issued by His Highness, The Ruler of Ras Al Khaimah. The Entity was incorporated on March 11, 1978 and operates under the current commercial license no. 302 issued by Department of Economic Development of Government of Ras Al Khaimah. The shares of the Entity are traded on the Abu Dhabi Securities Exchange.

The shareholders at the Annual General Assembly meeting dated 25 April 2023, approved to change the name of the Entity from "Ras Al Khaimah Poultry & Feeding Co Public JSC" to "RAPCO Investment P.J.S.C", and to amend the article of association, however, the name change was effective from 6 June 2023.

1.2 The principal activities of the Entity are investment, institution, and management of commercial enterprises, real estate enterprises (including development), and agricultural enterprises

1.3 The address of the Entity's registered office is in Aljazirah alhamra P.O. Box: 30019, Ras Al Khaimah, United Arab Emirates.

1.4 The management is vested with Mr. Raman Garg Mahabir Saran Garg, General Manager, Indian national, under the supervision of the Board of Directors of the Entity.

1.5 These condensed interim financial statements incorporate the operating results of the Entity's license no. 302.

2 Basis of preparation

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" and is presented in Arab Emirates Dirham (AED) which is the functional currency of the Entity.

These condensed interim financial statements have been prepared on the historical cost basis except for investment properties and financial instruments that are measured at fair values.

The accounting policies and methods of computation adopted in preparing these condensed interim financial statements are consistent with those used in the audited financial statements for the year ended December 31, 2023.

All aspects of the financial risk management objectives and policies are consistent with that disclosed in the audited financial statements as at and for the year ended December 31, 2023.

These condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the audited financial statements as at and for the year ended December 31, 2023.

The condensed result for the nine months period ended September 30, 2024 is not necessarily indicative of the result that may be expected for the financial year ending December 31, 2024.

The preparation of these condensed interim financial statements require the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial statements, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited financial statements as at and for the year ended December 31, 2023.

2 Basis of preparation (continued)

Implementation of UAE Corporation Tax law and application of IAS 12 Income Taxes

On 9 December 2022, the UAE Ministry of Finance ("MOF") released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the UAE. Furthermore, on 16 January 2023, a Cabinet Decision was published specifying the threshold of AED 375,000 of taxable income above which taxable entities would be subject to a 9% corporate tax rate. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023.

As the Entity's accounting year ends on 31 December, the first tax period is 1 January 2024 to 31 December 2024, with the first return to be filed on or before 30 September 2025.

The taxable income of the Entity in scope for UAE CT purposes will be subject to the rate of 9% corporate tax. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date where the Entity generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be settled with the tax authorities.

Deferred tax is accounted for using the asset and liability method. Deferred tax assets and liabilities are recognised for the full tax consequences of all temporary differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Recognition of deferred tax assets are, however, restricted to the extent that it is probable that sufficient taxable profits will be available against which the deductible temporary differences can be utilised. Deferred tax assets and liabilities are measured using tax rates that are expected to apply to the period in which the asset is expected to be realised or the liability is expected to be settled.

As per the Entity's assessment, there is no deferred impact on account of the CT Law in the condensed interim financial statements for the period ended 30 September 2024. However, the Entity will continue to monitor the publication of subsequent decisions and related guidelines, as well as continuing its more detailed review of its financial matters, to consider any changes to this position at subsequent reporting dates.

3 Material accounting policy information

The material accounting policy information used in the preparation of condensed interim financial statements are consistent with those used in the preparation of the annual financial statements for the year ended December 31, 2023. Certain amendments to accounting standards and annual improvements, as disclosed in the Entity's most recent annual financial statements for the year ended December 31, 2023, are applicable to the Entity but do not have any material impact on these condensed interim financial information.

3.1 Critical accounting judgements and key sources of estimation uncertainty

Valuation of unquoted investments

Valuation of unquoted equity investments is normally based on one of the following

- Current fair value of another instrument that is substantially the same;
- The expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics; or
- Other valuation models.

The determination of the cash flows and discount factors for unquoted equity investments requires significant estimations. The Entity calibrates the valuation techniques periodically and tests them for validity using either prices from observable current market transactions in the same instrument or from other available observable market data.

Notes to the condensed interim financial statements for the nine months period ended September 30, 2024 (Unaudited)
In Arab Emirates Dirham

4 Property, plant and equipment

During the nine months period ended September 30, 2024, additions to property, plant and equipment amounted to AED 4,490 (December 31, 2023: AED Nil), disposals to property, plant and equipment amounted to AED Nil (December 31, 2023: AED 25,683,660), and depreciation amounted to AED 3,977 (December 31, 2023: AED 99,213).

All property, plant and equipment are located in U.A.E.

5 Investment properties

	September 30, 2024	December 31, 2023
	(Unaudited)	(Audited)
Plots of land	51,632,500	52,217,500
Buildings	31,115,500	31,115,500
	82,748,000	83,333,000

Movements during the period / year are as follows:

Balance at the beginning of the period / year	83,333,000	87,370,000
Sale during the period / year	(585,000)	(4,050,000)
Gain on revaluation of investment properties	-	13,000
Balance at the end of the period / year	82,748,000	83,333,000

Investment properties comprise the fair value of plots of land and buildings located in the United Arab Emirates. Investment properties are stated at fair value based on a valuation carried out by an independent external valuer as at December 31, 2023.

Management believes that the fair value did not materially change during the nine months period ended September 30, 2024 and therefore no further revaluation exercise is performed.

6 Investments in associates

	Percentage of ownership interest		September 30, 2024	December 31, 2023
	2024	2023	(Unaudited)	(Audited)
Ras Al Khaimah Packaging LTD CO LLC	0.00%	50.00%	-	6,202,590
RAK AMI Hotel FZ-LLC	27.75%	27.75%	64,742,041	65,811,727
			64,742,041	72,014,317

Principal activity of Ras Al Khaimah Packaging LTD CO LLC is manufacturing of carton boxes and containers and wholesale trading of paper.

Principal activity of RAK AMI Hotel FZ-LLC is real estate development construction and Hotel management.

The summarized financial information of associates, accounted for using the equity method, is as follows:

Movement in investments in associates are as follows:

Associate's financial information - Ras Al Khaimah Packaging LTD CO LLC, U.A.E.

Balance at the beginning of the period / year	6,202,590	6,187,705
Share of (loss) / profit for the period / year	(831,357)	14,885
Disposal during the period / year	(5,337,508)	-
Other movement	(33,725)	-
Balance at the end of the period / year	-	6,202,590

Notes to the condensed interim financial statements for the nine months period ended September 30, 2024 (Unaudited)
In Arab Emirates Dirham

6 Investments in associates (continued)

Associate's financial information - Ras Al Khaimah Packaging LTD CO LLC, U.A.E. (continued)

The summarised financial information below of Ras Al Khaimah Packaging LTD CO LLC represents amounts shown in its condensed interim financial statements prepared in accordance with IFRS.

During the period, the entity disposed of its interest in Ras Al Khaimah Packaging LTC CO LLC, as per the share purchase agreement dated 10 July 2024.

	September 30, 2024	December 31, 2023
	(Unaudited)	(Audited)
Current assets		17,988,272
Non-current assets	-	10,549,196
Total assets	-	28,537,468
Current liabilities	-	10,549,366
Non-current liabilities	-	5,582,922
Total liabilities	-	16,132,288
Net assets	-	12,405,180
Proportion of Entity's ownership interest in the associate	0%	50%
Carrying amount of Entity's interest in the associate	-	6,202,590

	Nine months period ended September 30, 2024	Nine months period ended September 30, 2023	Three months period ended September 30, 2024	Three months period ended September 30, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue for the period	14,110,114	23,261,342	-	7,659,874
(Loss) for the period	(1,662,714)	(64,936)	-	(304,653)
Proportion of the Entity's ownership interest in the associate	50.00%	50.00%	50.00%	50.00%
Share in the net (loss) of the associate for the period	(831,357)	(32,468)	-	(152,327)

Associate's financial information - RAK AMI Hotel FZ LLC, U.A.E.

	September 30, 2024	December 31, 2023
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	65,811,727	65,625,605
Share of loss for the period / year	(872,142)	(1,620,822)
Other movement	(197,544)	1,806,944
Balance at the end of the period / year	64,742,041	65,811,727

The summarised financial information below of RAK AMI Hotel FZ LLC, represents amounts shown in its condensed interim financial statements prepared in accordance with IFRS.

Current assets	50,036,621	50,875,658
Non-current assets	493,972,029	507,079,763
Total assets	544,008,650	557,955,421
Current liabilities	19,245,455	25,236,638
Non-current liabilities	291,458,548	295,559,406
Total liabilities	310,704,003	320,796,044
Net assets	233,304,647	237,159,377
Proportion of Entity's ownership interest in the associate	27.75%	27.75%
Carrying amount of Entity's interest in the associate	64,742,040	65,811,727

Notes to the condensed interim financial statements for the nine months period ended September 30, 2024 (Unaudited)
In Arab Emirates Dirham

6 Investments in associates (continued)

Associate's financial information RAK AMI Hotel FZ LLC, U.A.E (continued)

	Nine months period ended September 30, 2024 (Unaudited)	Nine months period ended September 30, 2023 (Unaudited)	Three months period ended September 30, 2024 (Unaudited)	Three months period ended September 30, 2023 (Unaudited)
Revenue for the period	90,178,577	78,811,221	24,645,397	63,209,753
Profit / (loss) for the period	<u>(3,142,855)</u>	<u>(13,230,779)</u>	<u>4,849,468</u>	<u>(13,470,492)</u>
Proportion of the Entity's ownership interest in the associate	<u>27.75%</u>	<u>27.75%</u>	<u>27.75%</u>	<u>27.75%</u>
Share in the net profit / (loss) of the associate for the period	<u>(872,142)</u>	<u>(3,671,541)</u>	<u>1,345,727</u>	<u>(3,738,061)</u>

7 Investments at Fair Value Through Other Comprehensive Income (FVTOCI)

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Quoted investments	116,584,350	102,776,569
Unquoted investments	<u>57,602,000</u>	<u>57,602,000</u>
	<u>174,186,350</u>	<u>160,378,569</u>

The value of the above unquoted investments have not changed from December 31, 2023.

The movements of investments at fair value through Other Comprehensive Income are as follows:

Balance at the beginning of the period / year	160,378,569	181,207,388
Sold during the period / year	(4,290,219)	(7,975,103)
Changes in fair value for the period / year	<u>18,098,000</u>	<u>(12,853,716)</u>
Balance at the end of the period / year	<u>174,186,350</u>	<u>160,378,569</u>

The cumulative changes in fair value of investments designated at FVTOCI amounting to AED 91,384,742 as at September 30, 2024 (December 31, 2023: AED 76,202,049) are shown under equity.

8 Financial assets at amortised cost

The movement of financial assets at amortised cost are as follows:

Balance at the beginning of the period / year	25,113,785	26,663,970
Purchases during the period / year	10,629,158	5,785,572
Matured during the period / year	(2,922,580)	-
Sold during the period / year	-	(7,267,695)
Accrued interest during the period/year	1,477,204	1,793,027
Interest received during the period / year	<u>(1,501,921)</u>	<u>(1,861,089)</u>
Balance at the end of the period / year	<u>32,795,646</u>	<u>25,113,785</u>

Notes to the condensed interim financial statements for the nine months period ended September 30, 2024 (Unaudited)
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8 Financial assets at amortised cost (continued)

	September 30, 2024	December 31, 2023
	(Unaudited)	(Audited)
The geographical distribution of financial asset is as follows:		
In United Arab Emirates	17,814,050	17,814,050
In Gulf Cooperation Council (GCC)	4,558,193	-
Other countries	10,423,403	7,299,735
	<u>32,795,646</u>	<u>25,113,785</u>

Type	Maturity date	Percentage	Face value AED	Face value USD
			September 30, 2024	
Sukuk				
Dubai Islamic Bank TIER 1 Sukuk 4 LTD	19-May-26	6.25%	11,019,000	3,000,000
Dar Al-Arkan Sukuk	26-Feb-27	8.50%	3,030,225	825,000
Bonds				
Arab Republic of Egypt bonds	16-Feb-26	3.88%	734,600	200,000
Kingdom of Bahrain bonds	20-Sep-47	7.50%	1,524,295	415,000
Kingdom of Bahrain bonds	20-Sep-47	7.50%	771,330	210,000
Kingdom of Bahrain bonds	20-Sep-47	7.50%	734,600	200,000
Deutsche Bank bonds	10-Feb-34	7.00%	771,330	210,000
Mashreq Bank bonds	07-Jul-27	8.50%	1,928,325	525,000
Mashreq Bank bonds	07-Jul-27	8.50%	1,836,500	500,000
Standard Chartered Bank bonds	Redeemable on perpetual call	7.75%	734,600	200,000
Standard Chartered Bank bonds	Redeemable on perpetual call	7.75%	1,010,075	275,000
Standard Chartered Bank bonds	Redeemable on perpetual call	7.88%	734,600	200,000
Standard Chartered Bank bonds	Redeemable on perpetual call	4.30%	859,482	234,000
Standard Chartered Bank bonds	Redeemable on perpetual call	4.30%	866,828	236,000
Bnp Paribas bonds	Redeemable on perpetual call	5.13%	800,714	218,000
Bnp Paribas bonds	Redeemable on perpetual call	4.50%	874,174	238,000
Bnp Paribas bonds	Redeemable on perpetual call	4.50%	874,174	238,000
Societe Generale bonds	Redeemable on perpetual call	4.75%	793,368	216,000
Kuwait Projects Co Spc	29-Oct-26	4.23%	793,368	216,000
Bnp Paribas Bonds	Redeemable on perpetual call	4.50%	877,847	239,000
Nordea Bank Abp	Redeemable on perpetual call	3.75%	734,600	200,000
Kuwait Projects Co Spc	23-Feb-27	4.50%	734,600	200,000
Arab Republic Of Egypt	21-Feb-28	6.59%	734,600	200,000

Notes to the condensed interim financial statements for the nine months period ended September 30, 2024 (Unaudited)
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9 Related party transactions

The Entity enters into transactions with other entities that fall within the definition of a related party as contained in IAS 24, "Related party disclosures". Related parties comprise entities under common ownership and/or common management and control; their partners and key management personnel.

	September 30, 2024	December 31, 2023
	(Unaudited)	(Audited)
a) Due from a related party		
Al Hamra Real Estate Development LLC, under common management, U.A.E.	124,771	-
Falcon Investments LLC, Shareholder, U.A.E.	18,974	-
	143,745	-
b) Due to related parties		
Al Hamra Group LLC, Shareholder, U.A.E.	12,097	-
	12,097	-
c) Transactions with related parties		

The nature of significant related party transactions and the amounts involved were as follows:

	Nine months period ended September 30, 2024	Nine months period ended September 30, 2023	Three months period ended September 30, 2024	Three months period ended September 30, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Interest income	-	392,715	-	130,905
d) Key management personnel compensations				
The compensation of key management personnel is as follows:				
Board of Directors' remuneration	900,000	300,000	-	-
Management fees	300,000	-	100,000	-

10 Inventories

	September 30, 2024	December 31, 2023
	(Unaudited)	(Audited)

Movement in allowance for slow moving inventories as at reporting date is as follows:

Balance at the beginning of the period / year	-	3,616,450
Charge during the period / year	-	8,807
Written off during the period / year	-	(3,625,257)
Balance at the end of the period / year	-	-

11 Trade and other receivables

Trade receivables	902,321	1,637,440
Less: Allowance for expected credit losses	(596,908)	(761,994)
	305,413	875,446
Margin deposit against bank guarantee	200,000	200,000
Refundable deposits	172,774	235,774
Prepayments	99,665	36,850
Staff loan and advances	2,089	-
VAT receivable-net	1,715	-
Other receivables	9,434	61,092
	791,090	1,409,162

Notes to the condensed interim financial statements for the nine months period ended September 30, 2024 (Unaudited)
In Arab Emirates Dirham

12 Investments at fair value through profit or loss (FVTPL)	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Quoted investments	20,238,889	11,009,492
	20,238,889	11,009,492

The movement in investments carried at FVTPL during the period / year are as follows:

Balance at the beginning of the period / year	11,009,492	-
Additions during the period / year	18,386,853	18,841,195
Disposals during the period / year	(9,471,570)	(7,041,413)
Change in fair value during the period / year	314,114	(790,290)
Balance at the end of the period / year	20,238,889	11,009,492

13 Cash and bank balances

Cash at banks		
Current accounts	7,925,588	1,723,547
Call deposits	397,793	1,987,211
Short-term fixed deposits	2,150,000	7,000,000
	10,473,381	10,710,758

14 Share capital

Authorised, issued and fully paid:

95,040,000 shares of AED 1 each (2023: 95,040,000 shares of AED 1 each)	95,040,000	95,040,000
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15 Reserves

Balance at the beginning of the period / year	121,712,319	139,568,908
Transfer to retained earnings	-	(19,547,271)
Transfer to statutory reserve	-	1,690,682
Balance at the end of the period / year	121,712,319	121,712,319

At the general assembly meeting held on April 25, 2023, the shareholders approved the transfer of the voluntary reserve amounting to AED 19,547,271 to the retained earnings for distribution to the shareholders in the future, subject to relevant approvals.

16 Basic / diluted earnings per share

	Nine months period ended September 30, 2024 (Unaudited)	Nine months period ended September 30, 2023 (Unaudited)	Three months period ended September 30, 2024 (Unaudited)	Three months period ended September 30, 2023 (Unaudited)
Profit for the period	9,605,813	9,323,633	5,095,444	1,155,668
Weighted average number of shares	95,040,000	95,040,000	95,040,000	95,040,000
Basic earnings per share	0.101	0.098	0.054	0.012

17 Employees' end of service benefits

Balance at the beginning of the period / year	426,630	439,933
Add: charge for the period / year	42,000	34,587
Less: paid during the period / year	(76,936)	(47,890)
Balance at the end of the period / year	391,694	426,630

Notes to the condensed interim financial statements for the nine months period ended September 30, 2024 (Unaudited)
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18 Trade and other payables			September 30, 2024	December 31, 2023
			(Unaudited)	(Audited)
Trade payables			1,614,115	185,540
Accrued expenses and other payables			1,155,733	1,110,207
Unearned revenue			157,461	162,376
Advances received			-	6,303,000
VAT payable-net			-	311,822
			2,927,309	8,072,945
19 Investment income	Nine months period ended September 30,		Three months period ended September 30,	
	2024	2023	2024	2023
Dividend income	8,425,227	7,955,767	1,632,803	1,562,948
Interest income	1,409,476	1,413,167	520,350	497,278
Rental income from investment properties	1,076,733	1,236,433	358,750	427,585
Gain on maturity of investments at amortized cost	222,702	-	-	-
	11,134,138	10,605,367	2,511,903	2,487,811
20 General and administrative expenses				
Salaries and related benefits	862,684	650,975	239,746	238,979
Technical and audit committee allowance	179,000	-	67,000	-
Legal, license and professional	633,480	56,833	122,528	30,269
Provision for Board of Directors' remuneration	675,000	254,000	225,000	56,000
Repairs and maintenance	139,150	95,865	17,520	24,680
Provision for trade receivables	382,861	-	382,861	-
Utilities	84,536	96,793	47,794	44,720
Depreciation on property, plant and equipment (Note 4)	3,977	74,205	1,011	25,006
Other general and administrative expenses	144,437	428,068	45,418	136,636
	3,105,125	1,656,739	1,148,878	556,290
21 Other income				
Reversal of unclaimed creditors.	594,450	-	594,450	-
Scrap ale	578,180	81,246	-	-
Penalties charged	10,500	52,276	1,000	41,204
	1,183,130	133,522	1,000	41,204
22 Tax expenses				

The Entity has computed its income tax expense for the period in accordance with the principle applicable for interim financial reporting under IAS 34 amounting to AED 230,761.

23 Contingent liabilities	September 30, (Unaudited)	December 31, 2023 (Audited)
Letter of guarantee	200,000	200,000

Except for the above, and ongoing business obligations which are under normal course of business, there has been no other known contingent liability on the Entity's financial information as of reporting date.

Notes to the condensed interim financial statements for the nine months period ended September 30, 2024 (Unaudited)
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24 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, differences can arise between book values and the fair value estimates. Underlying the definition of fair value is the presumption that the Entity is a going concern without any intention or requirement to materially curtail the scale of its operation or to undertake a transaction on adverse terms.

Fair value of financial instruments carried at amortised cost

Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the condensed interim financial statements approximate their fair values.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial and non-financial assets and liabilities are determined using similar valuation techniques and assumptions as used in the audited annual financial statements for the year ended December 31, 2023.

The following table provides an analysis of financial and non-financial instruments that are measured subsequent to initial recognition at fair value on a recurring basis, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

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

September 30, 2024 (Unaudited):

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
Financial assets:				
Investments carried at FVTOCI				
Quoted equities	116,584,350	-	-	116,584,350
Unquoted equities	-	-	57,602,000	57,602,000
Financial assets at FVTPL:				
Quoted shares	20,238,889	-	-	20,238,889
Non-financial assets:				
Investment properties	-	-	82,748,000	82,748,000
	<u>136,823,239</u>	<u>-</u>	<u>140,350,000</u>	<u>277,173,239</u>

Notes to the condensed interim financial statements for the nine months period ended September 30, 2024 (Unaudited)
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24 Fair value measurement (continued)

December 31, 2023 (Audited):

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
Financial assets:				
Investments carried at FVTOCI				
Quoted equities	102,776,569	-	-	102,776,569
Unquoted equities	-	-	57,602,000	57,602,000
Financial assets at FVTPL:				
Quoted shares	11,009,492	-	-	11,009,492
Non-financial assets:				
Investment properties	-	-	83,333,000	83,333,000
	<u>113,786,061</u>	<u>-</u>	<u>140,935,000</u>	<u>254,721,061</u>

25 Uncertainty related to key estimates

Fair value of investments

The fair value of equities decreases as a result of changes in the levels of equity index and the value of individual stocks. The Entity's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities.

The effect on equity (fair value reserve) as a result of a change in the fair value of equity instruments quoted on the different stock exchange markets and held at FVOCI at September 30, 2024, due to reasonably possible changes in the prices of these quoted shares held by the Entity, with all other variables held constant, is as follows:

	<u>September 30, 2024 (Unaudited)</u>		<u>December 31, 2023 (Audited)</u>	
	Change in market prices %	Effect on income statement	Change in market prices %	Effect on income statement
Market index				
Abu Dhabi Securities Exchange	+5%	5,829,218	+5%	5,592,649
	-5%	(5,829,218)	-5%	(5,592,649)
Dubai Financial Market	+5%	-	+5%	96,655
	-5%	-	-5%	(96,655)

Notes to the condensed interim financial statements for the nine months period ended September 30, 2024 (Unaudited)
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25 Uncertainty related to key estimates (continued)

The effect on condensed interim statement of profit or loss and other comprehensive income as a result of a change in the fair value of equity instruments quoted on the different stock exchange markets and held at FVTPL at September 30, 2024, due to reasonably possible changes in the prices of these quoted shares held by the Entity, with all other variables held constant, is as follows:

	September 30, 2024 (Unaudited)		December 31, 2023 (Audited)	
	Change in market prices %	Effect on income statement	Change in market prices %	Effect on income statement
Market index				
Abu Dhabi Securities Exchange	+5%	934,348	+5%	505,318
	-5%	(934,348)	-5%	(505,318)
Dubai Financial Market	+5%	1,551,929	+5%	45,157
	-5%	(1,551,929)	-5%	(45,157)

26 Events after the reporting period

There are no significant events after the reporting period, which affect the condensed interim financial statements or disclosures.