WAHA CAPITAL

Integrated Report 2023

Corporate Governance Report 2023

Sustainability Report 2023

Report and consolidated financial statements for the year ended 31 December 2023

WAHA CAPITAL

Corporate Governance Report 2023.

15 march 2024

Table of Contents

Introduction

At Waha Capital PJSC (the **Company**), we believe that by implementing and maintaining a high-quality corporate governance framework and exercising complete information transparency, we are better able to promote the long-term sustainable success of the Company, generate value for all its stakeholders and contribute to the wider community.

Consequently, we have adopted and implemented a complete corporate governance framework that caters for all applicable laws and regulations while aligning with international best practice.

Our corporate governance framework has been engineered to ensure that the Company maintains a culture of the highest standards of consistency, responsibility, accountability, and transparency at all levels.

The purpose of this document is to report on the Company's corporate governance framework for the financial year ending 31 December 2023 (in accordance with the Chairman of Authority's Board of Directors' Resolution No. (3 R.M) of 2020 (the Corporate Governance Code), issued by the Securities and Commodities Authority (SCA).

Mr. Waleed Al Muhairi

Chairman of the Board of Directors

Mr. Homaid Al Shimmari

Chairman of the Audit Committee

Mr. Rasheed Al Omaira

Chairman of the Nomination and Remuneration Committee

Mr. Paul Myers

General Counsel and Company Secretary

Our Corporate Governance System

The Company is committed to strong corporate governance principles and accordingly, we have implemented and maintained a corporate governance framework that meets the requirements applicable to public joint stock companies incorporated in the United Arab Emirates (the **UAE**) and that is consistent with international best practice.

To achieve these aims and to ensure compliance with the specific requirements of the Corporate Governance Code relating to accountability, equity (fair treatment of shareholders), transparency and disclosure and responsibility, the Company has adopted a Corporate Governance Policy and certain other related policies and practices that act as the core framework for our corporate governance system.

Below is a brief summary of some of the key policies and practices that we have implemented and under which we operate.

Corporate Governance Policy

Our Corporate Governance Policy provides clear and detailed guidance on: (a) the Company's corporate governance structure and the interface between the Company and its stakeholders; (b) the authorities and decision-making mechanisms within the Company and between its stakeholders; and (c) the role and responsibilities of the Company's corporate governance function.

Code of Conduct

Our Code of Conduct promotes the Company's commitment to high standards of professional and equitable behaviour in everything that it does. Principally, the code sets out: (a) the minimum standard of personal conduct that the Company expects from anyone working for or on behalf of the Company; and (b) a clear and concise suite of rules and standards that have been developed to cater for a business environment that is ethical, non-discriminatory, compliant and in adherence with the Company's principal values.

Insider Dealing

The necessity to have fair and transparent dealings in the Company's securities is of fundamental importance to us and accordingly, the Company maintains a zero-tolerance approach to any activities that may prevent or hinder the safeguarding of these principles. Consequently, we have adopted and maintain a Share Dealing Policy that is designed to ensure that the obligations and responsibilities of our Directors, officers, and employees (and their connected persons) are clearly defined and which will prevent persons from trading or otherwise dealing in the Company's securities based on undisclosed market sensitive information. We have an Insider Dealing Committee that administers and oversees our Share Dealing Policy, and which regularly monitors the trading in the Company's shares.

Disclosure Practices

We are committed to maintaining an environment that promotes disclosure and transparency and accordingly, ensures that the Company remains in compliance with the rules and regulations relating to disclosure and transparency and its obligations to the SCA and the Abu Dhabi Securities Exchange (the **ADX**). By maintaining this commitment, we are able to ensure that the Company's securities are traded in a fully informed marketplace. Accordingly, the Company's Policy is to make regular disclosures to the SCA and the ADX, including but not limited to in relation to its quarterly and annual financial statements, its upcoming Board meetings and decisions, any applicable dividends, its key investor relations materials, and key transactions entered into by the Company.

Related Party Transactions Policy

Our Related Party Transaction Policy has been developed to ensure that: (a) transactions with related parties are conducted at arms' length terms and are fair, reasonable and in favour of the shareholders of the Company; (b) the members of our Board of Directors (the **Board** and the **Directors**) and senior management are aware of the steps required to approve transactions with related parties; and (c) a legitimate business case is present and which supports the relevant related party transaction. Accordingly, the Company may not enter into a related party transaction unless it has been properly authorised and approved (i.e. by the Board or by its shareholders at a general assembly (the **General Assembly**) - depending on the nature and value of the transaction).

Conflicts of Interest Policy

We expect all of our directors, officers, and employees to act with honesty and integrity and to avoid any actual or apparent conflicts of interest in their personal and professional relationships. A conflict of interest exists when a person's private interest interferes, or appears to interfere, in any way with the interests of the Company. Accordingly, our Conflicts of Interests Policy sets forth requirements for the avoidance and management of such conflicts and the appropriate disclosure procedures to follow to the extent that a conflict does arise.

Anti-Bribery and Corruption Policy

Our Anti-Bribery and Corruption Policy is designed to ensure that the Company and its Directors, officers and employees comply with the laws and regulations of the UAE and other relevant international bodies, and prohibits any improper payment, promise of payment or offer of employment, or the improper provision of anything of value to government officials or to any person employed by or representing a government, officials of a political party, officials of public international organisations, candidates for office and employees of state-owned enterprises, or to any other person for the purpose of obtaining or retaining business or influencing official action.

Anti-Money Laundering & Counter Financing of Terrorism Policy

The Company is committed to the highest standards of Anti-Money Laundering & Counter Financing of Terrorism (together referred to as **AML**).

The aim of our AML Policy is to establish and maintain systems and controls to prevent opportunities for money laundering and/or the financing of terrorism and to ensure that the Company's Directors, officers, and employees are provided with sufficient guidance so as to comply with all relevant AML regulations.

Whistleblowing Policy

We expect all of our directors, officers, and employees to exercise due care, honesty, transparency, and integrity in fulfilling their responsibilities, and to comply with all applicable laws and regulations.

Our Whistleblowing Policy encourages our employees to report concerns about unethical or unlawful behaviour in connection with our business by assuring confidentiality and by protecting good faith whistleblowers from retaliation, even if they are mistaken.

Diversity and Inclusion Policy

We are committed to fostering, cultivating, and preserving a culture of diversity, equity, and inclusion from the top down.

The Company's Diversity and Inclusion Policy has been designed to develop and foster a work environment that encourages and enforces gender and diversity equity, teamwork, and respect and both group and individual contribution to the Company as well as the wider community that we serve.

Corporate Governance Framework

Our Corporate Governance Framework sets the tone for how corporate governance should be addressed and conducted throughout our group companies pursuant to a group corporate governance structure. Through this framework, the Company is able to ensure that, among other things, its corporate governance standards are also adhered to by all of its group companies.

Share Dealings

Acquisitions and sales of the Company's shares and other transactions involving the Company's securities by Directors, officers and employees are governed by our Share Dealing Policy.

It is our Policy that "inside information" must not be used by anyone for personal gain. Accordingly, under our Share Dealing Policy we expect that our Directors, officers, and employees abide by the terms of our Policy and adhere to the applicable laws that apply to the use of inside information and dealings in the Company's securities.

The following table sets forth the details of all purchases and sales of our shares undertaken by members of the Board, their spouses, and their children in 2023:

Director	Position	Shares Held as at 31 December 2023	Total Sale Transactions	Total Purchase Transactions
Mr. Waleed Al Mokarrab Al Muhairi	Chairman	Director: Nil Spouse: Nil Children: Nil	Nil	Nil
Mr. Ahmed Al Dhaheri	Vice-Chairman	Director: 61,470,000 Spouse: Nil Children: Nil	Nil	Nil
Mr. Rashed Al Ketbi	Director	Director: 28,932 Spouse: Nil Children: Nil	Nil	Nil
Mr. Mohamed Al Nowais	Director	Director: Nil Spouse: Nil Children: Nil	Nil	Nil
Mr. Rasheed Al Omaira	Director	Director: 51,225 Spouse: Nil Children: Nil	Nil	Nil
H.E. Nadar Al Hammadi	Director	Director: Nil Spouse: Nil Children: Nil	Nil	Nil
Mr. Homaid Al Shimmari	Director	Director: Nil Spouse: Nil Children: Nil	Nil	Nil

Board Formation

Our Board comprises seven Directors. Six of the Directors are non-executive directors with five Directors being independent within the meaning of the Corporate Governance Code. Each Director has the requisite knowledge, skills and expertise required to enable our Board to efficiently and effectively perform its functions.

Pursuant to our Articles of Association, each Director serves for a term of three years and may be re-elected to serve successive terms at the end of each three-year term.

Composition of the Board of Directors

We have set out below details of the composition of our Board and have included details of each Director's experience, qualifications and their membership and positions in other organisations.

Mr. Waleed Al Muhairi Chairman / Independent Non-executive Director Since March 2019	**Mr. Ahmed Al Dhaheri** Vice-Chairman / Non-executive Director Since April 2012
Mr. Rashed Al Ketbi Independent Non-executive Director Since March 2018	**Mr. Mohamed Al Nowais** Managing Director [1] Since March 2018
Mr. Rasheed Al Omaira Independent Non-executive Director Since March 2018	**H.E. Nadar Al Hammadi** Independent Non-executive Director Since March 2019
Mr. Homaid Al Shimmari Independent Non-executive Director Since March 2021	

(1) Under the Corporate Governance Code, Mr. Mohamed Al Nowais is not considered independent as he holds an executive role as Managing Director of the Company (a role he was appointed to on 11 May 2023).

Our Board of Directors

Mr. Waleed Al Mokarrab Al Muhairi

Independent Non-executive Chairman

Experience

Mr. Al Muhairi serves as Mubadala's Deputy Group Chief Executive Officer and has strategic oversight of Mubadala's broad investment portfolio and special projects at the group level. He is also a member of Mubadala's investment committee, which is mandated to develop Mubadala's investment policies, establish investment guidelines, and review proposed projects and investments to ensure they are in line with business objectives.

Mr. Al Muhairi is also the Chairman to Mubadala's new investment and business planning committee, which approves transactions within certain financial thresholds in addition to having the responsibility of annual and multi-year business planning. Furthermore, Mr. Al Muhairi has oversight of Mubadala's Real Estate & Infrastructure Investments and Diversified Investments platforms.

Prior to joining Mubadala, Mr. Al Muhairi worked with the UAE Offsets Programme Bureau as a Senior Project Manager. Past roles also include working with McKinsey & Company as a consultant.

Mr. Al Muhairi is the Chairman of Waha Capital, Mubadala Capital, Global Institute for Disease Elimination (GLIDE), and the US-UAE Business Council. In addition, Mr. Al Muhairi is the first Vice Chairman of Aldar, and a member of the Board of Trustees of Cleveland Clinic in the United States. He is also a board member of First Abu Dhabi Bank (FAB), Hub71, Ellipses Pharma Limited, Abu Dhabi Investment Council, Investcorp, and M42.

Qualifications

Mr. Al Muhairi holds a Master's Degree in Public Policy from Harvard University, and a Bachelor of Science Degree in Foreign Service in Economics and Finance from Georgetown University, USA.

Mr. Ahmed Al Dhaheri

Non-executive Vice Chairman

Experience

Mr. Al Dhaheri is the Honorary Chairman of Ali and Sons Holdings LLC and the Chairman of Hily Holdings PJSC. He is also a board member of Al Wathba National Insurance Company Co PJSC and Al Ramz Corporation. In addition, he is the founder and Chairman of AAK Investment – Sole Proprietorship LLC.

Qualifications

Mr. Al Dhaheri is a Certified Public Accountant in California and holds a Bachelor degree in Accounting from Seattle Pacific University Washington, USA. Mr. Al Dhaheri also holds a Higher Diploma in Business Administration (specialising in accounting) from the Higher Colleges of Technology, Abu Dhabi UAE.

Mr. Rashed Al Ketbi

Independent Non-executive Director

Experience

Mr. Al Ketbi is the Chairman of the Board of the RDK Group. He is also the Vice Chairman and Managing Director of Al Wathba National Insurance Company PJSC and a director of Hily Holding PJSC. He also serves on the board of Darwish Bin Ahmed & Sons Co LLC.

Qualifications

Mr. Al Ketbi holds a Bachelor's degree in Commerce from Indiana University and a Master of Business Administration from the St Louis University of Management USA.

Mr. Mohamed Al Nowais

Managing Director

Experience

Mr. Al Nowais joined Waha Capital as Managing Director in May 2023, bringing with him a wealth of knowledge and extensive experience in the investment sector.

Mr. Al Nowais is the Managing Director of AMEA Power, a developer, owner, and operator of renewable and thermal power projects in Africa, the Middle East and Asia. He is also an Executive Director at AlNowais Investments Company. Previously, Mr. Al Nowais worked as an Investment Associate at the Abu Dhabi Investment Authority (ADIA), as well as an Investment Banking Analyst with J.P. Morgan in New York, USA. Following his graduation, he completed multiple internships with international financial institutions including HSBC in Abu Dhabi and Citi Bank in London, UK.

Mr. Al Nowais is a Board member for Al Dhafra Insurance Company P.S.C. and Abu Dhabi National Industrial Projects (ADNIP).

Qualifications

Mr. Al Nowais holds a Bachelor's Degree with joint honours in Economics and Business Finance from Brunel University in London, UK.

Mr. Rasheed Al Omaira

Independent Non-executive Director

Experience

Mr. Al Omaira holds board positions on Al Wathba National Insurance Company and Waha Capital. He also holds the position of Vice Chairman of the Board of Directors of Abu Dhabi National Company for Building Materials (Bildco).

Mr. Al Omaira previously held the position of CEO of Abu Dhabi National Company for Building Materials (Bildco), a company listed on the Abu Dhabi Stock Exchange. In addition, Mr. Al Omaira was the CEO and Vice Chairman of the Board of Directors of Vision Capital Brokerage Company between 2006 and 2010.

Mr. Al Omaira has more than 26 years of experience in business leadership. He has led his family business group and manages the day-to-day business and assets to ensure that profitability and revenue growth are maintained

H.E. Nadar Al Hammadi

Independent Non-executive Director

Experience

H.E. Nadar Al Hammadi is an established member of the Abu Dhabi business community. He is the Chairman of Abu Dhabi Aviation, and "Global Aerospace Logistics (GAL)". He also holds the position of Vice Chairman at Abu Dhabi Airports and is a member of the board of Royal Jet. He also holds board positions at several companies including Royal Jet, Abu Dhabi Airports and Emirates Driving Company.

H.E. Nadar Al Hammadi began his career in 1990 at Abu Dhabi Aircraft Technologies (ADAT). He held several positions and was instrumental in establishing GAMAERO, a joint venture between Gamco and Aerospatiale, where he served as its Executive Director. He joined Presidential Flight in 1996 and held several key management positions and was appointed Managing Director and CEO in 2014.

H.E. Nadar Al Hammadi has more than 30 years of work experience which includes 15 years in managing public and private joint-stock companies covering several sectors, including real estate investment and aviation management as well as his experience in the hotel, construction, manufacturing and mining sector.

Qualifications

H.E. Nadar Al Hammadi graduated from Embry Riddle Aeronautical University in Florida, USA in 1990 and holds a Bachelor of Science in Aviation Electronics (Avionics). He completed his post-graduate degree in Engineering Business Management from Warwick University in London, UK in 2002 and participated in "The Advanced Management Programme" held at INSEAD in Fontainebleau, France in March 2007.

Mr. Homaid Al Shimmari

Independent Non-executive Director

Experience

Mr. Al Shimmari is the Deputy Group CEO and Chief Corporate & Human Capital Officer at Mubadala. He has an oversight of Mubadala's Business Services, Enterprise Technology Services, Government Affairs, Construction Management Services, Employee Career Growth, Talent Acquisition, Learning and Development, Performance Management and Emiratisation.

Prior to the merger of Mubadala Development Company and International Petroleum Investment Company (IPIC), Mr. Al Shimmari was the CEO of the Aerospace and Engineering Services platform in Mubadala. His main focus was driving forward the strategic vision and plans for developing technologically advanced industries within Abu Dhabi and the UAE, in addition to ensuring Mubadala is well positioned to become a key global aerospace, ICT and Defence player.

Mr. Al Shimmari is the Chairman of Maximus Air Cargo and board Member of Abu Dhabi Aviation. He is also a Member on the Board of Trustees for UAE University and Khalifa University of Science, Technology and Research.

Qualifications

Mr. Al Shimmari holds a Bachelor of Science in Aeronautical Engineering from Embry Riddle Aeronautical University, USA. He holds a black belt in Six Sigma from General Electric, a highly disciplined leadership program.

Women's representation on our Board of Directors

In 2023, we did not have any female members on the Board. However, in keeping with our commitment to gender diversity and in line with our Diversity and Inclusion Policy, we continue to actively seek out opportunities to cater for female representation on our Board and equally we are actively seeking to recruit more female employees across all areas of the Company's operations.

Furthermore, we are committed to providing a working environment that caters for diversity and provides equal opportunities for all, irrespective of ethnicity, religion, gender, or age. The principles and practices associated with maintaining an equal opportunities environment apply to all aspects of employment with the Company, namely recruitment, promotion, remuneration, training, work assignments, and disciplinary actions.

Directors' Remuneration

For 2022, our Directors were paid AED 11.95 million (plus applicable VAT) (paid in 2023 following the approval of the Directors' remuneration at the Company's 2023 General Assembly). The Directors' remuneration for the 2023 financial year will be presented to shareholders for approval at the Company's 2024 General Assembly. To this end, for the 2023 financial year, the Board has recommended that the Directors receive a total of AED 17.38 million (plus any applicable VAT) as remuneration for the services performed by them in 2023.

For 2023, no allowances were paid to the Directors for their attendance at meetings of the Board.

Other than fees paid to Mr. Mohamed Al Nowais for his role as the Company's Managing Director (as further described on page [15] of this report), no additional allowances, salaries or fees have been paid to the Board members in 2023.

Board Meeting – attendance records

The Company's Articles of Association require that the Board meet a minimum of four times each year. The quorum for meetings is a majority of Directors and resolutions of the Board are adopted by a majority of the votes of the Directors present and represented.

In 2023, the Board met seven times. Details of those meetings (including attendance records of those meetings) are set out in the table below:

Director	Position	10 February	15 February	13 March	11 May	28 July	2 November	14 December
Mr. Waleed Al Muhairi	Chairman	P	P	P	A	A	P	P
Mr. Ahmed Al Dhaheri	Vice-Chairman	P	P	P	P	P	P	P
Mr. Rashed Al Ketbi	Director	P	A	P	P	P	P	P
Mr. Mohamed Al Nowais	Director	P	P	P	P	P	P	P
Mr. Rasheed Al Omaira	Director	A	P	P	A	P	A	P
H.E. Nadar Al Hammadi	Director	P	P	P	P	P	P	P
Mr. Homaid Al Shimmari	Director	P	P	P	P	P	P	P

P – Present/ A – Absent

A total of 19 resolutions were approved by the Board of Directors in 2023, each of which was passed on a date referred to in the table above.

Matters reserved to the Board of Directors and delegated to management

Subject to appropriate limits that are imposed by the Board of Directors from time to time, the Board of Directors has delegated the day-to-day management of the Company to the Company's management. For 2023, the daily operations were delegated as follows:

(a) for the period from 1 January 2023 until 11 May 2023, the day-to-day management of the Company's operations was delegated to a committee of the Company's senior management members; and

(b) for the period from 11 May 2023 and continuing, the day-to-day management of the Company's operations has been delegated to Mr. Mohamed Al Nowais, the Company's Managing Director.

Related Party Transactions

Certain Directors and employees of the Company (which persons would constitute Related Parties for the purposes of the Corporate Governance Code) have historically:

(a) entered into co-investment arrangements with the Company whereby such individuals personally co-invested (directly or indirectly) alongside the Company where the Company (or its applicable group company) concluded an applicable investment; and

(b) invested into the funds managed by our subsidiary Waha Investments.

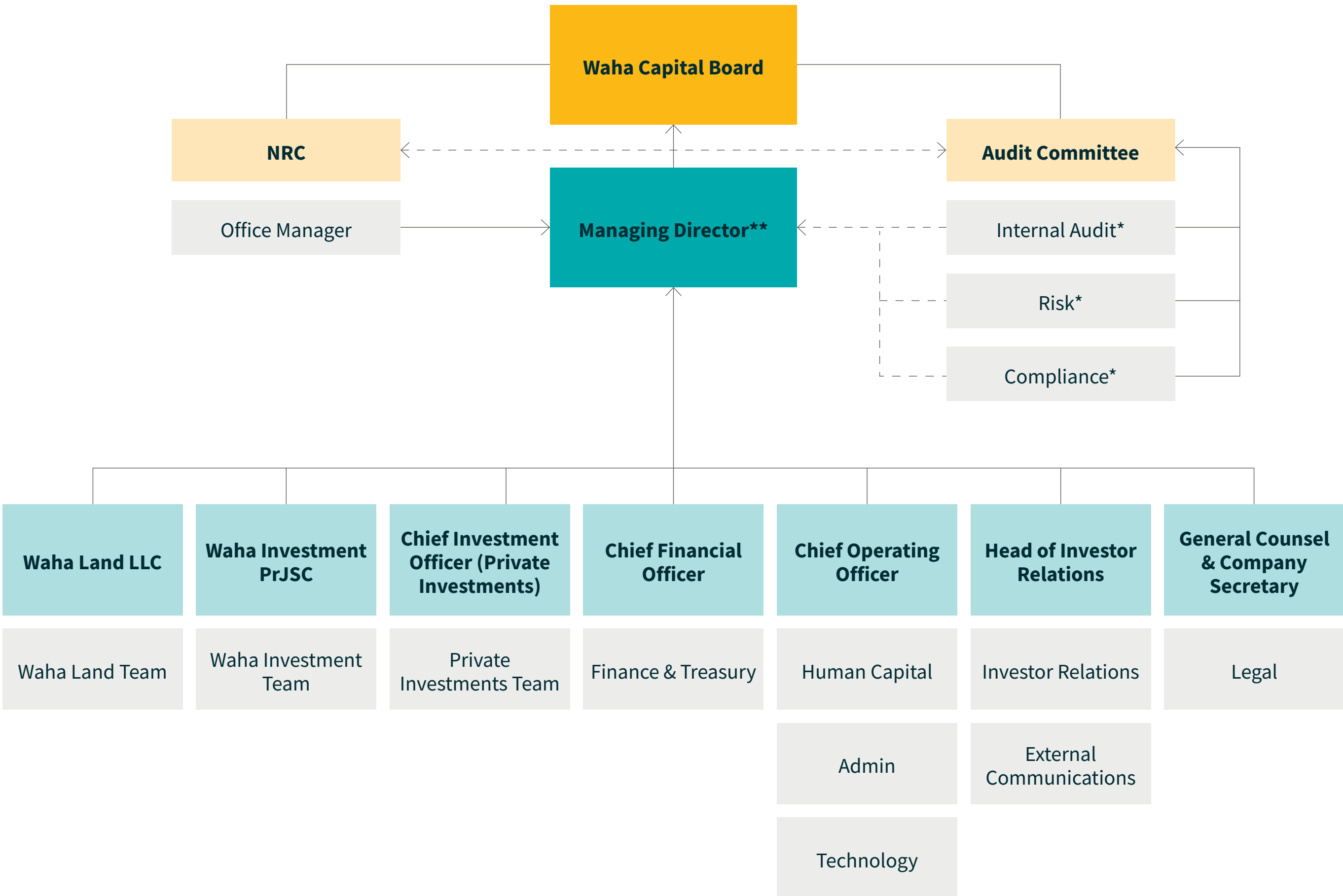
As at the end of 2023, a number of such arrangements remain in place, details of which are set out below:

Type of Transaction	Value of Transactions as at 31 December 2023
Co-investments in our private investment portfolio companies	AED 4.7 million
Investments into the funds managed by our subsidiary Waha Investments	AED 4.9 million

Executive Management

Under the Managing Director's delegation of authority (described above), and in consultation with the Board, the Managing Director has sub-delegated some of the powers to members of the executive management team.

Our executive management team carries out the day-to-day activities of the Company pursuant to this authority and in line with international best practice and the relevant governance rules and regulations. Below is the current organisation structure of the Company.



* Internal Audit, Risk Management and Compliance have an administrative line to the MD but a hard reporting line to the Audit Committee

** MD has a hard reporting line to the Board and also reports into the Audit Committee and NRC (for matters delegated to those committees by the Board)

Key Executive Management – Governance

Mohamed Al Nowais

Managing Director

Mr. Mohamed Al Nowais was appointed Managing Director of the Company in May 2023, bringing with him a wealth of knowledge and extensive experience in the investment sector.

Mr. Al Nowais is the Managing Director of AMEA Power, a developer, owner, and operator of renewable power projects in Africa, the Middle East and Asia. He is also the Executive Director at Al Nowais Investments LLC, a holding company that invests in healthcare, communication, and technology, contracting, engineering and industry services, real estate, and hospitality through its subsidiaries. From 2018 until present, Mr. Al Nowais has served as a board member of Waha Capital. He is also a board member in Abu Dhabi National Industrial Projects (ADNIP), Al Dhafra Insurance Company P.S.C., and Emirates Angels Investors Association since 2019.

Previously, and for a span of six years, Mr. Al Nowais was an Investment Associate at Abu Dhabi Investment Authority (ADIA), a sovereign wealth fund owned by the Emirate of Abu Dhabi, as well as an investment banking Analyst with J.P. Morgan in New York, USA. He also completed multiple internships with international financial institutions including HSBC in Abu Dhabi and Citi Bank in London, UK.

Mr. Al Nowais holds a Bachelor's Degree with joint honours in Economics and Business Finance from Brunel University in London, UK.

Paul Myers

General Counsel and Company Secretary

Mr. Paul Myers joined the Company in August 2020 and is responsible for the Company's legal and regulatory affairs, corporate governance, compliance, and company secretarial functions.

Prior to joining the Company, Mr. Myers held senior legal roles in AFK Sistema, one of Russia's largest public investment companies and in Redline Capital, a Luxembourg regulated funds management group. Prior to this, Mr. Myers worked for Allen & Overy where he advised both private enterprises and listed companies on high value global transactions across a number of industry sectors.

Mr. Myers brings close to 20 years of experience including complex public and private mergers and acquisitions, joint ventures and private equity, fund structuring and compliance and corporate governance.

Mr. Myers holds a Bachelor of Arts Degree from the University of New South Wales and a Bachelor of Laws Degree from the University of New England.

Said Djebbar

Head of Risk Management

Mr. Said Djebbar joined the Company in January 2023 and is the Head of the Company's Risk Management function.

Mr. Djebbar joined the Company from Seviora Holding Pte Ltd in Singapore, where he was responsible for all Risk Management activity. Before joining Seviora Holding, Mr. Djebbar also worked as the Head of Risk Management for Southeast Asia at Amundi Singapore Ltd, a subsidiary of Amundi Group, overseeing risks for two management sites as well as the Asian trading arm of Amundi, and a sales office.

Mr. Djebbar is a seasoned and performance-driven senior management professional with more than 19 years of experience in Risk Management and holds a Master's Degree in Mathematical Engineering with a major in Finance from the University of Evry and a Bachelor's in Mathematics from the University of Orsay in France.

Maher Mansour

Head of Investor Relations and External Communications

Mr. Maher Mansour joined the Company in December 2022 and is the Head of the Company's Investor Relations and External Communications functions.

Prior to joining the Company, Mr. Mansour worked as Head of Business Development at InstaDeep for the MENA region. There, Mr. Mansour successfully led the fundraising campaign for InstaDeep Series B in the Middle East and developed InstaDeep Franchise in the GCC area, mainly UAE and KSA. Prior to joining InstaDeep in 2020, Mr. Mansour was Head of the Middle East Global Markets sales team in Natixis Bank in Dubai for 6 years. Prior to that, Mr. Mansour was heading the Trading and Structuring team for Rates and Credit in UBS and Deutsche Bank in Dubai.

Mr. Mansour has more than 25 years of professional financial services experience.

Mr. Mansour holds an engineering degree from Ecole Centrale Paris and a Master's in Probability and Finance from University Paris VI in France.

Key Executive Management Remuneration

Details of the total remuneration paid to the relevant members of our executive management team in 2023 are provided in the table below:

Position	Appointment Date	Total Salary Paid in 2023 (1)	Total Bonuses Paid in 2023	Other Benefits for 2023 (2)
Managing Director (4)	11 May 2023	AED 1,151,613	-	-
Chief Financial Officer	1 November 2022	AED 1,740,000	-	-
Chief Operating Officer	9 May 2022	AED 1,440,000	AED 1,100,000	-
Chief Investments Officer – Private Investments (5)	15 September 2021	AED 960,000	AED 2,006,505	AED 116,880 (3)
General Counsel & Company Secretary	30 August 2020	AED 1,320,000	AED 1,260,000	-

(1) These amounts exclude standard benefits paid such as education assistance, medical insurance, life insurance and employer contribution to pension.

(2) Bonuses for 2023 that are payable in 2024 are yet to be finalised or paid.

(3) Including end of service / end of employment benefits.

(4) The Managing Director took up his appointment on 11 May 2023. Accordingly, the amounts are for the period commencing 11 May 2023 and ending 31 December 2023.

(5) Note that the Former Chief Investments Officer – Private Investments resigned with effect from 31 August 2023. Accordingly, amounts are for the period commencing on 1 January 2023 and ending on 31 August 2023.

External Auditor

Our external audit function has been entrusted to Ernst & Young (**EY**), who was re-appointed as auditor of the Company at the Company's 2023 annual General Assembly that took place on 21 March 2023. EY has been engaged as the Company's external auditor since its initial appointment in 2019.

EY has maintained a presence in the MENA region since 1923 and is among the region's top professional services firms, providing audit, tax, consulting, and financial services advice through 21 offices in 16 countries in the region with more than 7,500 directors, partners, and staff. The Company adopts a Policy on its external auditor's independence by which the external auditor may not, while assuming the auditing of the Company's financial statements, perform any technical, administrative or consultation services or works in connection with its assumed duties that may affect its decisions and independence or any services or works that, in the discretion of SCA, may not be rendered by the external auditor.

Details of the fees paid to EY for the 2023 auditing services are summarised in the below table:

Number of years served as external auditor for the Company	5 years
Responsible Partner	Mr. Walid Nakfour served for two years as audit partner
Total fees for auditing the financial statements in 2023 (in AED)	AED 662,500 for the audit and the quarterly reviews of the Company's annual financial statements made up as follows:
	AED 293,500 for the quarterly reviews;
	AED 309,500 for the annual financial statements; and
	AED 59,500 for other related expenses (including translation and XBRL portal sign-off)
Fees and costs for other private services other than auditing the financial statements for 2023 (in AED)	AED 664,961 for the audit and quarterly review of the financial statements of certain subsidiaries of the Company
Details and nature of other services provided (if any)	Advisory Services (related to the 2023 audit work undertaken by EY for the Company and its subsidiaries – Total fees of AED 198,842
Statement of other services performed by an external auditor other than the Company's auditor in 2023.	(see above)

No qualified opinions or reservations were made by the Company's external auditor in the interim and annual financial statements for 2023.

Audit Committee

Our Audit Committee assists the Board in discharging its responsibilities with regards to financial reporting and external and internal audits and controls namely by overseeing the integrity of and reviewing the Company's annual and interim financial statements; developing and applying the Policy for contracting with external auditors; overseeing the relationship with our external auditors; reviewing and monitoring the extent of any non-audit work undertaken by the external auditors; overseeing the qualifications and performance of the Company's internal audit and compliance staff; and reviewing the Company's financial control, internal control and risk management systems.

The Audit Committee makes recommendations to the Board, which retains ultimate responsibility for reviewing and approving our annual report and financial statements. The Audit Committee gives due consideration to the applicable laws and regulations of the UAE, SCA and the ADX (including, without limitation, the Corporate Governance Rules).

The Audit Committee's terms of reference (reflective of the Corporate Governance Code) requires that the Audit Committee comprises of at least three members who are non-executive Directors, two of whom must be independent with one having relevant work experience in the field of accounting or financial matters.

The current members are Mr. Homaid Al Shimmari, Mr. Ahmed Al Dhaheri, and Mr. Rashed Al Ketbi. Note that from 1 January 2023 until 11 May 2023, Mr. Mohamed Al Nowais was a member of the Audit Committee but stepped down from that role on 11 May 2023 following his appointment as Managing Director of the Company. On 11 May 2023, Mr. Rashed Al Ketbi replaced Mr. Al Nowais as a member of the Audit Committee. Mr. Al Shimmari sat as the Chairman of the Audit Committee for all of 2023.

As Chairman of the Audit Committee for 2023, Mr. Al Shimmari acknowledged his responsibility for the Audit Committee, the review of its working mechanisms and ensuring its overall effectiveness.

In 2023, the Audit Committee met four times. Details of those meetings (including attendance records of those meetings) are set out in the table below:

Committee Member	Position in Committee	8 February	10 May	27 July	1 November
Mr. Homaid Al Shimmari	Chairman	P	P	P	P
Mr. Ahmed Al Dhaheri	Member	P	P	P	P
Mr. Mohamed Al Nowais (1)	Member	P	P	N/A	N/A
Mr. Rashed Al Ketbi (2)	Member	N/A	N/A	P	P

(1) Mr. Al Nowais stood down from the Audit Committee on 11 May 2023.

(2) Mr. Al Ketbi joined the Audit Committee on 11 May 2023.

P – Present/ A – Absent

Nomination and Remuneration Committee

Our Nomination and Remuneration Committee assists the Board in discharging its responsibilities relating to the composition and formation of the Board of Directors (and any Committees of the Board of Directors in effect from time to time).

Principally, it is responsible for evaluating the range of skillsets, experience, and knowledge of the Board (and committees) and its size, structure, and composition and, notably, assessing and monitoring the independent status of those non-executive Directors classified as independent. In addition, it assists the Board in determining the Company's needs for qualified staff at the level of senior management and the basis of their selection.

Furthermore, Our Nomination and Remuneration Committee reviews and recommends (in consultation with the Managing Director or the Chairman of the Board), the terms and conditions of the service contracts of any executive Directors and senior management employees and reviews at least annually, the remuneration (comprising basic salary, other allowances, and any performance-related element of salary or bonus) of the Company's employees including the senior management team and the remuneration proposed to be paid to the Board.

At the beginning of each year, our Nomination and Remuneration Committee undertakes a comprehensive evaluation of the effectiveness and performance of the members of the Board and the Company's senior management. The evaluation of the 2023 performance was undertaken in early 2024 with the results being presented to the Board as part of the Company's year-end processes.

In accordance with this committee's terms of reference (which reflect the Corporate Governance Rules) the committee has four members, all of which are non-executive Directors.

The current members of the Nomination and Remuneration Committee are Mr. Rasheed Al Omaira (Chairman); Mr. Ahmed Al Dhaheri; Mr. Homaid Al Shimmari and H.E. Nadar Al Hammadi.

As part of his role as Chairman, Mr. Al Omaira acknowledges his responsibility for the Nomination and Remuneration Committee, the review of its working mechanisms and ensuring its effectiveness.

In 2023, the Nomination and Remuneration Committee met four times. Note that the meeting which took place on the 24 July 2023 was formed as a joint meeting between the Nomination and Remuneration Committee and the Audit Committee. Details of those meetings (including attendance records for those meetings) are contained in the table below:

Committee Member	Position in Committee	8 February	24 July (1)	25 October	19 December
Mr. Rasheed Al Omaira	Chairman	A	P	A	P
Mr. Ahmed Al Dhaheri	Member	P	P	P	P
Mr. Homaid Al Shimmari	Member	P	P	A	P
H.E. Nadar Al Hammadi	Member	P	P	P	P

(1) The meeting which took place on 24 July was formed as a joint meeting between the Nomination and Remuneration Committee and the Audit Committee.

Insider Dealing Committee

Our Insider Dealing Committee oversees compliance with and administers the Company's Share Dealing Policy and regularly monitors dealing in the Company's shares to reduce the risk of any unauthorised dealings by the Company's Directors, officers, and employees.

Pursuant to our Share Dealing Policy, all Directors, officers, and employees who are in possession of inside information are prohibited from dealing in the Company's securities during certain periods and must seek approval from the Insider Dealing Committee to purchase, dispose or otherwise deal in our shares outside of those periods. In order to grant any such approval, the Insider Dealing Committee must be satisfied that the individual seeking to deal in the Company's securities is not at that time in possession of inside information. The Insider Dealing Committee met at regular intervals during 2023 to discuss the Share Dealing Policy, its effectiveness, and its application.

Our Insider Dealing Committee is comprised of three members as follows:

(a) the Company's General Counsel and Company Secretary (Chairman);

(b) the Company's Chief Financial Officer (member); and

(c) the Company's Head of Compliance (member).

The Chairman of the Insider Dealing Committee acknowledged his responsibility for the Insider Dealing Committee, the review of its working mechanisms and for ensuring its effectiveness.

Internal Control System

Our internal control system has been established to ensure that (a) our Board and management are able to achieve their business objectives in a prudent manner; and (b) we are able to effectively and efficiently safeguard the interests of the Company's shareholders and other stakeholders in each case, while minimising key risks such as fraud, unauthorised business activity, misleading financial statements, uninformed risk-taking, or breaches of legal or contractual obligations.

As per our Corporate Governance Policy, the Board is responsible for ensuring that the Company applies adequate internal control systems. The Board is also responsible for performing an annual review of the effectiveness of the Company's internal control system and the scope of the Company's compliance with that system. Under delegated authority, our senior management is also responsible for ensuring that adequate internal controls (both financial and operational) are in place and applied.

In order to properly safeguard and manage the assets of the Company in an effective and efficient manner, the Board has developed and implemented an internal control system that:

(a) ensures efficient business processes;

(b) ensures that the Company's objectives are implemented in accordance with all applicable laws and requirements of the relevant regulators (including ADX and SCA);

(c) ensures the safety of the Company's assets and efficient use of its resources;

(d) protects the interests of the Company's shareholders;

(e) prevents and resolves any conflicts of interest;

(f) creates conditions for timely preparation and submission of reliable reports and other information that is legally required to be publicly disclosed; and

(g) ensures the Company's overall compliance with applicable laws and requirements of regulators.

To ensure that our internal control system is properly imbedded into the Company and its operations, we have sought to implement the internationally recognised three lines of defense model consisting of:

Level 1: the heads of the various departments and divisions within the Company are responsible for assessing and managing risks and building efficient control systems for their own functions;

Level 2: appropriate internal departments and committees (including our compliance and risk management functions) are responsible for developing, communicating, and monitoring the appropriate policies, processes, and procedures for the Company; and

Level 3: the Company's internal audit function conducts independent assessments of the efficiency of the internal control system.

Internal Audit

The Board has approved an internal audit function (constituted by our internal audit department) that is independent of our management and reports directly to the Company's Audit Committee. The department's key objectives are to provide assurance and advice on the adequacy of the Company's internal control environment and risk management processes. This is accomplished through the execution of an annual risk-based audit plan.

During 2023, our internal audit department carried out 8 (eight) assurance reviews with all findings being presented to the Audit Committee. All necessary items for remediation have been flagged for implementation by the respective departments with continued oversight from our internal audit department.

Our internal audit department is led by Mr. Khalid Meah who was appointed as the Head of Internal Audit in November 2019.

Mr. Meah has over 18years' experience in governance, risk and compliance practices from both international and local markets. Mr. Meah is a Chartered Global Management (CGMA) and holds a bachelor's degree in History and Politics from the University of London and a Masters in Management from Loughborough

Compliance and Control

We have established and maintain a compliance and control framework that provides our Board and executive management with reliable assurances on the health of our internal controls.

Our compliance function is responsible for ensuring that the Company and its Directors, officers and employees operate in full compliance with all applicable legal and regulatory requirements (including but not limited to resolutions issued by SCA and ADX). To underpin this function, the Company has adopted a suite of internal policies and procedures (as further described above).

Our compliance and control function performs a number of key tasks that help us to ensure that the Company maintains an effective and efficient compliance and control system. These key tasks include:

(a) establishing policies, procedures, rules and guidelines for the Company, its Board and employees that are designed to ensure that the Company operates in full compliance with its applicable legal and regulatory requirements;

(b) monitoring the Company's internal controls and identifying any breaches or weaknesses;

(c) reporting on the health and effectiveness of our control system; and

(d) recommending and implementing corrective measures of any deficiencies or weaknesses that are identified in our control system.

Our Compliance Framework

The Company's Compliance framework (approved by the Board) provides effective oversight and monitoring of critical compliance requirements and embeds a strong compliance culture across the Company in terms of adherence to applicable laws, regulations, statutory provisions, resolutions, all policies and procedures, and business rules using an appropriate 'tone at the top' and through effective coordination with all internal and external stakeholders.

The Company's Head of Compliance oversees the Company's Waha compliance function with a direct reporting line to the Audit Committee.

In 2023, the Company continued to enhance and strengthen its compliance management by:

(a) conducting comprehensive compliance training for the Company's employees in order to foster an "ethics and compliance oriented' culture throughout the organisation;

(b) reviewing and updating its key compliance policies;

(c) reviewing and updating its AML/CFT Policy and implementing additional AML/CFT training programmes; and

(d) conducting continuous and ongoing monitoring of external compliance requirements and proactively identifying any non-compliances through various compliance activities.

Name and Qualifications of the Head of Compliance / Compliance Officer

Our compliance function is headed up by Ms. Diana Youssef, who was appointed as the Company's Head of Compliance in February 2021. Ms. Youssef has over 14 years' experience in a variety of relevant areas including regulatory compliance, ethics, and anti-money laundering. As the Company's Head of Compliance, she manages the compliance function, which includes critical areas such as Internal Compliance, External Compliance, and Code of Business Conduct & Ethics, among others, in accordance with SCA's mandate regarding the roles and responsibilities of the Head of Compliance. Ms. Youssef plays a crucial role in formulating the Company's compliance strategy and defining the compliance roadmap, which puts her in a pivotal position to foster a "compliance-oriented" culture across the Company.

Ms. Youssef works with and reports to the Audit Committee and works with senior management on compliance-related matters throughout the Company. She holds a Bachelor of Science degree in International Business and Economics from Saint Peter's University in the United States as well as holding a GRC diploma from the International Compliance Association (ICA). Ms. Youssef is also a ACAMS certified anti-money laundering specialist.

Risk Management

Risk management is an integral part of our operations and permeates through every level of our organisation, in order to support and sustain the primary objective of creating long-term shareholder value by leveraging our expertise in managing investments, which necessarily involves undertaking financial risk.

The Company has implemented an integrated enterprise management system that establishes a control environment, sets the risk appetite, approves policies, and delegates responsibilities under the Company's risk management framework. Our risk management function operates as one of our second lines of defense and assists the Company and its businesses in developing appropriate risk identification and mitigation measures. Under our risk management framework, we apply a bottom-up approach in order to identify and map the Company's risks and then integrate those risks into the Company's overall risk framework.

Our risk management framework is managed by our risk management team (which sits independently from our investment activities) and constantly monitors and highlights the various types of risk that the Company may be exposed to. Periodic risk reporting is provided to both the senior management of the Company and the Board.

Our Risk Management Framework

(a) facilitates risk-informed strategic planning to achieve business objectives and identify potential business opportunities;
(b) supports the Company in identifying and managing key strategic, functional, investment and project risks (including the use of an objective driven process);
(c) helps our Board in developing the Company's risk appetite (which is then used by our risk management function to monitor the Company's risks);
(d) assesses the identified risks and the potential impact of such risks on the Company and its key objectives;
(e) enhances corporate performance as processes become more risk aware and control-focused; and
(f) strengthens the Company's resilience to market disruption and evolving business practices.

Our Risk Committee

We have established a management level risk committee which helps to ensure that our risk management processes are in place to measure, monitor, manage and mitigate significant risk exposures for the Company.

Our risk committee meets at regular intervals in order to review specific risks and to monitor the Company's overall risk exposure against its defined risk appetite. Based on the recommendations and findings of our risk committee, we then seek to implement additional risk mitigation measures in order to properly address the Company's risks.

Enterprise Risk Management

Within our overall risk management framework, we map, monitor, and assess the Company's enterprise risks – this is our enterprise risk management framework. Our risk management function uses our risk management framework as a core tool for monitoring and assessing all the emerging and existing risks in the Company. Some of the tools being used in order to monitor and assess our enterprise risks include risk control self-assessment tools which are used for our private investments, real-time limits management for our asset management business and a defined risk appetite for various parameters. Companywide, we also employ a risk heat map in order to identify and monitor the Company's key risks and monitor the mitigation mechanisms for those risks.

Reporting

Reporting is a critical part of our risk management function. Regular reports (weekly, monthly, and quarterly reports) are generated and shared with relevant teams and internal bodies to ensure that the Company's risks are channelled across all the businesses and regularly monitored by the Company's senior management.

In addition, regular risk workshops are also organised for the Company's senior management and Board in order to create risk awareness and continue to foster an overall risk management culture.

Name and Qualifications of the Head of Risk

Our risk function is headed up by Mr. Said Djebbar, who was appointed as the Company's Head of Risk in January 2023.

Mr. Djebbar's background and qualifications are provided above on page [14] of this report.

Mr. Djebbar works with and reports to the Audit Committee and works with senior management on risk-related matters.

Identified Issues and Recent Developments

For 2023, no significant issues were identified with respect to our internal control system.

Violations Committed During 2023

No violations were committed by the Company in 2023.

The Board acknowledges its responsibility for the internal control system, reviewing its working mechanisms and ensuring its effectiveness.

Corporate Social Responsibilty

The Company has an ongoing commitment to supporting the socio-economic development of communities where the Company primarily operates, namely in its home market of Abu Dhabi. The Company seeks to contribute to the Emirate's economic diversification strategy in order to create value for key stakeholders, including investors, employees, and partners.

Our Approach and Commitment to Sustainability

The Company views sustainability in comprehensive terms. We are committed to ensuring that our organisation remains resilient and future-proof, and serves the interests of all our stakeholders and the communities we operate in.

Our approach to playing a positive role in our community begins within our organisation, where we put a strong emphasis on cultivating strong internal and external relationships. The Company provides employees with opportunities to grow and thrive, equipping our people with the right tools to help them reach their full potential and employing a sophisticated incentivisation programme that rewards talent, hard work, and commitment.

Our Sustainability Reporting

In compliance with its obligations under the ADX Rules for Listed Companies, the Company publishes an annual stand-alone Sustainability Report. Further details of the Company's approach to Sustainability and ESG performance for 2023 (including its CSR activities) are contained in the Company's 2023 Sustainability Report

For 2023, the Company's total expenditure (including provisions for committed expenditure relating to 2023) was approximately AED 3 million.

General Information

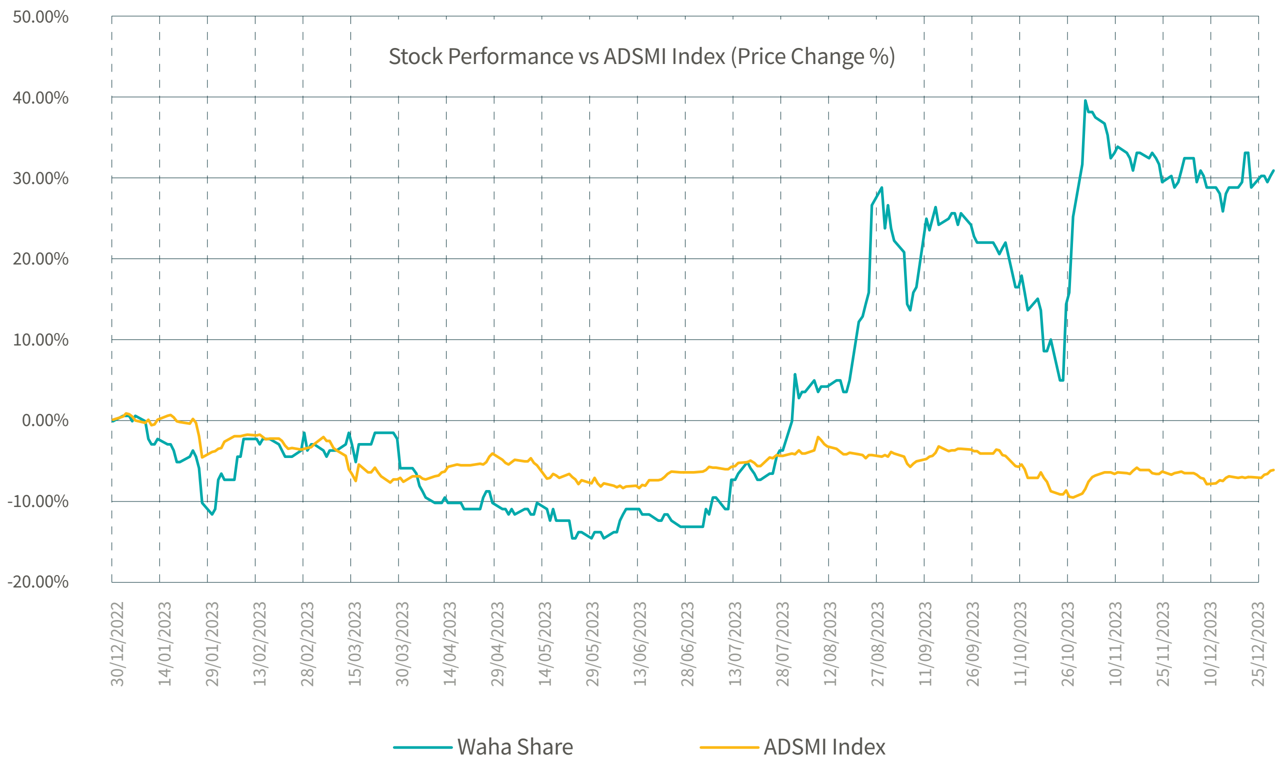
Our 2023 Share Performance

The Company's shares commenced trading on the ADX on 15 November 2000 under the symbol WAHA. The share price as at 31 December 2023 was AED 1.78. Waha's market capitalisation as at 31 December 2023 was AED 3,461,236,143. Its paid-up share capital is AED 1,944,514,687 divided into 1,944,514,687 shares of AED 1 each. The following table sets forth the closing price and the high and low share prices of our shares at the end of each month during 2023.

2023	HIGH (AED)	LOW (AED)	CLOSE (AED)
January	1.33	1.30	1.31
February	1.32	1.29	1.31
March	1.33	1.31	1.32
April	1.24	1.22	1.23
May	1.20	1.18	1.19
June	1.20	1.18	1.19
July	1.27	1.24	1.26
August	1.53	1.47	1.51
September	1.69	1.64	1.66
October	1.63	1.56	1.60
November	1.83	1.79	1.81
December	1.78	1.74	1.76

Our 2023 performance compared with our sector index

The following diagram illustrates the movement of Waha's share price during 2023 when compared against the ADSMI Index:



Breakdown of shareholdings as at 31 December 2023

The table below shows the number of shares held by different categories of shareholders as at the end of 2023.

Nationality	Individuals %	Companies %	Government %	Total %
UAE	43.79%	47.76%	1.68%	93.23%
GCC (excluding UAE)	0.29%	0.17%	0	0.46%
Arab (excluding UAE)	1.39%	0.03%	0	1.42%
All other nationalities	0.61%	4.28%	0	4.89%
Total	**46.08%**	**52.24%**	**1.68%**	**100.00%**

Statement of shareholders who owned more than 5% of the Company's capital as at 31 December 2023

The following table lists the shareholders who held more than 5% of the Company's shares as at 31 December 2023.

Name of shareholder	Number of shares held	Percentage of share capital
Mamoura Diversified Global Holding PJSC	285,134,302	14.66%
Hily Holding	171,131,927	8.80%
Al Wathba National Insurance	161,533,180	8.31%
Hussain Jasim Al Nowais	150,687,996	7.75%

Statement of shareholding distribution by size as at 31 December 2023

The following classifies the shareholders of Waha as at 31 December 2023 according to the number of shares then held by each shareholder.

Shares	Number of shareholders	Numbers of shares	Percentage of shares
Less than 50,000	19,664	110,843,035	5.70%
From 50,000 to less than 500,000	726	106,735,234	5.49%
From 500,000 to less than 5,000,000	186	270,883,689	13.93%
5,000,000 or more	39	1,456,052,729	74.88%
Total	**20,615**	**1,944,514,687**	**100.00**

Procedures taken with respect to the controls of investor relations

During 2023, the Company's Investor Relations department published news and insights on its website and across social media to ensure that investors are regularly updated on the Company's performance. Mr. Maher Mansour, Head of Investor Relations, and other senior members of the Company's management regularly meet and make presentations to investors.

Details of the Head of Investor Relations are as follows:

Tel +971 2 667 7343
Fax +971 2 667 7383

maher.mansour@wahacapital.ae

Address: Floor 42-43, Etihad Towers, Tower 3, PO Box 28922, Abu Dhabi, UAE.

Additional information can be found in the investor relations section of the website at: https://www.wahacapital.com/investor-relations/

General Assembly and Special Resolution presented at 2023 General Assembly

The Company held its annual general assembly on Tuesday 21 March 2023. At such meeting, the following special resolution was approved (being a resolution passed by shareholders owning not less than three-quarters of the shares represented in that General Assembly):

"The allocation of 1% of the Company's profits for the financial year ended 31 December 2022 to provide charitable and voluntary contributions, and to authorise the Board of Directors to determine the beneficiaries from that."

The Secretary to the Board of Directors

Mr. Paul Myers, our General Counsel, is the Board Secretary. Mr. Myers was appointed to this role by the Board on 7 September 2020. The Board Secretary attends all Board meetings and is directly answerable to the Board. The Board Secretary provides advice and support to the Board on legal and regulatory matters and is responsible for ensuring that the Company's governing bodies operate effectively and in compliance with all relevant laws and regulations.

Mr. Myers's background and qualifications are provided above on page [14] of this report.

Statement of significant events

The following is a summary of the key events that took place in 2023

- At the Company's annual general assembly on 21 March 2023 the shareholders approved a 8 fils per share;
- On 11 May 2023, the Company announced the first quarter results with a net profit of AED 148 million;
- On 11 May 2023, the Board appointed Mohamed Al Nowais as the Managing Director of the Company;
- On 28 July 2023, the Company reported H1 2023 net profit up 221% year on year to AED318 million on returns from capital markets' funds and increased fee income;
- On 1 November 2023, the Waha MENA Equity Fund rose to the Top 10 in Global Hedge Funds in "The World's top 50 Hedge Funds" list published by the independent Global Investment Report. The fund also ranked 1st through the first six months of the year 2023 in the same ranking;
- On 1 November 2023, the Company reported net profit of AED407millon for the first nine months of 2023.

Statement of major transactions

In 2023, the Company was not involved in any transaction that was equal to or exceeding 5% of the Company's share capital.

Emiratisation percentage in Waha as at 31 December 2023

As at the end of 2023, the Company's Emiratisation percentage was 12%.

The Company works in cooperation with local educational institutions and relevant government organisations in order to create long-term employment opportunities for UAE Nationals. Additionally, the Company offers summer internships to UAE university students, and runs a UAE National graduate programme. The programme provides UAE national graduates with a tailored 18 months' worth of training and development through on-the-job rotations, professional qualifications, and external training prior to being hired on a permanent basis. The Company also offers sponsorship to other UAE national employees to continue their education while working.

Projects and Innovation Initiatives in 2023

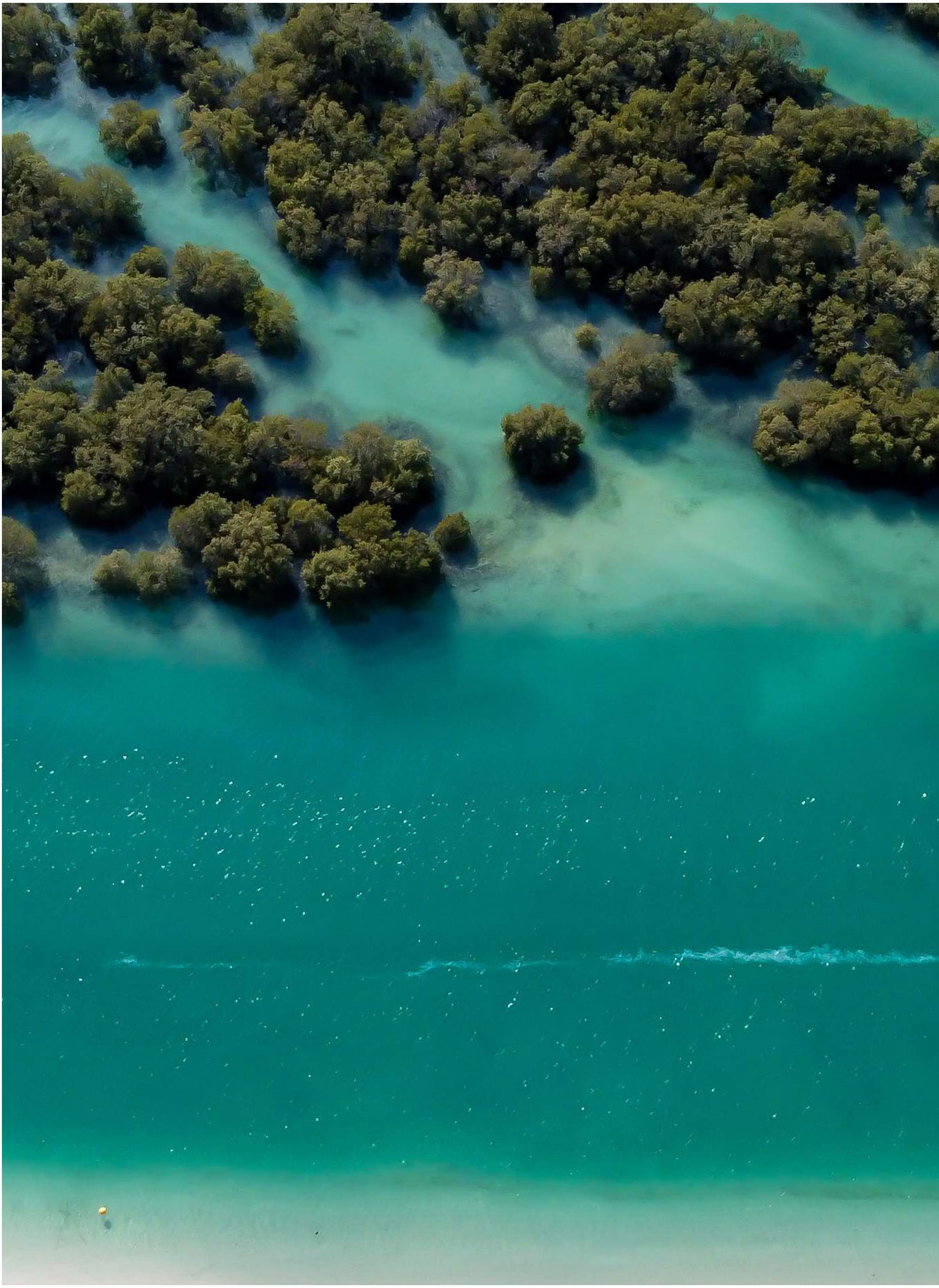
The Company's key initiatives in 2023 were:

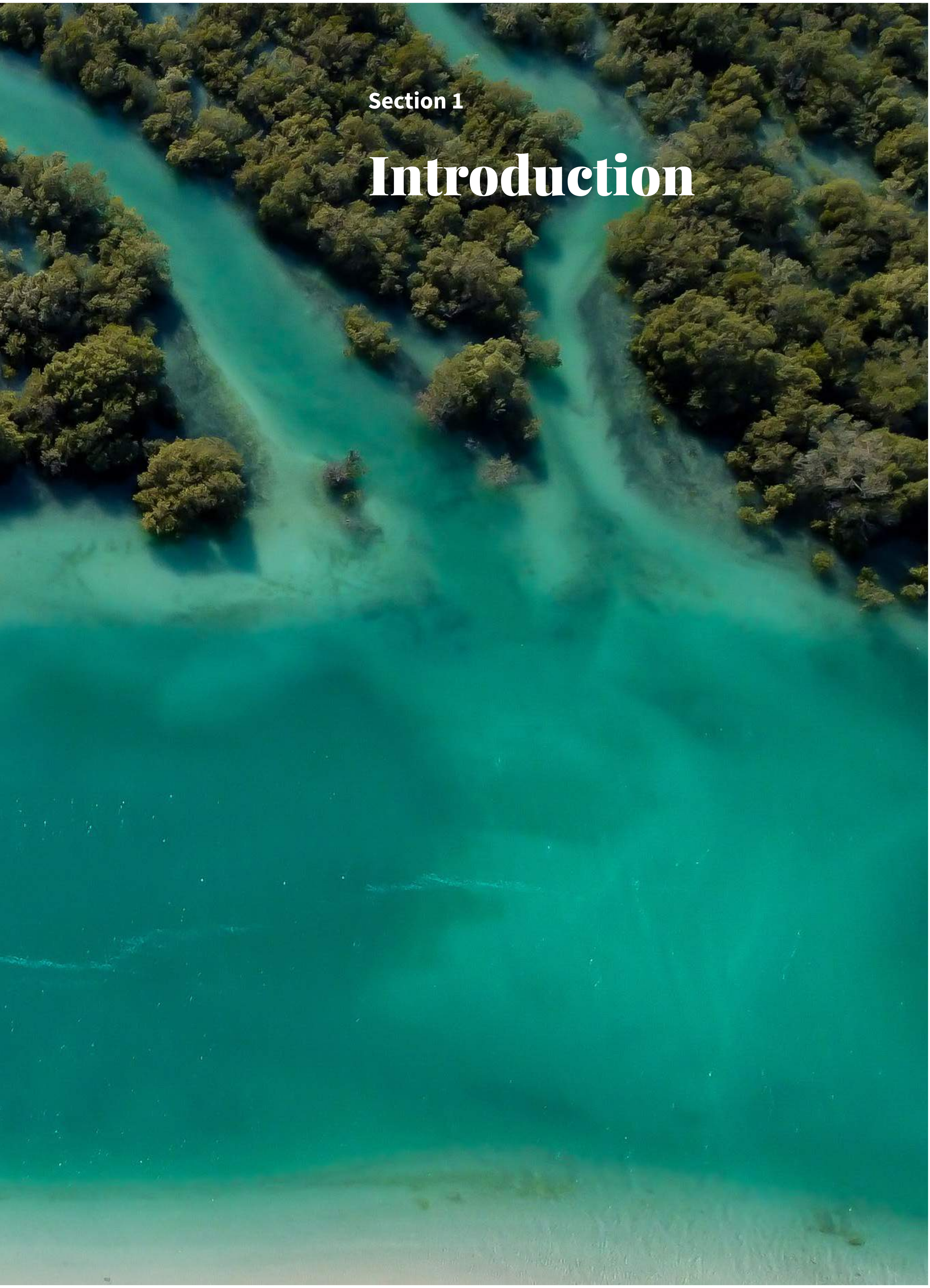
- Approving the allocation of 1% of the Company's profits for the financial year ended 31 December 2022 to provide charitable and voluntary contributions (further details of which are contained in the Company's 2023 Sustainability Report);
- In furtherance of the Company's approach and commitment to Sustainability and ESG, in 2023, the Company became a signatory to (and member of) the Abu Dhabi Global Market's Sustainable Finance Declaration, thereby aligning with the principal vision of the Sustainable Finance Declaration to further the UAE's sustainability footprint and ensure the longevity of the UAE's economy.

WAHA CAPITAL

Sustainability Report 2023

Contents





Section 1

Introduction

During the year, we made significant strides in enhancing our ESG practices. We have implemented meaningful initiatives that support our corporate social responsibility mandate while participating in the global conversation at a range of local and international events, including the UAE-hosted COP28.

Waleed Al Mokarrab Al Muhairi
Chairman, Waha Capital

Introduction

1.1 Introduction (purpose, scope, data source and integrity, external assurance, contact information)

This is the third sustainability report (the Report) of Waha Capital PJSC (the Company). The Report reflects the Company's will and commitment to advance a sustainability agenda and support the UAE's leading role in the region in addressing climate change.

THE GLOBAL GOALS
For Sustainable Development

This Report fulfils the Company's reporting requirements under the Abu Dhabi Securities Exchange (ADX) Rules for Listed Companies and has been developed in accordance with the ADX ESG Disclosure Guidance for Listed Companies. Furthermore, this Report reflects international objectives as provided by the United Nations Sustainable Development Goals (UN SDGs) as well as the Global Reporting Initiative (GRI) standards. To that end, the Company's ESG performance data has been collected and analysed in relation to the relevant UN SDGs and GRI indicators, as recommended by the ADX ESG Disclosure Guidance for Listed Companies and displayed in the Appendix to this Report.

To assure the authenticity and quality of the data that is contained in this Report, the Company has engaged an external ESG consultant.

For any further information on this Report please contact us via: communications@wahacapital.ae

8 DECENT WORK AND ECONOMIC GROWTH

The Company conducted a comprehensive survey in order to assess its own ESG performance in 2023.

1.2 Message from the Chairman

I am pleased to present Waha Capital's 2023 Sustainability Report.

As a committed corporate citizen, the company acknowledges its responsibility to deliver a positive societal and environmental impact alongside its focus on maximising shareholder value. Over the last year, we have continued to integrate ESG best practices into every aspect of our investment activities while also becoming a voluntary member of the Abu Dhabi Sustainable Finance Declaration.

The 2023 Report details our environmental impact, social responsibility initiatives, and governance policies and procedures, demonstrating how these principles are woven throughout the company's operations.

During the year, we made significant strides in enhancing our ESG practices. We have implemented meaningful initiatives that support our corporate social responsibility mandate while participating in the global conversation at a range of local and international events, including the UAE-hosted COP28. Looking ahead, we will take further steps to strengthen our commitment to create a more sustainable future in alignment with the UAE's national goals.

We recognize that maintaining a comprehensive understanding of the evolving ESG landscape will make our operations more efficient and resilient. This approach will not only contribute to our long-term financial performance but will also generate environmental and societal benefits for the world around us.

Thank you for your continued support as we navigate this journey towards a more sustainable and prosperous future.

Waleed Al Mokarrab Al Muhairi

Chairman, Waha Capital

Waha Capital acknowledges its duty to foster positive societal and environmental outcomes as it strives to maximise shareholder value.

1.3 Message from our Managing Director

Waha Capital was proud to elevate its commitment to sustainability in 2023, a year when the UAE took a leading role in driving the agenda on global warming by successfully hosting the COP28 climate conference.

The Company recognizes the role it can play as a leading financial services firm to accelerate the UAE's visionary strategy for decarbonisation, diversification and social inclusion.

In 2023, sustainability continued to be tightly knit into our corporate strategy. Over the course of the year, we implemented significant measures to bolster our ESG strategy, embracing an enhanced sustainability policy aimed at guaranteeing that our business expansion aligns with sustainable practices.

The Report outlines our progress in promoting sustainable practices. This includes our endorsement of the Abu Dhabi Sustainable Finance Agenda Declaration in September 2023, which underscored our commitment to advancing sustainability and climate finance not only in Abu Dhabi and the UAE but also across the broader region. In addition to revamping existing policies and introducing new ESG-related ones, we also crafted a roadmap for forthcoming initiatives aimed at refining our corporate social responsibility approach.

In 2024, we will continue to collaborate closely with key stakeholders, particularly partners and regulators, to expedite the crucial efforts required to address global warming and pave the way for a cleaner world for generations to come.

Mohamed Hussain Al Nowais

Managing Director, Waha Capital

Waha Capital recognizes the role it can play as a leading financial services firm to accelerate the UAE's visionary strategy for decarbonisation, diversification and social inclusion.

Section 2

The Company

The Company

2.1 General Information

The Company is an Abu Dhabi based, ADX listed investment management company that leverages its emerging markets expertise, business networks and research capabilities to deliver attractive returns to shareholders and investors in its funds.

Founded in 1997, the Company is one of the Emirate's leading private sector investment houses, providing a world-class platform for investment and growth. The Company has a long-established track record of investing in public and private markets, deploying proprietary capital in alignment with third-party investors.

Counting Mubadala Investment Company as an anchor shareholder, the Company is at the forefront of Abu Dhabi's increasingly dynamic and entrepreneurial ecosystem, creating long-term value for shareholders, fund investors, employees, and communities.

The Company and the funds managed by one of its subsidiaries operate in a robust UAE and international regulatory environment. We follow international best practice in risk management, disclosure and reporting, while employing disciplined investment processes with rigorous oversight.

Headquartered in Abu Dhabi, a source of financial strength and stability, the Company benefits from close relationships with the Emirate's major institutions and its global network of business connections and partnerships, and embraces the world-class governance practices that shareholders and third-party investors demand from a publicly listed investment manager.

The Company's purpose is to consistently deliver strong and steady returns to its shareholders and investment partners. The Company is focused on building scale, delivering high quality earnings and providing excellence in client service.

Our people are at the core of the value that we create for our investors. Each individual plays a critical role in the Company, and together create synergies and produce results. We are focused, tenacious, and performance driven. We value hard work, collaboration, and achievement.

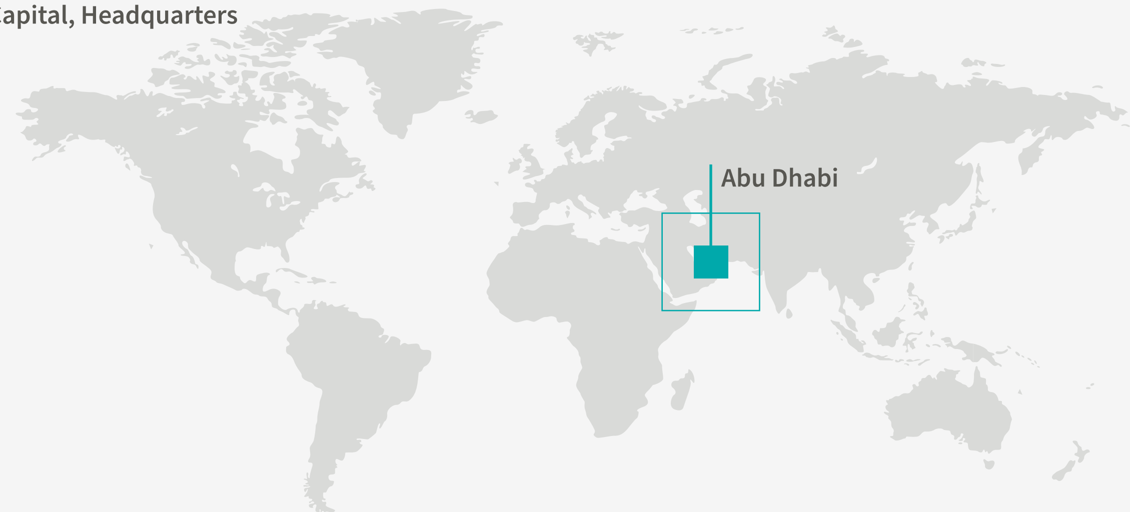
We invest in the growth and development of our people by equipping them with the most appropriate tools through upskilling and training.

We invest in the growth and development of our people by equipping them with the most appropriate tools through upskilling and training.

As a key private sector player in Abu Dhabi, we champion local talent in the financial sector.

For further information on the Company, please visit www.wahacapital.com

Waha Capital, Headquarters



2.2 Our Vision and Mission

The Company views sustainability in comprehensive terms. We are committed to ensuring that our organisation remains resilient, future-proof and sustainable, while serving the interests of all our stakeholders and the communities we operate in.

Waha Capital's performance and future development is closely aligned with the UAE's strategy for a sustainable and diversified economy that is progressively less dependent on hydrocarbons.

The Company's performance and future development is closely aligned with the UAE's strategy for a sustainable and diversified economy that is progressively less dependent on hydrocarbons. In this respect, we support the UAE's overarching strategies such as 'UAE Green Agenda 2015-2030', 'UAE's 2030 Agenda for Sustainable Development', 'UAE Energy Strategy 2050' and the most recent 'UAE Pathway to Net Zero by 2050' which sets the timeframe and identifies the mechanisms of implementing the UAE Net Zero by 2050 Strategic Initiative, introduced in 2021.

Taking into the consideration that the Company is a key part of Abu Dhabi's growing financial services sector, naturally we embrace all the relevant Abu Dhabi policies, namely 'Abu Dhabi Vision 2030' that sets the framework to build a sustainable and diversified, high value-added economy with more high-valued opportunities for its citizens and residents.

Furthermore, the Company fully supports the UAE's Securities and Commodities Authority's Master Plan for Sustainable Markets that was developed to contribute to a more stable and resilient financial system. In support of its commitment, the Company became a voluntary member of the Abu Dhabi Sustainable Finance Declaration on 27 September 2023 (further details of which are contained in the Report).

Coupled with this, we are continuing to dedicate more time and effort to training employees on sustainability issues, trends, relevant best-practices and sustainable finance.

Section 3

2023 Achievements

2023 Achievements

3.1 Sustainability Program

In 2023, the Company's adopted a comprehensive sustainability policy (the Sustainability Policy) to regulate its approach to building a competitive and resilient business while meeting core environmental, social and governance (ESG) tenets and contributing to the sustainable development of the communities in which the Company operates.

Building on the Company's Sustainability Policy, the Company also implemented a related sustainability program (led by an external ESG consultant) that focused on:

- upgrading existing policies and implementing new ESG related policies;
- developing a road map for future initiatives to enhance the Company's approach to corporate social responsibility; and
- delivering ESG related training and communication for the Company's employees.

3.2 Sustainability Policy

Our Sustainability Policy sets out general guidelines to direct the Company's approach to sustainability and represents the Company's first step to incorporate ESG into its performance and decision making.

This Sustainability Policy has been adopted with the goal of:

- aligning the Company's performance with the highest standards of corporate governance that meet the principles of social and environmental responsibility;
- defining specific areas of focus and creating internal governance structures for the implementation of the Sustainability Policy;
- enhancing integrity and accountability in the collection and management of relevant data on our environmental and social impacts including transparency in public sharing;
- ensuring the health, safety, well-being and development of our people, while promoting diversity and equal opportunities; and
- contributing to the sustainable development of the communities in which we operate.

The Company has also developed a new set of group level ESG related policies covering:

- Diversity, Equity and Inclusion;
- Anti-harassment and Bullying;
- Anti-slavery and Human Trafficking;
- Child Labor; and
- Human Rights.

3.3 Membership with the Abu Dhabi Sustainable Finance Declaration

In September 2023, the Company became a signatory to the Abu Dhabi Sustainable Finance Agenda Declaration, a voluntary membership-based initiative launched by the Abu Dhabi Global Market (ADGM) under the patronages of the Ministry of Climate Change and Environment, the Central Bank and the Securities and Commodities Authority.

Via this membership, the Company will be able to work with the ADGM (and other signatories of the declaration) to move forward the Sustainable Finance Agenda and to promote sustainability and climate finance in Abu Dhabi, the UAE and the wider region.

3.4 Active participation on the global and local level

During 2023, representatives of the Company participated in and contributed to numerous events and workshops in order to:

- network with like-minded financial institutions and other stakeholders; and
- benefit from emerging innovative business opportunities in both in UAE and internationally.

These events included:

- New York Climate Week (September 2023);
- Climate Future Week 2023 Dubai (September 2023);
- Forbes Middle East Sustainability Leaders' Summit Abu Dhabi (November 2023);
- Abu Dhabi Finance Week (November 2023); and
- COP28 Dubai (December 2023).

Further details of these policies are contained in Section 5 of this Report.

2023 Achievements

3.5 Corporate Social Responsibility (CSR)

The Company places a high priority on its corporate social responsibility. Accordingly, in 2023, in addition to the Company's ongoing and historical CSR initiatives, it launched a number of new schemes to enhance its CSR footprint, as more fully described below.

2023 CSR Commitment

In accordance with the Company's commitment to develop and expand its CSR footprint in the UAE and the wider region, at the Company's 2023 Annual General Assembly, shareholders approved a resolution giving the Board of Directors of the Company the authority to utilise up to 1% of the Company's 2023 net profits for CSR initiatives.

Donations to Emirates Red Cresent

In 2023, the Company made donations to the Emirates Red Cresent via the following campaigns:

- the Bridges of Good Campaign – in 2023, the Company provided approximately AED 1 million worth of aid packages for this campaign.
- the Trahum for GAZA Campaign – in 2023, the Company provided approximately AED 1 million worth of aid packages for this campaign.

Scholarship Program

In 2023, the Company established a scholarship program under which the Company will finance the costs of tuition, living expenses and other associated costs of one student per year for the full term of that student's university undergraduate course.

The scholarship program is open to UAE nationals and residents of the UAE and is granted on the basis of the applicant's academic excellence and financial needs.

The scholarship program is aimed at students who wish to study a degree in finance, mathematics or economics. Following graduation, scholarship students will be offered the opportunity to work with the Company.

Waha Land – Ramadan Initiative

In 2023, the Company's subsidiary Waha Land successfully completed its yearly Ramadan initiative under which, during the Holy Month of Ramadan, the Waha Land staff (and their families and friends) personally packaged and delivered hundreds of food boxes to the less fortunate and families in need residing in the Emirate of Abu Dhabi.

All elements of planning, packaging and delivery logistics take place at Waha Land's offices with each box containing enough food to sustain a family of four for up to two weeks.

For 2023, Waha Land's Ramadan initiative resulted in over 500 food boxes being delivered to those in need throughout the Emirate of Abu Dhabi.

Section 4

Environmental Standards Performance

Environmental Standards Performance

4.1 Energy Use and Greenhouse Gas Emissions – Carbon Footprint

Given the relatively small scale nature of the Company's operations, the Company has not yet established a specific policy aimed at addressing its energy consumption or its energy reduction. However, the Company believes that improvements can be made in relation to its energy-saving measures and practices, in line with the UAE's strategic shift towards renewable sources of power.

The Company's main source of energy in its administrative office is electricity, in line with the energy policy of the office building from which it operates. In that regard, the energy mix supplied by the building is divided between approximately 10% solar, 60% gas and 30% nuclear. Energy consumption of the offices in 2023 was approximately 145,000kWH.

Office Energy Consumption Mix

Solar	Gas	Nuclear
10%	60%	30%

The Company acknowledges that the total energy usage is relatively high given the total space and the employee headcount (2,000 m^2 for approximately 60 employees). However, certain measures are in place that contribute to energy reduction, such as weekly working from home days, which are usually taken by the majority of employees on Fridays and which reduces the overall electricity and water consumption.

In terms of direct carbon emissions, the Company owns and maintains three vehicles that, in 2023, consumed approximately 6,200 litres of petrol. Based only on the amount of petrol used and the model, type, and the age of the cars direct carbon emissions from the Company's cars were approximately 14,300 kg of CO_2 (6,200*2.31=14,322).

4.2 Water consumption

The Company has not yet adopted a specific water consumption policy or measures to promote water consumption reduction, water reusage or water recycling due to use being limited to employees in its administrative office. However, the Company does not have overall excessive water consumption, limited only to the regular office consumption of the employees.

In 2023, the cost of water consumption was paid directly to the landlord, in advance together with the rent, calculated per square meter of the space and was estimated to be in the amount of 3,500 running hours/year, thus the real consumption is unknown.

4.3 Waste Management

In line with its environmental management goals, the Company is seeking to address waste management and is committed to implementing improvement measures, including the reduction of plastic waste and single-use plastic items.

In other areas of waste management, the Company is continuing to carry out numerous activities and implementing measures to reduce office IT waste, while best practice is applied with regards to the management of electrical and electronical waste. For example, IT wastepaper is treated as general paper waste, shredded, and disposed of by a third-party provider. Toners are replaced and disposed in the designated bin for such waste products.

For the purpose of paper waste reduction, all printers are configured by default to print on both sides and it is at the discretion of the user to explicitly stipulate single-side printing for special audiences or purposes.

Waste management is conducted through a professional agency, which disposes of electronic products after clearing material data. Such agencies are appointed by the Government as the competent authority for responsible waste management. Whenever possible, the Company trades in old equipment after clearing them of data.

4.4 Air Quality

In 2023, the Company sought to address the issue of indoor air quality by installing air purifiers in its office spaces, which has greatly improved air quality.

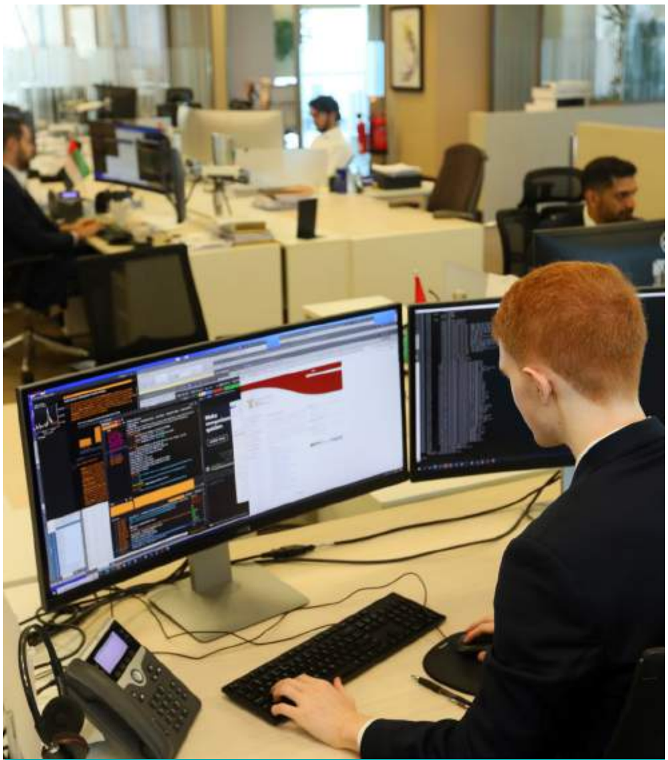
4.5 Environmental Management

In 2023 an external sustainability expert was engaged by the Company to advise and assist the Company on issues concerning environmental management.

During 2023, the external expert worked with the Company to implement a sustainability program that also included environmental management.

4.6 Investments in Climate Related Infrastructure/Projects, Resilience, and Product Development

While the funds managed by the group invest in various products and securities (which may include companies focusing on these areas), in 2023, the Company did not directly make any investments into climate related infrastructure or projects.



The Company is carrying out numerous activities and implementing measures to reduce office IT waste.

Section 5

Social Standards Performance

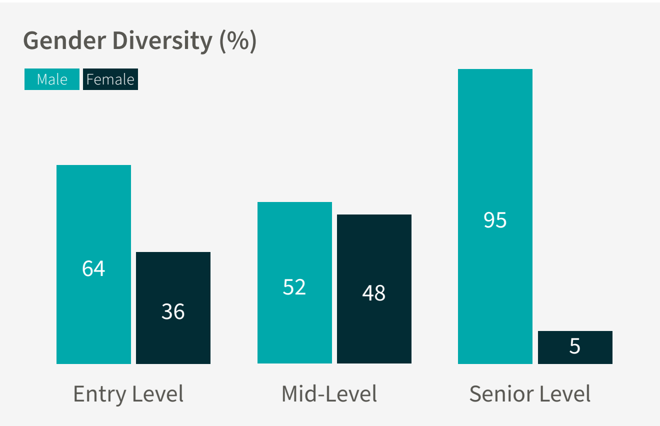
Social Standards Performance

5.1 Gender Diversity

While the Company's male employees outnumbered females at all levels as at end of 2023, the Company is taking steps to address this imbalance via implementing more diverse recruitment practices.

For 2023, the ratios of gender balance for each level of seniority in the Company were:

- at the entry level: Male 64 % and Female 36%;
- at the Mid-level: Male 52% and Female 48%; and
- at the Senior-level: Male 95% and Female 5%.



In addition to the refocusing its recruitment process, in 2023, the Company adopted a new diversity and inclusion policy in order to encourage and support diversity, equity and inclusion and actively promote a culture that values difference and eliminates discrimination in the workplace. By implementing this policy, the Company has reinforced its commitment to a workplace culture that values and promotes diversity, equity and inclusivity by recognizing differences and having a varied range of people in the workforce, which encourages diversity of thought and improved decision-making.

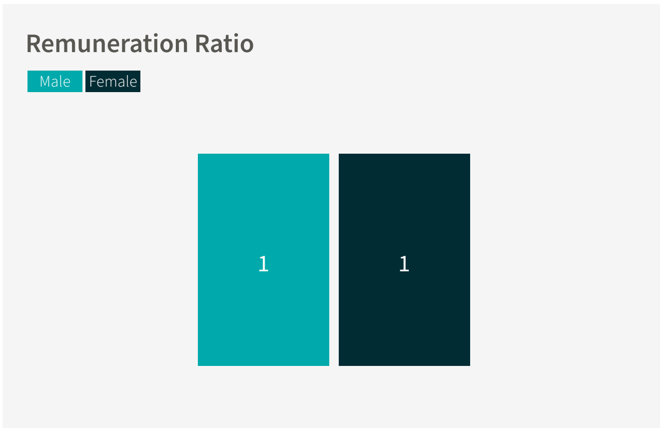
5 GENDER EQUALITY

Gender equality is guaranteed by the Company's overarching principals as set out in its HR policy and is effectively implemented in practice.

5.2 Gender Equality

Gender equality is guaranteed by the Company's overarching principles in its policies and is effectively implemented in practice.

The ratio of the male compensation to female compensation in 2023 was almost equal (1:1) based on similar roles within the Company. In addition, working hours and travel/ leave conditions, including for parental leave, are equally guaranteed to both female and male employees in the same amounts in accordance with the UAE Labour Law.



Finally, please note that the Company's MD / CEO Pay Ratio in line with industry standards and all employees are compensated fairly and in line with the market. Furthermore, senior executive remuneration is reported annually in the Company's annual Corporate Governance Report.

5.3 Non-Discrimination Policy

The Company has a non-discrimination policy which prohibits any form of discrimination based on characteristics relating to ethnicity, religion, gender or age.

5.4 Anti-harassment and Bullying Policy

The Company has an anti-harassment and bullying policy that regulates the Company's commitment to providing a working environment that is free from harassment and bullying and which ensures that all of the Company's employees are treated, and treat others, with dignity and respect.

5.5 Anti-slavery and Human Trafficking Policy

The Company is committed to conducting its business practices in a legal and ethical manner, adding value to the communities in which it operates. The Company has adopted an anti-slavery and human trafficking policy that outlines its commitment to implementing and enforcing effective systems and controls to ensure modern slavery in any form, including human trafficking is not taking place anywhere in our own businesses or in any of our supply chains.

5.6 Temporary Workers, Turnover Ratio

The Company's total annual turnover in 2023 was 10%, including through dismissal, retirement, job transition or death.

The Company temporary Worker Ratio in 2023 was below average, as there were no part-time employees in the Company. In 2023, the Company employed 1 consultant which accounted for 2% of the total headcount.

5.7 Emiratisation Rate

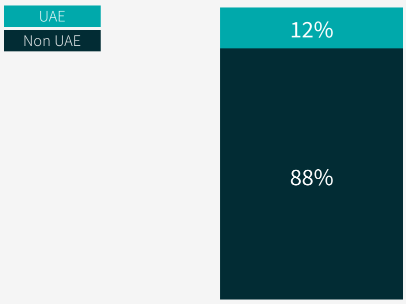
The Company is fully committed to providing meaningful and rewarding career opportunities to UAE Nationals. In close alignment with the Government, the Company operates a merit-based system that fast-tracks UAE National development into positions of responsibility, with a focus on the development of investment and asset management professionals.

The Company's 2023 "Nationalisation Criteria" was assessed to be average, with UAE National employees accounting for 12% of the Company's total employees as at the end of 2023.

10 REDUCED INEQUALITIES

The Company is fully committed to providing meaningful and rewarding career opportunities to UAE Nationals.

Emiratisation Rate



5.8 Health & Safety and Injury Rate

The Company's Occupational Health & Safety Policy remains in place and has been fully implemented. The policy is reviewed annually and is regularly updated. In terms of injury at work, there were no incidents reported in 2023. Considering the nature of the Company's business, injury at work is assessed to be less relevant topic for the Company.

5.9 Whistle-Blowers

The Company has an open approach to whistleblowing and a strong commitment to whistle-blower protection. A whistle-blower policy has been adopted and is reviewed annually. Employees are encouraged to report any concerns on any potential breach of law immediately. To ensure that potential whistle-blowers are able to report any concerns, the Company has a designated whistle-blower "hot line". In 2023, one whistleblowing report was recorded in the compliance risk registry of the Company.

Whistle-blower protection measures are also in place, and they include a non-retaliation provision that applies to people who report an incident, make a complaint, or express a concern about a legal violation or other misconduct. Our whistle-blower policy also protects those who review or investigate a complaint or concern, serve as a witness, or give background information regarding the complaint or issue.

5.10 Child Labour

The Company is committed to ensuring that it does not take part in any form of child exploitation. In furtherance of this commitment, the Company has adopted and implemented a child a labour policy.

5.11 Human Rights

Respect for human rights is a fundamental value for the Company as it acknowledges the significant impact that business has on the realisation of basic human rights in society. In this respect, the Company has zero tolerance for human rights violations and expects everyone in its value chain to ensure the same strict compliance and respect for human rights.

In furtherance of this commitment, the Company has adopted and implemented a human rights policy that focuses on the protection of business-related values including rights of workers, rights of local communities, rights to education and data privacy rights.

4 QUALITY EDUCATION

The Company employs effective measures related to access to education and life-long learning for employees.

5.12 Access to Education and Life-long Learning (ESG training)

The Company employs effective measures related to access to education and life-long learning for employees, ranging from financial support to paid business leave days for the purpose of study. Moreover, the Company is fully committed to attract, recruit, train, and retain talent, especially UAE Nationals. Prospective candidates are offered the option to be sponsored for training in order to qualify as a Certified Financial Analyst (CFA) or equivalent or to pursue a Master's degree at a reputable university.

In 2023, the Company established a sustainability working group that was headed by an external ESG consultant and included representatives from various departments within the Company. One of the key focuses of the working group was to provide education and training on ESG related topics (including the importance of the private sector in achieving the UAE's national targets and objectives associated with combating climate change).

Furthermore, the Company arranged for a number of its employees to attend an ESG master class organized by the Global Leading Conference, which provided an in-depth analysis on the impact of ESG.

5.13 Community Investments

As outlined on Page 13 in the CSR section of this Report, in 2023, the Company sought to make positive impacts in the communities in which it operates.

Section 6

Governance Standards Performance

Governance Standards Performance

6.1 Independence and Diversity of Board Members

The Company's Board comprises seven Directors. Six out of the seven Directors are non-executive directors, with five regarded as independent in accordance with the Corporate Governance Code. Each Director has the requisite knowledge, skills and expertise required to enable the Board to perform its functions efficiently and effectively. Pursuant to the Company's Articles of Association, each Director serves for a term of three years and may be re-elected to serve successive terms at the end of each three-year term.

Please note that in 2023 there were no female members on the Board or any of its Committees.

6.2 Ethics and Prevention of Corruption

Rules on ethics and the prevention of corruption are established in the Company's Code of Conduct, as well as in the Company's Anti-bribery and Corruption policy and Gifts & Entertainment policy. Employees in positions of authority are expected to make ethics and integrity a priority in their actions and conduct. Furthermore, the Company ensures that any reported cases of non-ethical behaviour and non-compliance are investigated, reported, and resolved through the appropriate authorities, and that proper records are maintained. The Company has also established a zero-tolerance policy on bribery, corruption, and fraud in accordance with UAE and other applicable laws. Compliance with these policies is promoted and reinforced annually via training and employee declarations.

The Company ensures that any reported cases of non-ethical behaviour and non-compliance are investigated, reported, and resolved through the appropriate authorities, and that proper records are maintained.

8 DECENT WORK AND ECONOMIC GROWTH

The Company has also established a zero-tolerance policy on bribery, corruption, and fraud in accordance with UAE and other applicable laws.

6.3 Code of Conduct (supply chain)

The Company's Code of Conduct promotes its commitment to the highest standards of professional and equitable behavior in everything that it does. Principally, the Code sets out:

- the minimum standard of personal conduct that the Company expects from anyone working for, or on behalf of, the Company; and
- a clear and concise suite of rules and standards that have been developed to cater for a business environment that is ethical, non-discriminatory, compliant and in adherence with the Company's principal values.

The Code also includes guidelines that ensure that all employees are aware of their personal responsibility to themselves and others in their daily activities, giving due consideration to the prevention of accidents, harm to health, environmental damage, or negative community impacts. The Code applies to all employees and representatives, including secondees. All contractors, suppliers, and business partners of the Company are also expected to comply with the Code in their business dealings with the Company.

To ensure the integrity of the Company's sourcing process for goods and services, the Company has policies and procedures in place. For instance, tenders for goods and services are conducted in an open and transparent manner and suppliers are chosen fairly based on merit.

6.4 Data Privacy

The Company values the privacy of people's personal information, especially that of its employees. In this respect, all personal records are accessible only to those who have been appropriately authorised and on a need-to-know basis.

The Company has adopted a data privacy policy that is effectively implemented and which is reviewed annually.

The Company has adopted a data privacy policy that is effectively implemented and which is reviewed annually.

Please note that the General Data Protection Regulation (GDPR) rules on data privacy are not implemented as they currently do not apply to the Company's operations and, the Company follows all data protection laws and regulations that are applicable to it.

6.5 Sustainability Reporting

This Report is the Company's third Sustainability Report. In accordance with its ongoing corporate governance obligations, the Company will continue to report on its annual ESG practices, policies and procedures.

The Company has not published any other relevant sustainability data or used sustainability reporting frameworks such as GRI, CDP, SASB, IIRC or UNGC.

Section 7

ESG Metrics - SDG Correlation Table

ESG Metrics - SDG Correlation Table

Statement of Use

Waha Capital has reported the information cited in this GRI content index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

Environment

METRIC	CALCULATION	CORRESPONDING GRI STANDARD	CORRESPONDING SDG	NOTES
E1. GHG Emissions	E1.1) Total amount in CO2 equivalents, for Scope 1 E1.2) Total amount, in CO2 equivalents, for Scope 2 (if applicable) E1.3) Total amount, in CO2 equivalents, for Scope 3 (if applicable	GRI 305: Emissions 2016	13 CLIMATE ACTION	Scope 1 – direct carbon emissions from the Company's car were app 14,300 kg of CO2 Scope 2 - not calculated For more detail, please see page No. 16
E2. Emissions Intensity	E2.1) Total GHG emissions per output scaling factor E2.2) Total non-GHG emissions per output scaling factor	GRI 305: Emissions 2016	13 CLIMATE ACTION	N/A
E3. Energy Usage	E3.1) Total amount of energy directly consumed E3.2) Total amount of energy indirectly consumed	GRI 302: Energy 2016	12 CONSUMPTION AND PRODUCTION	Energy consumption of the offices in 2023 was approximately 145,000kWH (145MW). For more detail, please see page No. 16
E4. Energy Intensity	Total direct energy usage per output scaling factor	GRI 302: Energy 2016	12 CONSUMPTION AND PRODUCTION	The total energy usage per output scaling is assessed to be high, considering the office space and number of employees For more detail, please see page No. 16
E5. Energy Mix	Percentage: Energy usage by generation type	GRI 302: Emissions 2016	7 AFFORDABLE AND CLEAN ENERGY	Energy mix supplied by the building is divided between 10% solar, 60% gas and 30% nuclear, as sourced through the national grid. For more detail, please see page No. 16
E6. Water Usage	E6.1) Total amount of water Consumed E6.2) Total amount of water reclaimed	GRI 303: Water and Effluents 2018	6 CLEAN WATER AND SANITATION	Data on the amount of the consumed water are unavailable and are assessed by the office building management. No policy or relevant measures in place on water consumption For more detail, please see page No. 16
E7. Environmental Operations	E7.1) Does your Company follow a formal Environmental Policy? E7.2) Does your Company follow specific waste, water, energy, and/or recycling policies? E7.3) Does your Company use a recognised energy management system?	GRI 2: General Disclosures 2021	12 CONSUMPTION AND PRODUCTION 8 DECENT WORK AND ECONOMIC GROWTH	No policy or relevant measures in place For more detail, please see page No. 17
E8. Environmental Oversight	Does your Management Team oversee and/or manage sustainability issues?	GRI 2: General Disclosures 2021	12 CONSUMPTION AND PRODUCTION	No policy or relevant measures in place For more detail, please see page No. 17
E9. Environmental Oversight	Does your Board oversee and/or manage sustainability issues?	GRI 2: General Disclosures 2021	12 CONSUMPTION AND PRODUCTION	Yes For more detail, please see page No. 17
E10. Climate Risk Mitigation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development		13 CLIMATE ACTION	No relevant investments recorded in 2023.

ESG Metrics - SDG Correlation Table

Social

METRIC	CALCULATION	CORRESPONDING GRI STANDARD	CORRESPONDING SDG	NOTES
S1. CEO Pay Ratio	S1.1) Ratio: CEO total compensation to median FTE total compensation S1.2) Does your Company Report this metric in regulatory filings?	GRI 2: General Disclosures 2021	10 Reduced Inequalities	Yes - policy in place and effectively implemented For more detail, please see page No. 20
S2. Gender Pay Ratio	Ratio: Median male compensation to median female compensation	GRI 405: Diversity and Equal Opportunity 2016	5 Gender Equality	Yes - policy in place and effectively implemented For more detail, please see page No. 20
S3. Employee Turnover	S3.1) Percentage: Year-over-year change for full-time employees S3.2) Percentage: Year-over-year change for part-time employees S3.3) Percentage: Year-over-year change for contractors/consultants	GRI 401: Employment 2016	8 Decent Work and Economic Growth	Yes - policy in place and effectively implemented For more detail, please see page No. 21
S4. Gender Diversity	S4.1) Percentage: Total enterprise headcount held by men and women S4.2) Percentage: Entry- and midlevel positions held by men and women S4.3) Percentage: Senior- and executive-level positions held by men and women	GRI 2: General Disclosures 2021 GRI 405: Diversity and Equal Opportunity 2016	5 Gender Equality 10 Reduced Inequalities	Yes - policy in place and effectively implemented For more detail, please see page No. 20
S5. Temporary Worker Ratio	S5.1) Percentage: Total enterprise headcount held by part-time employees S5.2) Percentage: Total enterprise headcount held by contractors and/or consultants	GRI 2: General Disclosures 2021	8 Decent Work and Economic Growth	Yes - Policy in place and effectively implemented No part-time employees recorded in 2023 and 1 consultant. For more detail, please see page No. 21
S6. Non-Discrimination	Does your Company follow a Non-discrimination policy?	GRI 3: Material Topics 202	10 Reduced Inequalities	Yes - Policy in place and effectively implemented For more detail, please see page No. 21
S7. Injury Rate	Percentage: Frequency of injury events relative to total workforce time	GRI 403: Occupational Health and Safety 2018	3 Good Health and Well-Being 8 Decent Work and Economic Growth	Yes - policy in place and effectively implemented No reported injuries in 2024 For more detail, please see page No. 22
S8. Global Health & Safety	Does your Company follow an occupational health and/or global health & safety policy?	GRI 3: Material Topics 2021	3 Good Health and Well-Being 8 Decent Work and Economic Growth	Yes - policy in place and effectively implemented For more detail, please see page No. 22
S9. Child & Forced Labour	S9.1) Does your Company follow a child and/or forced labour policy? S9.2) If yes, does your child and/or forced labour policy also cover suppliers and vendors?	GRI 3: Material Topics 2021	8 Decent Work & Economic Growth 16 Peace, Justice and Strong Institutions	Yes - policy in place and effectively implemented For more detail, please see page No. 22
S10. Human Rights	S10.1) Does your Company follow a human rights policy?	GRI 3: Material Topics 2021	3 Good Health and Well-Being 10 Reduced Inequalities 16 Peace, Justice and Strong Institutions	Yes - policy in place and effectively implemented For more detail, please see page No. 22
S11. Nationalisation	Percentage of the national employees	GRI 2: General Disclosures 2021	8 Decent Work and Economic Growth	Yes - policy in place and effectively implemented 12% of the total headcount For more detail, please see page No. 21
S12. Community Investment	Amount invested in the community, as a percentage of Company revenues.	GRI 413: Local Communities 2016	8 Decent Work and Economic Growth	In 2023 and through its CSR initiatives, the Company invested over AED 2 million via community campaigns run by the Red Crescent. In addition, in 2023, the Company established a scholarship program. For more detail, please see page No. 13

ESG Metrics - SDG Correlation Table

Governance

METRIC	CALCULATION	CORRESPONDING GRI STANDARD	CORRESPONDING SDG	NOTES
G1. Board Diversity	G1.1) Percentage: Total board seats occupied by men and women G1.2) Percentage: Committee chairs occupied by men and women	GRI 2: General Disclosures 2021 GRI 405: Diversity and Equal Opportunity 2016	5 GENDER EQUALITY	There were no board seats or committee chairs occupied by woman in 2023 For more detail, please see page No. 26
G2. Board Independence	G2.1) Does Company prohibit CEO from serving as board chair? G2.2) Percentage: Total board seats occupied by independent board members	GRI 2: General Disclosures 2021	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Yes For more detail, please see page No. 26
G3. Incentivised Pay	Are executives formally incentivised to perform on sustainability?		16 PEACE, JUSTICE AND STRONG INSTITUTIONS	No policy or relevant measures in place
G4. Supplier Code of Conduct	G4.1) Are your vendors or suppliers required to follow a Code of Conduct? G4.2) If yes, what percentage of your suppliers have formally certified their compliance with the code?	GRI 3: Material Topics 2021	12 CONSUMPTION AND PRODUCTION	Yes - policy in place and effectively implemented For more detail, please see page No. 26
G5. Ethics & Prevention of Corruption	G5.1) Does your Company follow an Ethics and/or Prevention of Corruption policy? G5.2) If yes, what percentage of your workforce has formally certified its compliance with the policy?	GRI 3: Material Topics 2021	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Yes - policy in place and effectively implemented For more detail, please see page No. 26
G6. Data Privacy	G6.1) Does your Company follow any Data Privacy policy? G6.2) Has your Company taken steps to comply with GDPR rules?	GRI 3: Material Topics 2021	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Yes - policy in place and effectively implemented (does not comply with GDPR rules as it not required) For more detail, please see page No. 27
G7. Sustainability Reporting	Does your Company publish a sustainability Report?	GRI 2: General Disclosures 2021	12 CONSUMPTION AND PRODUCTION	Yes - annually as a separate report For more detail, please see page No. 27
G8. Disclosure Practices	G8.1) Does your Company provide sustainability data to sustainability Reporting frameworks? G8.2) Does your Company focus on specific UN Sustainable Development G8.3) Does your Company set targets and Report progress on the UN SDGs?	GRI 2: General Disclosures 2021 GRI 1: Foundation 2021	12 CONSUMPTION AND PRODUCTION	No - not required for this line of business For more detail, please see page No. 27
G9. External Assurance	Are your sustainability disclosures assured or validated by a third-party audit firm?	GRI 2: General Disclosures 2021		Yes - an external expert has been engaged for the purpose of this reporting For more detail, please see page No. 3

Waha Capital PJSC

P.O. Box 28922, Abu Dhabi, UAE
T: +971 (0)2 667 7343 / F: +971 (0)2 667 7383

www.wahacapital.com

WAHA CAPITAL

Report and consolidated financial statements for the year ended 31 December 2023

TABLE OF CONTENTS

WAHA CAPITAL

CHAIRMAN'S REPORT

Dear Shareholders,

I am pleased to report that Waha Capital delivered strong financial performance in 2023, generating net profit attributable to shareholders of AED 440 million and a return on average equity of 12.1%.

The company demonstrated resilience and agility in navigating challenging market conditions and geopolitical headwinds, enabling it to make significant progress toward its strategic objectives. A testament to this resilience is the growth of the company's assets under management, which increased from AED 6.5 billion in 2022 to AED 10.5 billion by the end of 2023.

Waha Investment, the wholly-owned asset management subsidiary, saw continued success in 2023 as its flagship credit and equity funds outperformed their respective benchmarks. The decade-long track record of consistent performance helped these funds attract third-party commitments of AED 3.1 billion in 2023, a positive endorsement of its award-winning strategies by international institutional investors.

In 2023, the Private Investments business maintained its strategic focus on managing and stabilising assets under the Core Portfolio while prudently deploying capital into the Global Opportunities Portfolio. The optimisation of shareholder value through the opportunistic divestment of mature assets remains a priority for the team.

Waha Land remained steadfast in its commitment to delivering stable income and achieved a robust 95% leasing rate for its Stage 1 and Stage 2A built assets in 2023. The team completed the construction of the expansion of Stage 2B in line with its long-term strategy to develop, lease, and monetise land and built assets at ALMARKAZ.

Waha Capital's year-on-year financial performance has established a solid foundation for resilient growth in the years ahead. The team's commitment to excellence is complemented by a flexible strategy that is entirely focused on delivering value to shareholders.

I would like to take this opportunity to extend my gratitude and appreciation to the visionary leadership of the UAE government for creating the conditions for economic growth and development. The strategic decision-making of the nation's leadership has been decisive in guiding the country along a path of achievement and success.

I would also like to thank the management and employees at Waha Capital for their dedication and hard work over the last year.

Waleed Al Mokarrab Al Muhairi
Chairman

Building a better working world

Ernst & Young Middle East
(Abu Dhabi Branch)
P.O. Box 136
Nation Towers, Tower 2, Floor 27
Corniche Road West
Emirate of Abu Dhabi
United Arab Emirates

Tel: +971 2 417 4400
+971 2 627 7522
Fax: +971 2 627 3383
abudhabi@ae.ey.com
ey.com

CL No. 1001276

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

AL WAHA CAPITAL PJSC

Report on the Audit of the Consolidated Financial Statements

Opinion
We have audited the consolidated financial statements of Al Waha Capital PJSC ("the Company") and its subsidiaries (together referred to as "the Group"), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies.

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 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for opinion
We have 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 Codes of Ethics for Professional Accountants (including International Independence Standards)* (the "IESBA Code") together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements in the United Arab Emirates, 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.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

AL WAHA CAPITAL PJSC continued

Report on the Audit of the Consolidated Financial Statements continued

Key audit matters continued

Valuation of unquoted financial investments
As disclosed in note 28 to the consolidated financial statements, as at 31 December 2023, the Group had financial investments measured at fair value amounting to AED 8,653 million, representing 64% of total assets. Included in those are financial investments which require significant unobservable inputs in estimating fair value, and hence categorised within level 3 of the fair value hierarchy. As at 31 December 2023, 7% of financial investments measured at fair value were categorised within level 3. Due to the significance of financial investments measured at fair value, and the uncertainty in valuation involving significant judgement for unlisted equity and fund investments, valuation of these financial investments is considered a key audit matter.

As part of our audit procedures, we have:

- Evaluated and tested the design and operating effectiveness of key controls related to valuation of financial instruments, independent price verification, and independent model validation and approval, as applicable;

- Evaluated the valuation techniques, inputs and assumptions through comparison with the valuation techniques commonly used in the markets, validation of observable inputs using external market data, and comparison with valuation outcomes obtained from various pricing sources, as applicable;

- For valuations which used significant unobservable inputs, such as unlisted equity investments and unquoted fund investments, we involved our internal valuation specialists in assessing the models used, re-performing independent valuations, and analysing the sensitivities of valuation results to key inputs and assumptions, as applicable; and

- We have assessed the adequacy of disclosure in line with the requirements of IFRSs.

Valuation of investment properties
As disclosed in note 8 to the consolidated financial statements, the Group's investment properties amounted to AED 414 million representing 3% of total assets as at 31 December 2023.

The investment properties arose from the recognition of a portion of the land granted by the Abu Dhabi Government. The Group accounts for investment properties initially at cost and subsequently measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss. The Group uses independent valuers to determine the fair value of the investment properties on an annual basis.

As the fair value is determined based on level 3 valuation methodologies, it requires management to apply significant judgement in determining the fair value of investment properties. We have identified the recognition and valuation of investment properties as a key audit matter in view of the significant judgments involved.

Report on the Audit of the Consolidated Financial Statements continued

Key audit matters continued

Valuation of investment properties continued
As part of our audit procedures, we have:

- Obtained an understanding of the design and implementation of key controls around the underlying processes and methodologies implemented by management in recognizing and performing valuation of investment properties, as applicable;

- Assessed the external valuer's competence, capabilities and objectivity by perusing their terms of engagement with the Group to determine whether there were any matters that might have affected their objectivity or may have imposed any scope limitations in their work;

- Involved our real estate specialists to assist us in evaluating the key assumptions and methodologies of both management and the external valuer. With the assistance of our real estate specialists, we have assessed whether the valuations were performed in accordance with Royal Institution of Chartered Surveyors Valuation Professional Standards;

- Gained an understanding of both management and the external valuer's valuation methodologies and their assumptions applied such as rental yields, discount rates etc. by comparing yields on a sample of similar properties and by evaluating the extent to which the movements in valuations were consistent with our industry knowledge and comparable market transactions, as applicable;

- Compared a sample of key inputs used in the valuation models, such as rental income, occupancy and current tenancy contracts to lease contracts to ensure the accuracy of the information supplied to the external valuer by management; and

- We have assessed the adequacy of disclosure in line with the requirements of IFRSs.

Other information
Other information consists of the information included in the Chairman's Report, Management's Discussion and Analysis and Annual report, other than the consolidated financial statements and our auditor's report thereon. We obtained the Chairman's Report and Management Discussion and Analysis prior to the date of our audit report, and we expect to obtain the Annual Report after the date of our auditor's opinion. The Board of Directors and management are responsible for the other information.

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 or the other information obtained prior to the date of the auditor's opinion, 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.

Report on the Audit of the Consolidated Financial Statements continued

Responsibilities of management and those charged with governance for the consolidated financial statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs and in compliance with the applicable provisions of the Memorandum and Articles of Association of the Company and the UAE Federal Law No. (32) of 2021, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated 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 auditor's 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 ISA 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 judgment and maintain professional skepticism throughout the audit.

- 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 management.

Report on the Audit of the Consolidated Financial Statements continued

Auditor's responsibilities for the audit of the consolidated financial statements continued

We also:

- Conclude on the appropriateness of management's 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 auditor's 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 auditor's 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 those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

AL WAHA CAPITAL PJSC continued

Report on Other Legal and Regulatory Requirements

As required by UAE Federal Law No. (32) of 2021, we report that for the year ended 31 December 2023:

i) we have obtained all the information and explanations we considered necessary for the purposes of our audit;

ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (32) of 2021 and the Memorandum and Articles of Association of the Company;

iii) the Group has maintained proper books of account;

iv) the financial information included in the Chairman's Report is consistent with the books of account of the Group;

v) Investment in shares and stocks are included in notes 11 and 12 to the consolidated financial statements and include purchases and investment made by the Group during the year ended 31 December 2023;

vi) note 25 to the consolidated financial statements reflects the disclosures relating to material related party transactions and the terms under which they were conducted;

vii) based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened, during the financial year ended 31 December 2023, any of the applicable provisions of the UAE Federal Law No. (32) of 2021 or of its Memorandum and Articles of Association which would materially affect its activities or its consolidated financial position as at 31 December 2023; and

viii) note 22 to the consolidated financial statements discloses social contributions made during the year ended 31 December 2023.

Signed by
Walid Nakfour
Partner
Ernst & Young
Registration No. 5479

13 February 2024
Abu Dhabi

Consolidated statement of financial position
As at 31 December

	Note	2023 AED '000	2022 AED '000
ASSETS			
Property and equipment, net	7	**12,966**	18,137
Right-of-use assets	19	**23,431**	35,245
Investment property	8	**413,450**	282,232
Goodwill and intangible assets	9	**37,081**	36,964
Loan investments	10	**46,340**	40,749
Investments in equity-accounted joint ventures	11	**88,313**	95,505
Financial investments	12	**8,652,900**	6,873,932
Inventories		**2,522**	2,216
Trade and other receivables	13	**2,928,422**	848,172
Cash and bank balances	14	**866,942**	797,349
		13,072,367	9,030,501
Assets held for sale	24	**468,515**	466,940
Total assets		**13,540,882**	9,497,441
EQUITY AND LIABILITIES			
Equity			
Share capital	15	**1,944,515**	1,944,515
Treasury shares	15	**(187,066)**	(161,194)
Retained earnings		**1,383,212**	1,140,733
Reserves		**616,912**	577,069
Equity attributable to the Owners of the Company		**3,757,573**	3,501,123
Non-controlling interests		**2,911,542**	1,827,823
Total equity		**6,669,115**	5,328,946
Liabilities			
Borrowings	16	**5,955,844**	3,585,715
Financial liabilities	17	**218,866**	72,644
Deferred tax liability		**3,286**	-
Lease liabilities	19	**21,420**	34,368
Trade and other liabilities	18	**672,351**	475,768
Total liabilities		**6,871,767**	4,168,495
Total equity and liabilities		**13,540,882**	9,497,441

These consolidated financial statements were authorised for issue by the Board of Directors on 13 February 2024 and signed on their behalf by:

Chairman	**Vice Chairman**	**Managing Director**

The notes numbered 1 to 28 are an integral part of these consolidated financial statements.
The independent auditor's report on the consolidated financial statements is set out on pages 2 to 7.

Consolidated statement of profit or loss
For the year ended 31 December

	Note	2023 AED '000	2022 AED '000
Revenue from sale of goods and services	20	**140,433**	111,519
Cost of sale of goods and services	20	**(107,456)**	(90,368)
Gross profit		**32,977**	21,151
Share of profit from equity-accounted associates and joint ventures, *net*	11	**5,059**	13,410
Gain on disposal of equity-accounted associates and joint ventures	11	**5,021**	160,742
Income from financial investments, *net*	21	**1,089,438**	466,718
Income from investment property, *net*	8	**59,790**	45,570
Other income, *net*		**30,116**	12,728
Net operating income		**1,222,401**	720,319
General and administrative expenses	22	**(259,650)**	(174,413)
Finance cost, *net*	23	**(139,311)**	(119,885)
Profit before tax from continuing operations		**823,440**	426,021
Deferred tax expense		**(3,286)**	-
Profit for the year from continuing operations		**820,154**	426,021
Discontinued operations			
Loss for the year	24	**-**	(9,887)
Gain on disposal of a subsidiary	5.3	**-**	32,653
Profit for the year from discontinued operations		**-**	22,766
Profit for the year		**820,154**	448,787
Profit for the year attributable to:			
Owners of the Company		**440,102**	344,372
Non-controlling interests		**380,052**	104,415
Profit for the year		**820,154**	448,787
Basic and diluted earnings per share attributable to the Owners of the Company (AED)	15	**0.234**	0.184
Basic and diluted earnings per share from continuing operations attributable to the Owners of the Company (AED)		**0.234**	0.168

The notes numbered 1 to 28 are an integral part of these consolidated financial statements.
The independent auditor's report on the consolidated financial statements is set out on pages 2 to 7.

Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 December

	2023 AED '000	2022 AED '000
Profit for the year	**820,154**	448,787
Other comprehensive loss		
Items that may be reclassified subsequently to profit or loss:		
Share of changes in other reserves of equity-accounted associates and joint ventures (note 11.2)	**(4,255)**	(4,247)
Release of share of other reserves of equity-accounted associates and joint ventures upon disposal (note 11.2)	**88**	2,213
Other comprehensive loss for the year	**(4,167)**	(2,034)
Total comprehensive income for the year	**815,987**	446,753
Total comprehensive income attributable to:		
Owners of the Company	**435,935**	342,338
Non-controlling interests	**380,052**	104,415
Total comprehensive income for the year	**815,987**	446,753

The notes numbered 1 to 28 are an integral part of these consolidated financial statements.
The independent auditor's report on the consolidated financial statements is set out on pages 2 to 7.

Consolidated statement of changes in equity
For the year ended 31 December

	Share capital AED '000	Treasury shares AED '000	Retained earnings AED '000	Statutory reserve AED '000	Other reserves AED '000	Total reserves AED '000	Equity attributable to Owners of the Company AED '000	Non-controlling interests AED '000	Total equity AED '000
At 1 January 2022	1,944,515	(267,184)	1,089,852	549,192	(4,526)	544,666	3,311,849	1,479,541	4,791,390
Profit for the year	-	-	344,372	-	-	-	344,372	104,415	448,787
Other comprehensive loss	-	-	-	-	(2,034)	(2,034)	(2,034)	-	(2,034)
Total comprehensive income / (loss)	-	-	344,372	-	(2,034)	(2,034)	342,338	104,415	446,753
Cash dividend (note 15)	-	-	(138,807)	-	-	-	(138,807)	-	(138,807)
Bonus shares	-	113,515	(113,515)	-	-	-	-	-	-
Purchase of treasury shares, net	-	(7,525)	-	-	-	-	(7,525)	-	(7,525)
Transfer to statutory reserve	-	-	(34,437)	34,437	-	34,437	-	-	-
Loss on acquisition of non-controlling interests	-	-	(9,488)	-	-	-	(9,488)	7,198	(2,290)
Contributions from non-controlling interests, net (note 5.2)	-	-	-	-	-	-	-	202,300	202,300
Disposal of a subsidiary	-	-	2,756	-	-	-	2,756	34,369	37,125
At 31 December 2022	**1,944,515**	**(161,194)**	**1,140,733**	**583,629**	**(6,560)**	**577,069**	**3,501,123**	**1,827,823**	**5,328,946**
At 1 January 2023	1,944,515	(161,194)	1,140,733	583,629	(6,560)	577,069	3,501,123	1,827,823	5,328,946
Profit for the year	-	-	440,102	-	-	-	440,102	380,052	820,154
Other comprehensive loss	-	-	-	-	(4,167)	(4,167)	(4,167)	-	(4,167)
Total comprehensive income / (loss)	-	-	440,102	-	(4,167)	(4,167)	435,935	380,052	815,987
Cash dividend (note 15)	-	-	(150,681)	-	-	-	(150,681)	-	(150,681)
Purchase of treasury shares, net	-	(25,872)	-	-	-	-	(25,872)	-	(25,872)
Transfer to statutory reserve	-	-	(44,010)	44,010	-	44,010	-	-	-
Loss on acquisition of non-controlling interests	-	-	(2,932)	-	-	-	(2,932)	(1,605)	(4,537)
Contributions from non-controlling interests, net (note 5.2)	-	-	-	-	-	-	-	708,115	708,115
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(2,843)	(2,843)
At 31 December 2023	**1,944,515**	**(187,066)**	**1,383,212**	**627,639**	**(10,727)**	**616,912**	**3,757,573**	**2,911,542**	**6,669,115**

The notes numbered 1 to 28 are an integral part of these consolidated financial statements.
The independent auditor's report on the consolidated financial statements is set out on pages 2 to 7.

Consolidated statement of cash flows
For the year ended 31 December

	Note	2023 AED '000	2022 AED '000
Cash flows from operating activities			
Profit for the year from continuing operations		**820,154**	426,021
Profit for the year from discontinued operations		**-**	22,766
Profit for the year		**820,154**	448,787
Adjustments for:			
Depreciation on property and equipment, net	7	**8,604**	11,207
Depreciation on right-of-use assets	19	**11,814**	12,505
Finance cost, *net*		**139,311**	123,922
Charge for employees' end of service benefits		**4,465**	5,567
Income from financial assets at fair value through profit or loss	21	**(1,089,438)**	(466,718)
Share of profit from equity-accounted associates and joint ventures, *net*	11.2	**(5,059)**	(13,410)
Gain on disposal of equity-accounted associates and joint ventures	11.1	**(5,021)**	(160,742)
Gain on disposal of investment property	8	**-**	(554)
Fair value gain on investment property	8	**(15,061)**	(508)
Dividend from equity-accounted associates and joint ventures	11.2	**5,186**	13,035
Amortisation and write-off intangible assets	9	**-**	316
Provision for expected credit losses		**6,947**	4,058
Proceeds from disposal of equity-accounted associates and joint ventures		**7,919**	233,820
Investments in financial assets at FVTPL		**(543,308)**	(21,172)
Loans obtained / (repaid) for financial assets at FVTPL	16	**2,305,404**	(296,999)
Finance cost paid on loans obtained against financial assets at FVTPL		**(63,385)**	(46,009)
Interest expense on lease liabilities	19	**(1,888)**	(6,131)
Gain on disposal of subsidiary	5.3	**-**	(32,653)
Changes in working capital:			
Change in inventories		**(306)**	(169)
Change in trade and other receivables		**(2,079,962)**	(221,984)
Change in trade and other liabilities		**168,968**	74,976
Net cash used in operations		**(324,656)**	(338,856)
Employees' end of service benefits paid		**(1,247)**	(3,533)
Net cash used in from operating activities		**(325,903)**	(342,389)
Cash flows from investing activities			
Purchase of intangibles, net	9	**(107)**	(30)
Payments made for development of investment property	8	**(117,732)**	(40,374)
Purchase of property and equipment, net	7	**(3,433)**	(6,415)
Proceeds from disposal of a subsidiary, net of cash disposed	5.3	**-**	62,405
Proceeds from disposal of investment properties		**-**	4,155
Interest received	23	**45,129**	10,554
Net cash (used in) / generated from investing activities		**(76,143)**	30,295
Cash flows from financing activities			
Finance cost paid on borrowings		**(119,102)**	(82,336)
Lease liabilities principal paid		**(12,948)**	(10,179)
Loans repaid	16	**(34,546)**	(275,190)
Loans obtained	16	**91,971**	35,344
Dividends paid	15	**(150,681)**	(138,807)
Contributions from non-controlling interest holders, net		**708,115**	202,300
Acquisition non-controlling interest holders		**(4,537)**	(2,290)
Distributions paid to non-controlling interest holders		**(2,843)**	-
Proceeds from treasury shares sale		**1,801**	-
Loan investment provided including accrued interest		**(5,591)**	(40,749)
Net cash generated from / (used in) financing activities		**471,639**	(311,907)
Net increase / (decrease) in cash and cash equivalents		**69,593**	(624,001)
Cash and cash equivalents at 1 January		**797,349**	1,421,350
Cash and cash equivalents on 31 December	14	**866,942**	797,349

The notes numbered 1 to 28 are an integral part of these consolidated financial statements.
The independent auditor's report on the consolidated financial statements is set out on pages 2 to 7.

Notes to the consolidated financial statements

1 Legal status and principal activities

Al Waha Capital PJSC (the "Company") is a public joint stock company with limited liability, formed in the Emirate of Abu Dhabi, United Arab Emirates, by Emiri Decree No. 10 dated 20 May 1997 and incorporated on 12 July 1997.

These consolidated financial statements comprise the results and financial position of the Company and its subsidiaries (collectively referred to as the "Group") and the Group's interest in jointly controlled entities ("joint ventures").

The Group invests in a wide range of sectors, including public markets, industrial real estate, infrastructure, healthcare, fintech and oil and gas.

2 Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and applicable requirements of the UAE laws.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for investment property and certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group considers the characteristics of the asset or liability if market participants would consider those characteristics when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(c) Functional currency and presentation currency

The functional currency of the Company is the US Dollar ("US$"). The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of these consolidated financial statements, the results and financial position of the Group are presented in United Arab Emirates Dirhams ("AED"), which is the Group's presentation currency. All financial information presented in AED has been rounded to the nearest thousand, unless otherwise stated.

Notes to the consolidated financial statements (continued)

2 Basis of preparation (continued)

(d) New and revised IFRS

(i) New and revised IFRSs adopted with no material effect on the consolidated financial statements

In the current year, the Group has applied a number of standards and amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2023, as follows:

New and revised IFRSs	**Effective for annual periods beginning on or after**
IFRS 17 *Insurance Contracts*	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8 - Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

The application of these revised and new IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

(ii) New and revised IFRSs in issue but not yet effective and not early adopted

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

New and revised IFRSs	**Effective for annual periods beginning on or after**
Amendments to IAS 1 - Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements	1 January 2024

Notes to the consolidated financial statements (continued)

2 Basis of preparation (continued)

(e) New regulations

UAE corporate income tax

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime is effective from 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for accounting periods beginning on or after 1 June 2023.

Decision No. 116 of 2022 (published in December 2022 and considered to be effective from 16 January 2023) specifies that taxable income not exceeding AED 375,000 would be subject to the 0% UAE CT rate, and taxable income exceeding AED 375,000 would be subject to the 9% UAE CT rate. With the publication of this Decision, the UAE CT Law is considered to be substantively enacted for the purposes of accounting for Income Taxes.

The UAE CT Law shall apply to the Group with effect from 1 January 2024. The MoF continue to issue supplemental Decisions of the Cabinet of Ministers of the UAE (Decisions) to further clarify certain aspects of the UAE CT Law. Such Decisions, and other interpretive guidance of the UAE Federal Tax Authority, are required to fully evaluate the impact of the UAE CT Law on the Group.

Since the provisions of UAE CT law will apply to Tax Periods commencing on or after 1 June 2023, the related current taxes shall be accounted for in the financial statements for the period beginning 1 January 2024. However, the related deferred tax accounting impact has been considered for the financial year ended 31 December 2023.

The Group will continue to monitor the publication of subsequent Decisions and related guidance, as well as continuing its more detailed review of its financial matters, to consider any changes to the position at subsequent reporting dates.

3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries.

(i) Subsidiaries

Consolidation of a subsidiary is achieved when the Company obtains control over the investee and ceases when the Company loses control of the investee. Control is achieved when the Company:

- has power over the investee.
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the investee.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(i) Subsidiaries (continued)

Profit or loss and each component of other comprehensive income are attributed to the Owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup balances, equity, income, expenses, and cash flows resulting from intragroup transactions are eliminated in full on consolidation.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders.
- potential voting rights held by the Company, other vote holders or other parties.
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group’s interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to Owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and the liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, or when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

(ii) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(ii) Business combinations (continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IFRS 9, or IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

(iii) Investments in equity accounted associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group’s interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(iii) Investments in equity accounted associates and joint ventures (continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(iv) Associates designated at FVTPL

Interests in associates that are held as part of the Group's investment portfolio are carried in the consolidated statement of financial position at fair value. IAS 28 *Investments in Associates and Joint Ventures*, allows investments in associates held by venture capital organizations to be designated, upon initial recognition, as at fair value through profit or loss and accounted for in accordance with IFRS 9, with changes in fair value recognized in the consolidated statement of profit or loss in the period of the change.

(b) Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an equity accounted associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified a held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with IFRS 9 unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method (refer to note 3 (a)(iii)).

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

All other notes to the consolidated financial statements include amounts for continuing operations, unless indicated otherwise.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(c) Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment loss. The cost of property and equipment is the purchase cost plus any directly attributable cost of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised 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 expenses are charged to the statement of profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the assets' cost to their residual value over their estimated useful life, on the following basis:

Description	Estimated useful lives
Leasehold improvements	3 to 5 years
IT equipment, furniture and fittings	3 to 5 years
Medical and other equipment	5 to 7 years
Motor vehicles	3 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit or loss.

(d) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Cost includes all direct costs attributable to bringing the assets to the location and condition necessary for the asset to operate in the manner intended, including related staff costs, design, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. When the assets are ready for intended use, they are transferred from work-in-progress to completed properties. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised 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 profit or loss in the period in which the property is derecognised.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(e) Goodwill and intangible assets

(i) Goodwill

Goodwill arising upon an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. Recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an equity accounted investee is described at note 3 (a) (iii) above.

(ii) Other intangible assets acquired in a business combination

Other intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost), and include trademarks, licenses contracts and software.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Amortisation is recognised on a straight-line basis over the estimated useful lives of intangible assets, on the following basis:

Description	Estimated useful lives
Trademarks	5 to 10 years
Licenses	5 years
Contract	5 years
Software	3 to 5 years

The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(iii) De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(f) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(g) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is determined using the weighted average method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated selling expenses. Allowance for obsolete and slow-moving inventory is made to reduce the carrying amount of inventories to their net realisable value.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(i) Financial instruments

(i) Initial recognition

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument except for “regular way” purchases and sale of financial assets which are recognised on trade date basis (other than derivative assets).

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Options which are acquired at transaction cost, with a different day one fair value based on unobservable inputs, are initially recognised at fair value; and any differences between fair value and transaction cost are deferred into unearned income, which is recycled into profit and loss account over the life of the options. Any subsequent changes on the re-measurement of fair value are presented in profit and loss account.

(ii) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Debt instruments
Debt instruments are classified and subsequently measured at either amortised cost or fair value on the basis of the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Debt instruments are measured at amortised cost, net of any write down for impairment, only if (i) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest calculated using the effective interest method is recognised in profit or loss and is included in ‘Finance cost, net’. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Group may choose at initial recognition to designate a debt instrument that otherwise qualifies to be measured at amortised cost or as at fair value through profit or loss (FVTPL) if doing so eliminates or significantly reduces an accounting mismatch. All other debt instruments must be measured as at FVTPL.

Debt instruments are reclassified from amortised cost to FVTPL when the business model is changed such that the amortised cost criteria are no longer met. Reclassification of debt instruments that are designated as at FVTPL on initial recognition is not allowed.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(i) Financial instruments (continued)

(ii) Financial assets (continued)

Other financial assets measured at amortised cost
Trade and other receivables, loan investments and cash and bank balances are measured at amortised cost less any impairment. Interest income is recognised on an effective interest basis, except for short term receivables when the recognition of interest would be immaterial.

Cash and cash equivalents include cash on hand and deposits held with banks for working capital purposes (excluding deposits held under lien) and term and Wakala deposits of original maturity less than 3 months.

Equity instruments
A financial asset is held for trading if:
- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Investments in equity instruments designated at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the investments. The Group holds equity investments and has not elected to carry these investments at FVTOCI with changes in fair value through other comprehensive income.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established in accordance with IFRS 15 *Revenue from Contracts with Customers*, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends earned are recognised in profit or loss and are included in 'other income, net'.

(iii) Financial liabilities and equity instruments

Classification as debt or equity
Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised as the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(i) Financial instruments (continued)

(iii) Financial liabilities and equity instruments (continued)

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies are measured in accordance with the specific accounting policies set out below.

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and the entire combined contract is designated as at FVTPL in accordance with IFRS 9.

Financial liabilities designated at FVTPL are stated at fair value. Any gains or losses arising on remeasurement of held for trading financial liabilities are recognised in profit or loss. Such gains or losses that are recognised in profit or loss incorporate any interest paid on the financial liabilities and are included in the ‘Income from financial investments’ line item in the consolidated statement of profit or loss.

However, for non-held for trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss.

Gains or losses on financial guaranteed contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(i) Financial instruments (continued)

(iii) Financial liabilities and equity instruments (continued)

Financial liabilities (continued)

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance cost, *net*' line item in the consolidated statement of profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(iv) Reclassification

For financial assets, reclassification is required between FVTPL, FVTOCI and amortised cost; if and only if the Group's business model objective for its financial assets changes so its previous model assessment would no longer apply.

If reclassification is appropriate, it must be done prospectively from the reclassification date which is defined as the first day of the first reporting period following the change in business model. The Group does not restate any previously recognised gains, losses, or interest.

Reclassification is not allowed for:

- equity investments measured at FVTOCI, or
- where the fair value option has been exercised in any circumstance for a financial asset or financial liability.

(v) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. On derecognition of a financial asset, the difference between the carrying amount of the asset and the consideration received is recognised in:

- Profit or loss, for securities measured at amortised cost or FVTPL, or
- Other comprehensive income, for investments at FVTOCI. At the time of derecognition of FVTOCI investment any revaluation reserve is transferred to retained earnings.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(i) Financial instruments (continued)

(vi) Offsetting

Financial assets and liabilities are offset and reported net in the consolidated statement of financial position only when there is a legally enforceable right to set off the recognised amounts and when the Group intends to settle either on a net basis, or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

The Group is party to a number of arrangements, including master netting agreements that give it the right to offset financial assets and financial liabilities but, where it does not intend to settle the amounts net or simultaneously, the assets and liabilities concerned are presented on a gross basis.

(vii) Repurchase and reverse repurchase contracts

Securities sold subject to a commitment to repurchase them at a predetermined price at a specified future date (repos) continue to be recognised in the consolidated statement of financial position and a liability is recorded in respect of the consideration received under borrowings. Assets purchased with a corresponding commitment to resell at a specified future date (reverse repos) are not recognised in the consolidated statement of financial position. Amounts placed under these agreements are included in 'Reverse-repo contracts' within 'Financial investments'.

(viii) Foreign exchange gains and losses

The fair value of financial assets and liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. The foreign exchange component forms part of its fair value gain or loss. Therefore,

- for financial assets and liabilities that are classified as at FVTPL, the foreign exchange component is recognised in profit or loss; and
- for financial assets that are equity instruments and designated as at FVTOCI, any foreign exchange component is recognised in other comprehensive income.

For foreign currency denominated financial assets and liabilities measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the financial assets and are recognised in the 'Income from financial investments' line item in the consolidated statement of profit or loss.

(ix) Derivative financial instruments

The Group enters into a variety of derivative financial instruments, including equity price collars, foreign exchange forward contracts and interest rate swaps to manage its exposure to equity price, interest rate and foreign exchange rate risks.

In addition, the Group acquired options and warrants (the Options), pursuant to which the Group can increase its ownership stake in equity accounted associates and joint ventures. Further details of derivative financial instruments are disclosed in note 12.

Derivatives are initially recognised at fair value on the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit immediately unless: (i) the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship or (ii) the derivative is capitalised as unearned income and subsequently recognised in profit or loss over the life of the options and warrants.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(i) Financial instruments (continued)

(ix) Derivative financial instruments (continued)

Embedded derivatives
Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

(x) Hedge accounting

The Group has designated its equity price collars, in respect of its cash flow risk resulting from changes in equity price on a forecasted sale of equity accounted investee, as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Note 12 sets out details of the fair values of the derivative instruments used for hedging purposes.

Cash flow hedges
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of revaluation reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in “other income, net”.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss, in the same line of the consolidated statement of profit or loss as the recognised hedged item. If a hedged forecast transaction subsequently results in the recognition of a non-financial item or becomes a firm commitment for which fair value hedge accounting is applied, the amount that has been accumulated in the revaluation reserve is removed and included directly in the initial cost or other carrying amount of the asset or the liability.

When the Group discontinues hedge accounting for a cash flow hedge, if the hedged future cash flows are still expected to occur, the amount that has been accumulated in the cash flow hedge reserve remains there until the future cash flows occur; if the hedged future cash flows are no longer expected to occur, that amount is immediately reclassified to profit or loss.

When the Group separates the intrinsic value and time value of an option contract and designates as the hedging instrument only the change in intrinsic value of the option, it recognises some or all of the change in the time value in other comprehensive income which is later removed or reclassified from equity as a single amount or on an amortised basis (depending on the nature of the hedged item) and ultimately recognised in profit or loss.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group will adjust the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(i) Financial instruments (continued)

(xi) Impairment of financial assets

Under IFRS 9, the Group recognises a loss allowance for expected credit losses on financial assets. No impairment loss is recognised for investments in equity instruments which are carried at FVTPL. The amount of expected credit losses (ECL) is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group applies the IFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for its trade and other receivables. Further, the Group applies the general approach for all other financial assets carried at amortised cost.

The Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal rating.
- significant deterioration in external market indicators of credit risk for a particular financial instrument (e.g. a significant increase in the credit spread);
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.
- an actual or expected significant deterioration in the operating results of the debtor.
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(i) Financial instruments (continued)

(xi) Impairment of financial assets (continued)

Significant increase in credit risk (continued)
Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- the financial instrument has a low risk of default.
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default
The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without considering any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets
A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower.
- a breach of contract, such as a default or past due event.
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.
- it is becoming probable that the borrower will enter bankruptcy or another financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(i) Financial instruments (continued)

(xi) Impairment of financial assets (continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of financial assets at amortised cost, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. The exposure at default for financial assets is represented by the assets' gross carrying amount at the reporting date. The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments.
- Past-due status.
- Nature, size and industry of debtors.
- Nature of collaterals, if applicable; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

The Group recognises an impairment amount in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through an allowance for expected credit losses account.

(j) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

(k) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates, and other similar allowances.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(k) Revenue recognition (continued)

(i) Sale of goods and services

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

Step 1 Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2 Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
Step 3 Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
Step 5 Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The Group's performance does not create an asset with an alternate use to the Group and the Group has as an enforceable right to payment for performance completed to date.
b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
c) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

The Group recognises revenue from the sale of goods and services from the following:

a) healthcare services to patients at its various clinics.
b) laboratory services to patients for tests requested by patients or prescribed by doctors; and
c) contracts with customers for the sale of pharmacy items including medicines and other consumables

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(k) Revenue recognition (continued)

(ii) Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(iii) Rental income

The Group's policy for recognition of revenue from operating leases is described in note (l) below.

(iv) Public markets transactions

The Group has arranged debt capital financing on behalf of its clients for the acquisition of high value items, such as vessels and aircraft. The Group earns income from arranging, advising on and administering such transactions, which are accounted for in accordance with IFRS 15 *Revenue from Contracts with Customers*. Fee income earned from the provision of services is recognized as revenue when the services are performed.

(l) Leasing

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) The Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

(ii) The Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(l) Leasing (continued)

Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short- term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(m) Employee benefits

The provision for employees' end of service benefit is calculated in accordance with the UAE Federal Labour Law and is recognised as an expense in the consolidated statement of profit and loss on an accrual basis.

Pension contribution for GCC nationals is recognised as an expense in the consolidated statement of profit and loss on an accrual basis.

Liabilities recognised in respect of other long-term employee benefits, included in trade and other liabilities, are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

(n) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(o) Government grants

The Group believes that, in most cases, when land is initially received through government grants, the probability that future economic benefits will flow to the Group is uncertain, since, until the Group has established plans to utilise the land, it is possible that such land may revert back to the government. In addition, in the absence of identified use of the land, the amount of future economic benefits cannot be determined with reasonable certainty. Accordingly, land so received is not initially recognised in the consolidated financial statements until certain events occur, which enable management to conclude that it becomes probable that future economic benefits will flow to the Group from its ownership of such land.

Land received as government grants that do not meet the criteria that future economic benefits will flow to the Group, are not recognised, but their existence is disclosed in the consolidated financial statements. The determination of whether future economic benefits will flow to the Group is made by management using guidelines approved by the Board of Directors; each such determination is also approved by the Board of Directors. Once the determination is made, land is recognised in the financial statements at nominal value.

At the point of such initial recognition, and subsequently, at each reporting date, an assessment is made by the Group as to the ultimate use of the land, and based on such assessment, the land is transferred to the relevant asset category (such as investment property, property, plant and equipment or inventory) depending on its intended use, and is thereafter accounted for using the accounting policy in place for that relevant asset category.

(p) Statutory reserve

In accordance with the Companies Law and the Company's Articles of Association, 10% of the profit after tax is transferred at the end of each financial year to a non-distributable statutory reserve. Such transfers are required to be made until the balance of the statutory reserve equals one half of the Company's paid up share capital.

(q) Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(r) Taxes

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Notes to the consolidated financial statements (continued)

3 Significant accounting policies (continued)

(r) Taxes (continued)

Deferred tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Notes to the consolidated financial statements (continued)

4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates or assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

(a) Key sources of estimation uncertainty

(i) Investment property valuation

The Group's investment properties are revalued at the end of the reporting period by management with reference to accredited independent appraisers having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The fair values are based on market values, being the estimated consideration that would be exchanged at an arms' length transaction between knowledgeable market participants at measurement date.

In the absence of reliable estimates of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated future cash flows expected to be received from the property considering income capitalization approach, comparable method and residual value method. Based on the revaluation, a fair value increase of AED 15,061 thousand was recognised in the current year (2022: AED 508 thousand). The fair valuation methodology of the investment properties are disclosed in note 8.

(ii) Impairment of equity-accounted associates and joint ventures

The investment in equity accounted associates was tested for potential impairment, by comparing its carrying amount and recoverable amount.

The recoverable amount of the investment in Petronash was determined using the income approach (discounted cash flows), the market approach (EBIDA multiples) including an analysis over the operational and financial performance of the Company.

Based on estimates of recoverable amount developed in accordance with these assumptions, an impairment of nil was recognised (2022: nil).

(iii) Impairment of goodwill

Goodwill arising from the acquisition of the Healthcare subsidiaries was tested for impairment during the year. The critical estimates involved are disclosed in note 9.

(iv) Allowance for expected credit losses

The Group has estimated the recoverability of trade and other receivables, and loan investments and has considered the allowance required for Expected Credit Losses ("ECL").

The Group applies the IFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for its trade and other receivables. Further, the Group applies the general approach for all other financial assets carried at amortised cost.

Notes to the consolidated financial statements (continued)

4 Critical accounting judgements and key sources of estimation uncertainty (continued)

(a) Key sources of estimation uncertainty (continued)

(iv) Allowance for expected credit losses (continued)

ECL are measured as an allowance equal to 12 months ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group considers qualitative and quantitative reasonable and supportable forward-looking information.

As at 31 December 2023, provision for expected credit losses on trade receivables amounting to AED 1,722,709 thousand (2022: AED 129,556 thousand) amounted to AED 16,815 thousand (2022: AED 16,832 thousand) and provision for expected credit losses on other receivables amounting to AED 69,529 thousand (2022: AED 61,710 thousand) amounted to AED 5,243 thousand (2022: AED 534 thousand). Any difference between the amounts actually collected in future periods and the amounts expected to be received will be recognised in the consolidated statement of profit or loss.

(v) Fair value of financial instruments

The Group has financial assets and liabilities that are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Information about the valuation techniques and inputs used in determining the fair value of various financial assets and liabilities are disclosed in note 28.

(b) Critical accounting judgements

(i) Possibility of future economic benefits from land received as government grant

Refer to note 3(o) for a description of judgements used to ascertain the possibility of future economic benefits from land received as government grant.

(ii) Initial recognition of options and warrants related to Petronash

Further to the acquisition of Petronash, the Group also acquired additional rights in the form of options and warrants (the Options) on zero-cost basis, pursuant to which the Group can increase its ownership up to 50% and are classified as financial assets measured at FVTPL. Since the day 1 fair value was derived using unobservable inputs, the fair value at initial recognition was deferred as unearned income and is recycled into profit and loss account over the life of the Options. On subsequent re-measurement, the change in fair value is recognised into profit and loss account.

(iii) Determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

(iv) Discount rate used for initial measurement of lease liabilities

The Group, as a lessee, measures the lease liabilities at the present value of the unpaid lease payments at the commencement date. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Group on initial recognition of the lease uses its incremental borrowing rate. Incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in similar economic environment. The Company determined its incremental borrowing rate at 5.28% - 7.00% in respect of the lease liabilities (note 19).

Notes to the consolidated financial statements (continued)

5 Composition of the Group

5.1 Subsidiaries

Details of the Group's material subsidiaries at the end of the reporting period are as follows.

Subsidiary	Country of incorporation	Principal activity	Group's shareholding 2023	2022
Private Investments				
Al Waha Land LLC	UAE	Industrial Real Estate	**100%**	100%
WPI Health Investment LLC [3]	UAE	Healthcare	**100%**	100%
Waha VAS Limited [1]	Cayman Islands	Investment in Optasia	**100%**	100%
Waha Energy Limited [2]	Cayman Islands	Energy	**100%**	100%
Asset Management				
Waha Investment PrJSC	UAE	Investment manager	**100%**	100%
Waha Investment Management Company SPC[4]	Cayman Islands	Financial investments	**100%**	100%

[1] Holding Company carrying an investment in Optasia (note 11).

[2] Holding Company carrying special purpose vehicles for investments in Petronash Global Limited and NESR Corp (note 11 and 12).

[3] During 2022, the Group has restructured its owned healthcare subsidiaries. As part of the restructuring, the Group founded a new entity WPI Health Investment LLC which retains the Group's remaining interest in healthcare entities (note 5.2b).

The Group disposed its entire holding in Anglo Arabian Healthcare Investments LLC post restructuring and sale transaction was completed on 26 July 2022 (note 5.3).

[4] Waha Investment Management Company SPC owns 51.2% of Waha MENA Equity Fund SP (2022: 59.7%), 54.7% of Waha Emerging Markets Credit Fund SP (previously referred to as the Waha CEEMEA Credit Fund SP) (2022: 63.2%), 65.0% of Waha Islamic Income Fund SP (2022: 78.7%) and 100.0% of Waha EM Equity Fund SP (2022: 100%).

Notes to the consolidated financial statements (continued)

5 Composition of the Group (continued)

5.2 Details of subsidiaries with material non-controlling interests

5.2a Waha Investment Management Company SPC

Summarised financial information in respect of Waha Investment Management Company SPC is set out below and this represents amounts before intragroup eliminations.

Statement of financial position	2023 AED '000	2022 AED '000
Total assets	11,169,755	7,260,381
Total liabilities	(4,914,173)	(2,423,197)
Non-controlling interests[1]	(2,912,407)	(1,823,785)
Equity attributable to the Owners of the Company	3,343,175	3,013,399

[1] Movement in non-controlling interests includes: a) net investment into Waha MENA Equity Fund SP of AED 345,579 thousand (2022: AED 212,404 thousand); b) net investments from Waha Emerging Markets Credit Fund SP (previously referred to as the Waha CEEMEA Credit Fund SP) of AED 327,694 thousand (2022: net redemptions of AED 23,514 thousand); c) investment of AED 34,842 thousand into Waha Islamic Income Fund SP (2022: AED 11,310 thousand); d) investment of nil (2022: AED 2,100 thousand) in WPI Health Investment LLC.

Movement in equity attributable to the Owners of the Company includes: a) redemption of AED 245,885 thousand from Waha MENA Equity Fund SP (2022: AED 116,532 thousand) and the Group's ownership decreased from 59.7% to 51.2%; b) net redemption of AED 25,746 thousand (2022: AED 29,822 thousand) from Waha Emerging Markets Credit Fund SP (previously referred to as the Waha CEEMEA Credit Fund SP) and the Group's ownership decreased from 63.2% to 54.7%; c) The Group redeemed AED 86,433 thousand (2022: AED 12,873 thousand) from Waha EM Equity Fund SP resulting in no change in the Group's ownership of 100.0%.

Statement of profit or loss	Year ended 31 December 2023 AED '000	Year ended 31 December 2022 AED '000
Income from financial investments	1,162,596	496,634
Expenses	(33,992)	(50,144)
Profit for the year	1,128,604	446,490
Profit attributable to Owners of the Company	745,255	329,180
Profit attributable to the non-controlling interests	383,349	117,310
Profit for the year	1,128,604	446,490
Statement of cash flows		
Net cash inflow / (outflow) from operating activities	266,940	(34,988)
Net cash inflow / (outflow) from financing activities	289,794	(25,158)
Net cash inflow / (outflow)	556,734	(60,146)

Notes to the consolidated financial statements (continued)

5 Composition of the Group (continued)

5.2 Details of subsidiaries with material non-controlling interests (continued)

5.2b WPI Health Investment LLC

WPI Health Investment LLC (WPI) is a holding company for the Group's 70% (2022: 70%) ownership interest in Health Bay Polyclinic and 100% (2022: 100%) in IVF Investment LLC.

Summarised financial information in respect of WPI is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Statement of financial position	**2023 AED '000**	2022 AED '000
Non-current assets	**61,530**	75,658
Current assets	**43,912**	43,154
Total liabilities	**(53,603)**	(60,248)
Non-controlling interests	**865**	(2,433)
Equity attributable to the Owners of the Company	**52,704**	56,131

Statement of profit or loss	**Year ended 31 December 2023 AED '000**	Year ended 31 December 2022 AED '000
Income	**141,043**	85,440
Expenses, net	**(144,481)**	(95,703)
Loss for the year	**(3,438)**	(10,263)
Loss attributable to Owners of the Company	**(141)**	(5,972)
Loss attributable to the non-controlling interests	**(3,297)**	(4,291)
Loss for the year	**(3,438)**	(10,263)
Statement of cash flows		
Net cash inflow from operating activities	**11,236**	20,309
Net cash outflow from investing activities	**(2,869)**	(2,521)
Net cash outflow from financing activities	**(11,745)**	(5,694)
Net cash (outflow) / inflow	**(3,378)**	12,094

Notes to the consolidated financial statements (continued)

5 Composition of the Group (continued)

5.3 Disposal of a subsidiary

On 24 May 2022, the Group entered into a sale and purchase agreement to sell its subsidiary, Anglo Arabian Healthcare Investment (AAHI), which was completed on 26 July 2022 with a consideration amounting to AED 100,000 thousand paid in four tranches of AED 25,000 thousand each. As of 31 December 2022, an amount of AED 25,000 thousand which was due on 30th December 2022 is still outstanding. Litigation proceedings have been filed to recover the debt plus interest and legal costs against the buyer in line with the sale and purchase agreement. Results of discontinued operations, which have been included in consolidated statement of profit or loss are disclosed in note 24.

The net assets of AAHI at the date of disposal were as follows:

	26 July 2022 AED '000
Assets	
Property and equipment, net (note 7)	13,463
Right-of-use assets (note 19)	83,587
Goodwill and intangible assets (note 9)	41,733
Inventories	13,557
Trade and other receivables	42,236
Cash and bank balances	3,069
Liabilities	
Borrowings (note 16)	(689)
End of service benefit provision	(8,447)
Lease liabilities (note 19)	(107,059)
Trade and other liabilities	(63,337)
Net assets disposed	**18,113**
Gain on disposal of a subsidiary	
Consideration	100,000
Net assets disposed	(18,113)
Non-controlling interests	(39,708)
Gain on disposal	42,179
Transaction costs	(9,526)
Net gain on disposal	32,653

	For the period from 1 January 2022 to 26 July 2022 AED '000
Net cash inflow on disposal of a subsidiary	
Consideration received in cash and cash equivalents	75,000
Less: transaction costs	(9,526)
Less: cash and cash equivalent balances disposed	(3,069)
	62,405

Notes to the consolidated financial statements (continued)

6 Operating segments

Private Investments

The Private Investments segment holds all of the Group's proprietary investments in diversified industries including financial services, infrastructure, oil and gas, fintech and healthcare.

Waha Land

Waha Land segment represents the Group's interest in industrial real estate.

Public Markets

The Public Markets segment represents a platform to provide investors access to opportunities in equities and other asset management services.

Corporate

The corporate segment comprises the Group's activities, which are not allocated to reportable segments.

Information related to the operating segments is mentioned below as at and for the year ended 31 December:

AED '000 **2023**	**Private Investments**	**Waha Land**	**Public Markets**	**Corporate**	**Consolidated**
Revenue from sale of goods and services	**140,433**	**-**	**-**	**-**	**140,433**
Cost of sale of goods and services	**(107,456)**	**-**	**-**	**-**	**(107,456)**
Share of profit from equity-accounted associates and joint ventures, *net*	**5,059**	**-**	**-**	**-**	**5,059**
Gain on disposal of equity-accounted associates and joint ventures	**5,021**	**-**	**-**	**-**	**5,021**
Income / (loss) from financial investments, *net*	**(44,886)**	**-**	**1,134,324**	**-**	**1,089,438**
Income from investment property, *net*	**-**	**59,790**	**-**	**-**	**59,790**
Other income, *net*	**610**	**1,231**	**28,272**	**3**	**30,116**
General and administrative expenses – parent	**(17,707)**	**-**	**(106,139)**	**(74,026)**	**(197,872)**
General and administrative expenses – subsidiaries	**(35,706)**	**(13,446)**	**(12,626)**	**-**	**(61,778)**
Finance (cost) / income, net	**4,303**	**(4,020)**	**(21,308)**	**(118,286)**	**(139,311)**
Profit / (loss) before tax	**(50,329)**	**43,555**	**1,022,523**	**(192,309)**	**823,440**
Deferred tax	**(3,286)**	**-**	**-**	**-**	**(3,286)**
Profit / (loss) for the year	**(53,615)**	**43,555**	**1,022,523**	**(192,309)**	**820,154**
Other comprehensive loss	**(4,167)**	**-**	**-**	**-**	**(4,167)**

Notes to the consolidated financial statements (continued)

6 Operating segments (continued)

AED '000 2022	Private Investments	Waha Land	Public Markets	Corporate	Consolidated
Revenue from sale of goods and services	111,519	-	-	-	111,519
Cost of sale of goods and services	(90,368)	-	-	-	(90,368)
Share of profit from equity-accounted associates and joint ventures, *net*	13,410	-	-	-	13,410
Gain on disposal of equity-accounted associates and joint ventures	160,742	-	-	-	160,742
Income / (loss) from financial investments, *net*	(28,383)	-	495,101	-	466,718
Income from investment property, *net*	-	45,570	-	-	45,570
Other income, *net*	1,893	968	1,533	8,334	12,728
General and administrative expenses – parent	(15,849)	-	(62,137)	(41,276)	(119,262)
General and administrative expenses – subsidiaries	(33,543)	(8,536)	(13,072)	-	(55,151)
Finance (cost) / income, *net*	3,280	(3,148)	(36,311)	(83,706)	(119,885)
Profit / (loss) for the year from continuing operations	122,701	34,854	385,114	(116,648)	426,021
Profit from discontinued operations	22,766	-	-	-	22,766
Profit / (loss) for the year	145,467	34,854	385,114	(116,648)	448,787
Other comprehensive loss	(2,034)	-	-	-	(2,034)

Segment income reported above represents income generated from external customers. There was no inter-segment income during the year (2022: AED nil). All revenues are generated from sales of goods and services within the UAE. Included in revenue from sales of goods and services are revenues of approximately AED 20,875 thousand (2022: AED 18,515 thousand) which arose from the Group's largest customer. One (2022: one) customer contributed 10% or more to the Group's revenue for 2023.

During the year, the Group recognised an impairment loss of nil (2022: nil) on investments in equity accounted investees, and a fair value gain of AED 15,061 thousand (2022: AED 508 thousand) on investment properties in the Waha Land segment.

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment without allocation of central administration cost amounting to AED 192,309 thousand (2022: AED 116,648 thousand). This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Notes to the consolidated financial statements (continued)

6 Operating segments (continued)

AED '000 **2023**	**Private Investments**	**Waha Land**	**Public Markets**	**Corporate**	**Consolidated**
Investment in equity-accounted associates and joint ventures	**88,313**	**-**	**-**	**-**	**88,313**
Other assets	**866,237**	**961,872**	**11,425,510**	**198,950**	**13,452,569**
Segment assets	**954,550**	**961,872**	**11,425,510**	**198,950**	**13,540,882**
Segment liabilities	**64,696**	**208,086**	**5,222,959**	**1,376,026**	**6,871,767**
Capital expenditures	**2,974**	**117,732**	**91**	**650**	**121,447**
Depreciation and amortisation and impairment of intangibles assets	**17,012**	**26**	**61**	**3,320**	**20,419**
AED '000 2022					
Investment in equity-accounted associates and joint ventures	95,505	-	-	-	95,505
Other assets	941,624	855,868	7,369,642	234,802	9,401,936
Segment assets	1,037,129	855,868	7,369,642	234,802	9,497,441
Segment liabilities	73,862	144,557	2,505,227	1,444,849	4,168,495
Capital expenditures	5,764	40,451	170	434	46,819
Depreciation and amortisation and impairment of intangibles assets	20,280	19	52	3,420	23,771

For the purpose of monitoring segment performance and allocating resources between segments:

- All assets are allocated to operating segments other than corporate assets of AED 198,950 thousand (2022: AED 234,802 thousand)
- All liabilities are allocated to operating segments other than corporate liabilities of AED 1,376,026 thousand (2022: AED 1,444,849 thousand)

Notes to the consolidated financial statements (continued)

7 Property and equipment, net

	Leasehold improvements AED '000	IT equipment, furniture and fittings AED '000	Medical and other equipment AED '000	Motor vehicles AED '000	Capital work in progress AED '000	Total AED '000
Useful economic lives (years)	**3 - 5**	**3 - 5**	**5 - 7**	**3**		
Cost						
At 1 January 2022	45,863	40,541	92,153	2,333	381	181,271
Additions	1,109	1,824	3,384	86	12	6,415
Transfers	297	68	-	-	(365)	-
Assets classified into a disposal group (note 5)	(11,106)	(20,820)	(52,803)	(605)	-	(85,334)
At 31 December 2022	**36,163**	**21,613**	**42,734**	**1,814**	**28**	**102,352**
Additions	676	1,120	1,258	-	581	3,635
Transfers	-	7	-	-	(7)	-
Disposals	-	-	(21)	-	(202)	(223)
At 31 December 2023	**36,839**	**22,740**	**43,971**	**1,814**	**400**	**105,764**
Accumulated depreciation and impairment						
At 1 January 2022	34,891	34,386	73,573	2,029	-	144,879
Charge for the year[1]	2,952	1,368	6,693	194	-	11,207
Assets classified into a disposal group (note 5)	(6,214)	(16,456)	(48,596)	(605)	-	(71,871)
At 31 December 2022	**31,629**	**19,298**	**31,670**	**1,618**	**-**	**84,215**
Charge for the year[1]	2,646	1,188	4,673	97	-	8,604
Disposals	-	-	(21)	-	-	(21)
At 31 December 2023	**34,275**	**20,486**	**36,322**	**1,715**	**-**	**92,798**
Net carrying amount						
At 31 December 2023	**2,564**	**2,254**	**7,649**	**99**	**400**	**12,966**
As at 31 December 2022	4,534	2,315	11,064	196	28	18,137

[1] Depreciation expense of AED 4,648 thousand is included in "Cost of sales of goods and services" (2022: AED 4,634 thousand), AED 3,956 thousand is included in "General and Administrative expenses" (2022: AED 3,897 thousand) and nil included in "Discontinued operations" (2022: AED 2,676 thousand).

Notes to the consolidated financial statements (continued)

8 Investment property

	2023 AED '000	2022 AED '000
At 1 January	**282,232**	711,422
Additions	**117,732**	40,374
Fair value gain	**15,061**	508
Disposal of investment property	**-**	(3,132)
Assets held for sale	**(1,575)**	(466,940)
At 31 December	**413,450**	282,232

Investment property comprise of land and buildings that are constructed for commercial and industrial use.

The Group has recognised a portion of the land granted in the consolidated financial statements by applying the accounting policy with respect to government grants (refer to note 3(o)) and investment properties (refer to note 3(d)). The land grant related to the portion of land for which the Group has no development plans, remains unrecognised on the consolidated statement of financial position as at reporting date.

The investment property is categorised into level 3 of the fair value hierarchy based on the inputs to the valuation technique accepted by the Royal Institute of Chartered Surveyors. The valuation, as of 31 December 2023 was performed by management with reference to an accredited independent appraiser having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. In estimating the fair value, the current use of the property was deemed to be its highest and best use. Valuation methodologies considered include:

- The Income Capitalization Approach, where income receivable under comparable leases, existing lease agreements and projected future rental streams are capitalized at appropriate rates to reflect the investment market conditions at the valuation date.
- The Comparable method, which identify identical or similar assets (properties) that have been sold, analysing the sales prices achieved and the relevant market data and establishing value by comparison with those properties that have been sold
- The Residual Value Method, which requires the use of estimates such as sale price, construction costs, professional fees, financing cost and targeted internal rate of return. These estimates are based on local market conditions existing at the end of the reporting period.

The Income Capitalisation Approach was used to derive the fair value of buildings where the discount rate used ranged from 10% – 12%. The Comparable method and Residual Value Method were used to derive the fair value of land plots where the sales price ranged from AED 34 to AED 36 per sq. ft.

Based on the revaluation, a fair value increase of AED 15,061 thousand was recognised in the current year (2022: AED 508 thousand).

Income from investment property, net

	2023 AED '000	2022 AED '000
Rental income	**48,487**	49,895
Operating costs	**(3,758)**	(5,387)
Gain on disposal	**-**	554
Fair value gain	**15,061**	508
	59,790	45,570

Notes to the consolidated financial statements (continued)

9 Goodwill and intangible assets

	Goodwill AED '000	Trademarks AED '000	Software AED '000	Total AED '000
Useful economic lives (years)	**Indefinite**	**5 - 10**	**3 - 5**	
Cost				
At 1 January 2022	77,930	28,344	9,686	115,960
Adjustments	-	-	(261)	(261)
Additions	-	-	30	30
Asset classified into a disposal group (note 5)	(41,423)	(3,392)	(524)	(45,339)
At 31 December 2022	**36,507**	**24,952**	**8,931**	**70,390**
Adjustments	-	-	554	554
Additions	-	-	107	107
At 31 December 2023	**36,507**	**24,952**	**9,592**	**71,051**
Accumulated amortisation and impairment				
At 1 January 2022	-	28,344	8,633	36,977
Adjustments	-	-	(4)	(4)
Amortisation	-	-	59	59
Asset classified into a disposal group (note 5)	-	(3,392)	(214)	(3,606)
At 31 December 2022	**-**	**24,952**	**8,474**	**33,426**
Adjustments	-	-	544	544
Amortisation	-	-	-	-
At 31 December 2023	**-**	**24,952**	**9,018**	**33,970**
Net carrying amount				
At 31 December 2023	**36,507**	**-**	**574**	**37,081**
At 31 December 2022	36,507	-	457	36,964

Goodwill acquired through business combinations with indefinite useful lives is allocated to the Private Investments operating segment cash-generating units. The recoverable amounts of these cash-generating units were determined using market approach and key inputs in the methodology are EBITDA/revenue and their market driven multiples. EBITDA/revenue cash flows projection is based on the most recent financial information and enterprise value is determined after taking account of cash outflows. Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based, would not cause the aggregate carrying amount to exceed the recoverable amounts of the cash generating units and hence the goodwill is not impaired.

Notes to the consolidated financial statements (continued)

10 Loan investments

	2023 AED '000	2022 AED '000
Loan to equity accounted investees	**46,340**	40,749

During 2022, the Group provided an interest-bearing loan amounting to AED 36,044 thousand at a PIK interest rate of 13% per annum. The loan is repayable in five years. Loan can be extended by the borrower for one year. As of 31 December 2023, the loan is a stage 1 asset.

11 Investments in equity-accounted joint ventures

Carrying amount	2023 AED '000	2022 AED '000
Equity-accounted joint ventures	**88,313**	95,505

11.1 Details of material joint ventures

Details of each of the Group's material joint ventures at the end of the reporting period are as follows:

Joint venture	Principal activity	Country of incorporation	Group's shareholding 2023	Group's shareholding 2022
Channel VAS Investments Limited [1]	Fintech	UAE	**10.48%**	10.83%
Petronash Global Limited [2]	Oil and gas services	Cayman Islands	**32.09%**	32.09%

[1] On 26 September 2017, the Group's Private Investments segment acquired a 20% equity stake in Dubai-based Channel VAS Investments Limited (Optasia), for a total consideration of AED 200.5 million. Optasia is a business in the fintech sector, operating in over 25 emerging markets in the Middle East, Africa, Asia and Europe.

During 2022, the Group disposed 8.87% stake in its equity accounted joint venture investment in Channel VAS Investments Limited for a consideration of AED 202,556 thousand, resulting in the recognition of gain on disposal of AED 129,479 thousand in the consolidated statement of profit or loss.

During the year, the Group disposed 0.35% stake in its equity accounted joint venture investment in Channel VAS Investments Limited for a consideration of AED 2,898 thousand, resulting in the recognition of gain on disposal of AED 5,021 thousand in the consolidated statement of profit or loss.

[2] On 6 August 2018, the Group, along with co-investors, entered into a subscription agreement to acquire 35% stake in Dubai-based Petronash Global Limited (Petronash), a global oilfield services and manufacturing company, for an upfront consideration of AED 322,762 thousand and a deferred contingent consideration of AED 134,863 thousand. The transaction closed on 10 October 2018 which includes options, pursuant to which the Group can increase its ownership up to 50% in Petronash. During 2018, these options are reported separately as financial investments and do not form a part of the carrying value of the investments in joint ventures. As at 31 December 2023, these options were valued at nil (2022: nil) because of the significant deterioration in the performance of the Company when compared to the initial assessment performed by management (note 12).

The Group exercises joint control in Petronash through its shareholding agreement and representations on its board and various committees.

Notes to the consolidated financial statements (continued)

11 Investments in equity-accounted joint ventures (continued)

11.1 Details of material joint ventures (continued)

Summarised financial information in respect of the Group's material joint ventures is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRS (adjusted by the Group for equity accounting purposes).

	Optasia[1]	
	2023 AED '000	2022 AED '000
Statement of financial position		
Current assets		
- cash and cash equivalents	**57,907**	28,889
- others	**241,180**	163,443
Non-current assets	**143,033**	128,892
Current liabilities		
- trade and other payables	**23,070**	35,576
- others	**53,343**	74,332
Non-current liabilities	**272,707**	162,544
Non-controlling interests	**8,016**	2,484
Statement of profit or loss		
Revenue	**438,119**	456,577
Expenses	**240,340**	256,547
Interest expense	**26,101**	7,414
Depreciation and amortisation	**25,072**	24,125
Other operating income / (loss)	**541**	(1,107)
Profit before tax	**147,147**	167,384
Income tax expense	**31,194**	43,146
Profit for the year	**115,953**	124,238
Statement of cash flows		
Dividends received during the year	**5,186**	11,594
Group's share of contingencies	**17,958**	10,243
Group's share of commitments	**-**	43

[1]The 2023 amounts disclosed above pertain to the eleven-month period ended and as of 30 November 2023. The 2022 amounts disclosed pertain to the twelve-month period ended and as of 31 December 2022.

Notes to the consolidated financial statements (continued)

11 Investments in equity-accounted joint ventures (continued)

11.2 Details of material joint ventures (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the Group's material joint ventures recognised in the consolidated financial statements:

	Optasia	
	2023 AED '000	2022 AED '000
Net assets of the joint venture	**84,984**	46,288
Proportion of the Group's ownership interest	**10.48%**	10.83%
Group's share of net assets of the joint venture	**8,906**	5,013
Goodwill	**42,750**	44,187
Intangible assets	**15,897**	19,331
Other adjustments	**11,404**	17,238
Carrying amount of joint venture	**78,957**	85,769

During the year, the Group recognised net share of loss of AED 380 thousand from joint ventures that are not individually material (2022: AED 1,006 thousand), the total carrying value of such investments amounting to AED 9,355 thousand (2022: AED 9,735 thousand).

The movement of investment in equity-accounted associates and joint ventures is presented below:

	2023 AED '000	2022 AED '000
As at 1 January	**95,505**	170,242
Disposals	**(2,898)**	(73,078)
Share of profit, net	**5,059**	13,410
Share of equity reserves	**(4,167)**	(2,034)
Distributions received	**(5,186)**	(13,035)
	88,313	95,505

Notes to the consolidated financial statements (continued)

12 Financial investments

	2023 AED '000	2022 AED '000
Financial assets at fair value through profit or loss		
Unquoted fund	**426,103**	470,965
Derivative assets[1]	**238,542**	99,385
Reverse repurchase contracts, net[2]	**-**	236,808
Listed fixed income securities[3]	**5,391,776**	3,780,542
Listed equity securities	**2,395,507**	2,076,939
Convertible preference shares [4]	**200,009**	160,994
Other investments	**963**	48,299
	8,652,900	6,873,932

Financial investments held outside the UAE amount to AED 7,333,842 thousand (31 December 2022: AED 5,493,387 thousand).

[1]Derivative assets held by the Group include total return swaps, credit default swaps, currency, and interest rate futures, which are measured at fair value, Level 2 (see note 28).

[2]Reverse repurchase contracts are shorted simultaneously. The carrying amounts presented are net of reverse repurchase receivables of AED 2,119,760 thousand and corresponding liabilities of AED 2,137,898 thousand (31 December 2022: reverse repurchase receivables of AED 2,653,979 thousand and corresponding liabilities of AED 2,417,171 thousand). The repurchase agreements are subject to a master netting agreement.

[3]Listed fixed income securities aggregating to AED 3,557,446 thousand (31 December 2022: AED 2,441,902 thousand) are pledged as security against the Group's borrowings under repurchase agreements.

[4]On 20 August 2020, the Group entered into a subscription agreement with Despegar.com, a NYSE-listed online travel company in Latin America to acquire 50,000 Series B Preferred Shares, without par value for an aggregate purchase price of $50 million. The terms of the transaction include an option to the holder to convert each Series B Preferred Shares into 108.1081 common shares of Despegar.com. Series B Preferred Shares carry an annual dividend of 4% which is payable on a quarterly basis. The issuer also has an option to enforce conversion at any time from the third to seventh anniversary of the deal closing date, if for at least 10 consecutive trading days volume weighted average price of the common shares exceeds $13.88 between third and fifth anniversary and $12.49 between fifth and seventh anniversary. In addition, the issuer has the right to redeem at any time on or after the seventh anniversary in cash. The Group paid net cash consideration of AED 180,222 thousand for the transaction which was closed on 21 September 2020. As of reporting date, the fair value of the instrument is estimated at AED 200,009 thousand (31 December 2022: AED 160,994 thousand).

During 2018, in addition to the acquisition of Petronash, the Group also acquired additional rights in the form of options and warrants (the Options), pursuant to which the Group can increase its ownership up to 50% effective from 10 October 2018. Upon initial recognition, the fair value of the Options was deferred as unearned income and is recycled into profit and loss account over the life of the Options. As at 31 December 2023, these options were valued at nil (2022: nil) because of the significant deterioration in the performance of the Company when compared to the initial assessment performed by management.

Notes to the consolidated financial statements (continued)

12 Financial investments (continued)

Maturity profiles of derivative assets are as follows:

	2023 Notional AED '000	2023 Fair value AED '000	2022 Notional AED '000	2022 Fair value AED '000
Due within 1 year	**2,435,964**	**54,680**	3,619,080	25,428
Due between 1 to 3 years	**144,251**	**14,677**	4,884,942	1,304
More than 3 years	**816,295**	**169,185**	1,876,861	72,653
	3,396,510	**238,542**	10,380,883	99,385

13 Trade and other receivables

	2023 AED '000	2022 AED '000
Trade receivables	**1,722,709**	129,556
Allowance for expected credit losses on trade receivables	**(16,815)**	(16,832)
	1,705,894	112,724
Prepayments and advances	**6,900**	20,315
Accrued interest	**125,096**	69,573
Amounts set aside for prior year dividends	**15,742**	37,634
Deposits under lien	**1,045**	1,040
Margin accounts	**1,009,459**	545,710
Other receivables	**69,529**	61,710
Allowance for expected credit losses on other receivables	**(5,243)**	(534)
	2,928,422	848,172

The maximum exposure to credit risk for trade receivables as at 31 December by geographic region is:

	2023 AED '000	2022 AED '000
Middle East	**1,721,959**	128,897
Europe	**750**	659
	1,722,709	129,556

The ageing of trade receivables as at 31 December is:

	2023			2022		
	Trade receivables AED'000	Expected credit losses AED'000	Expected credit loss rate	Trade receivables AED'000	Expected credit losses AED'000	Expected credit loss rate
Not past due	**1,686,792**	**435**	**0 - 25%**	95,062	1,470	0 - 25%
Past due:						
Within 90 days	**2,739**	**216**	**5 - 35%**	3,571	283	5 - 35%
91 days - 180 days	**4,036**	**509**	**15 - 50%**	1,831	144	7 - 50%
181 days - 365 days	**2,337**	**515**	**25 - 75%**	2,023	652	30 - 75%
> 365 days	**26,805**	**15,140**	**40 - 100%**	27,069	14,283	50 - 100%
	1,722,709	**16,815**		129,556	16,832	

Notes to the consolidated financial statements (continued)

13 Trade and other receivables (continued)

Movement in allowance for expected credit losses on trade receivables:

	2023 AED '000	2022 AED '000
Balance at the beginning of the year	**16,832**	73,461
Expected credit losses recognised during the year	**2,129**	4,309
Eliminated on disposal of subsidiary	**-**	(53,229)
Write-off	**(1,641)**	(7,709)
Other adjustments	**(505)**	-
Balance at the end of the year	**16,815**	16,832

Movement in allowance for expected credit losses on other receivables:

	2023 AED '000	2022 AED '000
Balance at the beginning of the year	**534**	989
Expected credit losses recognised during the year	**4,709**	10
Reversals	**-**	(22)
Eliminated on disposal of subsidiary	**-**	(443)
Balance at the end of the year	**5,243**	534

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.

Deposits under lien represent cash collateral for letters of guarantee issued by commercial banks in favour of the Central Bank of the UAE on behalf of the Group. The interest rate on deposits under lien is 0.55% (2022: 0.55%) per annum. All deposits under lien are placed with UAE banks.

14 Cash and bank balances

	2023 AED '000	2022 AED '000
Deposits held with banks	**96,450**	99,306
Cash at banks	**770,491**	698,008
Cash in hand	**56**	90
	866,997	797,404
Less: Allowance for expected credit losses	**(55)**	(55)
Cash and cash equivalents	**866,942**	797,349

The interest rate on short term deposits ranged between 4.80% - 5.73% (2022: 3.75% - 4.55%) per annum. All short-term deposits are placed with UAE banks.

Notes to the consolidated financial statements (continued)

15 Share capital and dividend

Authorised and fully paid up capital:	2023 AED '000	2022 AED '000
1,944,514,687 shares (2022: 1,944,514,687 shares) of AED 1 each	**1,944,515**	1,944,515

On 21 March 2023, the Company held its Annual General Meeting which, among other things, approved a cash dividend of AED 150,681 thousand representing 8 fils per share (28 March 2022: approved a cash dividend of AED 138,807 thousand representing 7.55 fils per share and bonus shares of 2.45%).

A cash dividend of 10 fils per share is proposed for 2023 by the Board of Directors of the Company subject to the approval of the shareholders in the forthcoming Annual General Meeting.

On 17 September 2014, the Company's Board of Directors approved the implementation of a share buy-back programme for up to 10% of the outstanding shares of the Company. The Securities & Commodities Authority (SCA) approved the programme on 20 October 2014, which ended on 18 October 2016 and was subsequently approved for extension until 18 October 2019. This was further extended by 3 years until 18 October 2022 and consequently, this was extended until the date of Annual General Meeting taking place in March 2024.

As of 31 December 2023, the Company holds 79,278,225 shares at AED 187,066 thousand.

The basic and diluted earnings per share for the year ended 31 December 2023 and 2022 has been calculated using the weighted average number of shares outstanding during the year after considering the effect of treasury shares.

	2023	2022
Profit for the year attributable to Owners of the Company (AED '000)	**440,102**	344,372
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	**1,878,496,493**	1,870,374,105
Basic and diluted earnings per share attributable to the Owners of the Company (AED)	**0.234**	0.184

Notes to the consolidated financial statements (continued)

16 Borrowings

	31 December 2023 AED '000					31 December 2022 AED '000				
	Effective Interest Rate	**< 1 year**	**1 – 3 years**	**> 3 years**	**Total**	Effective Interest Rate	< 1 year	1 – 3 years	> 3 years	Total
Secured term loans [1]	SOFR+3% and 3m EIBOR +2.5%	**1,334,448**	**28,388**	**101,838**	**1,464,674**	LIBOR+3% and 3m EIBOR +2.5%	1,325,716	51,429	22,804	1,399,949
Borrowings through repurchase agreements [2]	0.2% to +6.06%	**4,491,170**	**-**	**-**	**4,491,170**	0.013% to +5.2%	2,185,766	-	-	2,185,766
		5,825,618	**28,388**	**101,838**	**5,955,844**		3,511,482	51,429	22,804	3,585,715

[1] On 15 August 2021, the Group completed the refinancing of its existing $400 million secured revolving loan facility, replacing it with a 3 year $500 million secured revolving loan facility. The facility is initially secured by a pledge over the Group's shareholding in Waha Land LLC and certain investments. As at 31 December 2023, an amount of nil was drawn down (2022: AED 1,302,012 thousand).

During 2016, the Group secured AED 426 million in a Murabaha-Ijara based financing for further development of its light industrial real estate project. During 2018, it was amended to reduce the facility from AED 426 million to AED 378 million.

[2] Repurchase liabilities represent the Group's borrowings against its investment in listed fixed income securities under repurchase contracts.

The investments and assets pledged to lenders as security against various facilities are the Group's shareholding in Al Waha Land LLC (refer to note 5.1) and certain investments (refer to note 12).

Notes to the consolidated financial statements (continued)

16 Borrowings (continued)

Reconciliation of borrowings movement to cash flows arising from financing activities is as follows:

	2023 AED '000	2022 AED '000
At 1 January	**3,585,715**	4,117,198
Loans drawn down	**2,305,404**	35,344
Loans obtained / (repaid) for financial assets at FVTPL	**91,971**	(296,999)
Loan arrangement and prepaid interest costs, net of amortisations	**7,300**	6,051
Loans repaid	**(34,546)**	(275,190)
Loans transferred to a disposal group (note 5)	**-**	(689)
	5,955,844	3,585,715

During the year, an amount of AED 57,425 thousand was net drawn down of the secured Murabaha-Ijara based financing for further development of its light industrial real estate project.

During the year, the Group's repurchase liabilities against its investment in fixed income securities increased by AED 2,305,404 thousand.

17 Financial liabilities

	2023 AED '000	2022 AED '000
Financial liabilities at FVTPL		
Derivative liabilities	**200,728**	72,644
Reverse repurchase agreements[1]	**18,138**	-
	218,866	72,644

[1] refer to note 12.

Maturity profiles of derivative liabilities are as follows:

	2023 Notional AED '000	2023 Fair value AED '000	2022 Notional AED '000	2022 Fair value AED '000
Due within 1 year	**36,780**	**9,489**	3,108	9,164
Due between 1 to 3 years	**-**	**10,045**	4,297	2,557
More than 3 years	**1,670,483**	**181,194**	592,912	60,923
	1,707,263	**200,728**	600,317	72,644

Notes to the consolidated financial statements (continued)

18 Trade and other liabilities

	2023 AED '000	2022 AED '000
Trade payables	**372,199**	212,918
Interest accrued on borrowings	**78,251**	54,072
Dividends payable	**15,744**	37,637
Long term employee incentive plans accrual (note 27)	**78,211**	61,557
Deferred income	**5,288**	8,517
End of service benefit provision	**23,093**	19,875
Other payables and accruals	**99,565**	81,192
	672,351	475,768

Trade and other liabilities are stated at amortised cost. The average credit period for the trade payables is 60 days. The Group has financial risk management policies in place to ensure that all the payables are paid within the agreed credit period. The contractual maturities for trade payables are within one year.

19 Leases

The Group as lessee

The Group has entered into operating lease arrangements for office and medical facility space.

The movement in the Group's right-of-use assets and lease liabilities during the year is as follows:

	Right-of-use assets AED '000	Lease liabilities AED '000
As at 1 January 2022	**99,649**	**119,918**
Depreciation expense	(12,505)	-
Interest expense	-	6,131
Payments	-	(16,310)
New leases	17,918	17,918
Reassessment of lease terms[1]	13,770	13,770
Lease liabilities classified into a disposal group (note 5)	(83,587)	(107,059)
As at 31 December 2022	**35,245**	**34,368**
Depreciation expense	(11,814)	-
Interest expense	-	1,888
Payments	-	(14,836)
As at 31 December 2023	**23,431**	**21,420**

[1]During 2022, the Group's existing office lease was extended for further five-year period hence lease liability was remeasured.

Notes to the consolidated financial statements (continued)

19 Leases (continued)

The Group as lessee (continued)

The following are the amounts recognised in profit or loss:

	2023 AED '000	2022 AED '000
Depreciation expense of right-of-use assets	**11,814**	12,505
Interest expense on lease liabilities	**1,888**	6,131
Expense relating to short-term leases	**276**	555
Total amount recognised in profit or loss	**13,978**	19,191

The Group as lessor

Operating leases relate to the investment property owned by the Group with lease payments between 1 to 15 years (2022: 1 to 15 years).

Rental income earned by the Group on its investment property is set out in note 8.

The non-cancellable operating lease receivables are set out below:

	2023 AED '000	2022 AED '000
Within one year	**46,031**	40,123
Between 2 and 5 years	**64,788**	26,215
More than 5 years	**2,012**	6,228
	112,831	72,566

20 Revenue from sale of goods and services

	2023 AED '000	2022 AED '000
Revenue	**140,433**	111,519
Cost of sale	**(107,456)**	(90,368)
Gross profit	**32,977**	21,151

Revenue and cost of sales of services are mainly attributable to the healthcare operations. Performance obligations relating to goods and services are satisfied at the point in time.

All revenues are generated within UAE.

Notes to the consolidated financial statements (continued)

21 Income from financial investments

	2023 AED '000	2022 AED '000
Financial assets at fair value through profit or loss		
Net (loss) / income from unquoted fund	**(35,642)**	53,021
Net income from derivatives	**161,284**	421,243
Net income from listed fixed income securities	**445,718**	14,909
Net income from listed equity securities	**521,237**	25,988
Net income / (loss) from convertible preference shares	**44,164**	(22,219)
Others	**(47,323)**	(26,224)
	1,089,438	466,718

22 General and administrative expenses

	2023 AED '000			2022 AED '000		
	Company	**Subsidiaries**	**Total**	Company	Subsidiaries	Total
Staff costs	**155,234**	**25,211**	**180,445**	89,189	19,279	108,468
Legal and other professional expenses	**16,352**	**14,445**	**30,797**	12,016	17,240	29,256
Depreciation	**3,396**	**3,334**	**6,730**	3,453	3,260	6,713
Amortisation and write- off intangible assets	**-**	**-**	**-**	23	260	283
Marketing expenses	**1,958**	**2,274**	**4,232**	2,170	1,930	4,100
Provision for expected credit losses	**4,709**	**2,238**	**6,947**	-	833	833
Others[1]	**16,223**	**14,276**	**30,499**	12,411	12,349	24,760
	197,872	**61,778**	**259,650**	119,262	55,151	174,413

[1] During the current year, the Group made social contributions amounting to AED 3,027 thousand (2022: nil).

Notes to the consolidated financial statements (continued)

23 Finance cost, net

	2023 AED '000	2022 AED '000
Interest on borrowings	**182,487**	127,513
Interest on lease liabilities	**1,888**	2,054
Amortisation of loan arrangement costs	**7,300**	7,051
Interest income from loan investments at amortised cost	**(5,622)**	(4,705)
Interest earned on time deposits	**(3,052)**	(855)
Collateral and other interest income	**(42,077)**	(9,699)
Unwinding of interest on disposal of investment property	**(1,613)**	(1,474)
	139,311	119,885

24 Non-current asset held for sale and discontinued operations

On 24 May 2022, the Group entered into a sale and purchase agreement to sell its subsidiary, Anglo Arabian Healthcare Investment (AAHI), which was completed on 26 July 2022 with a consideration amounting to AED 100,000 thousand. Details of the assets and liabilities disposed of, and the calculation of the profit or loss on disposal, are disclosed in note 5.3.

The results of the discontinued operations, which have been included in the profit for the period, were as follows:

	For the period from 1 January 2022 to 26 July 2022 AED '000	Year ended 31 December 2021 AED '000
Revenue from sale of goods and services	92,858	183,224
Cost of sale of goods and services	(83,842)	(156,128)
Gross profit	9,016	27,096
Other income, *net*	1,844	2,924
General and administrative expenses	(16,710)	(49,444)
Finance cost, *net*	(4,037)	(7,424)
Loss for the period / year from discontinued operations	(9,887)	(26,848)

The net cash flows incurred by AAHI are as follows:

	For the period from 1 January 2022 to 26 July 2022 AED '000	Year ended 31 December 2021 AED '000
Operating	2,804	8,493
Investing	(3,240)	(1,681)
Financing	(792)	(8,289)
Net cash outflow	(1,228)	(1,477)

During 2022, the Group has decided to sell a part of its investment property. As of 31 December 2023, asset held for sale amounted to AED 468,515 thousand (2022: AED 466,940 thousand). As a result, this portion was reclassified to an asset held for sale (note 8).

Notes to the consolidated financial statements (continued)

25 Related parties

Related parties include major shareholders of the Company, directors or officers of the Group, enterprises that are in a position to exercise significant influence over the Group or those enterprises over which the Group can exercise significant influence or has joint control.

The Group conducts its transactions with related parties on arm's length terms, with any exceptions to be specifically approved by the Board. In all cases, transactions with related parties are required to be conducted in compliance with all relevant laws and regulations. Where a Board member has an actual or perceived conflict of interest over an issue to be considered by the Board, the interested member may not vote on any relevant resolutions and can also be asked by the Chairman not to participate in the relevant Board discussions. The Company has a conflict-of-interest policy for Board members and, for senior management, a code of conduct. The Company takes reasonable steps to maintain an awareness of the other relevant commitments of its directors and senior management, and thus is able to monitor compliance with this policy and code.

Significant transactions with related parties

Key management personnel compensation	**2023** **AED '000**	2022 AED '000
Short-term benefits	**11,731**	24,300
End of service and other long-term benefits	**417**	593
	12,148	24,893

26 Commitments

Capital commitments

As at 31 December 2023, the Group has capital commitments of nil (2022: AED 130 thousand) with respect to WPI.

As at 31 December 2023, the Group has outstanding capital calls of AED 40,329 thousand (2022: AED 47,599 thousand) pertaining to its investment in unquoted fund.

27 Employee compensation

In designing its employee compensation plans, the Group's primary objective is to provide employees with a robust compensation platform upon which they are encouraged to pursue outstanding returns and to reward them based on their results in line with the interests of the Group. This is achieved through a combination of cash salaries, variable bonuses dependent upon Group and individual's performance, and participation in various long term employee incentive and co-investment programs described below.

Investment profit participation plans

The Group's Board of Directors has approved the following cash settled long term incentive plan for certain employees linked to investment profit participation:

- A trading plan, whereby the employees are granted points linked to the fund's performance which vests annually. An amount representing the value of vested points derived from the fund's net asset value is divided into a cash payment and cash deferral. The amount of the cash deferral is index-linked to the relative fund performance for a period of three years. The reinvested amount vests over the three-year period and after completing the service condition a cash payment is made.

Notes to the consolidated financial statements (continued)

28 Financial instruments

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- 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.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Management has established a committee comprising of senior management, which is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by an internal audit team. The Internal audit team undertakes regular reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

In respect of public market transactions, the Group has implemented risk management policies and guidelines, as set out in the Private Placement Memorandums of Waha MENA Equity Fund SP, Waha Emerging Markets Credit Fund SP (previously referred to as the Waha CEEMEA Credit Fund SP), Waha MENA Value Fund SP, Waha EM Equity Fund SP and Waha Islamic Income Fund SP (all together the "Funds"), which set out the procedures to be performed prior to making investment decisions, including employing qualitative analyses, quantitative techniques, due diligence and management meetings as well as fundamental research on evaluation of the issuer based on its financial statements and operations. In addition to analysing financial instruments, the Group determines the relative attractiveness of investing in different markets in order to determine the country weighting in each area. In assessing the investment potential in each area, the Group considers economic growth prospects, monetary decisions, political risks, currency risks, capital flow risks, and other factors.

Notes to the consolidated financial statements (continued)

28 Financial instruments (continued)

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, derivative assets, cash and cash balances and loan investments. As at the end of the reporting date, the Group's financial assets exposed to credit risk amounted to:

	2023 AED '000	2022 AED '000
Cash and bank balances[1]	**866,886**	797,259
Trade and other receivables[2]	**2,921,522**	827,857
Loan investment	**46,340**	40,749
Financial investments at FVTPL	**8,652,900**	6,873,932
	12,487,648	8,539,797

[1] Cash and bank balances exclude cash in hand
[2] Trade and other receivables exclude prepayments and advances

(i) Bank balances
Substantially all of the bank balances are held with reputed financial institutions with S&P credit ratings ranging between A and BBB+, therefore, there are no significant credit risks as at reporting date.

(ii) Trade and other receivables
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The characteristics of the Group's customer base including default risk of the industry and country in which the Group's customers operate are some of the factors which influence credit risk.

The Group has established various policies and procedures to manage credit exposure, including initial financial assessment and appraisal, collateral and guarantee requirements and continual credit monitoring. The expected credit losses on trade and other receivables are estimated based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Credit risk arising on transactions with brokers relates to transactions awaiting settlement. Risk related to unsettled transactions is considered small due to the short settlement period involved and high credit quality of the brokers used.

(iii) Loan investments
The Group limits its exposure to credit risk by investing in securities which are fully collaterised and with credit ratings which are within the limits prescribed by the Group's financial risk management guidelines. The expected credit loss of a loan to an equity accounted investee is based on the expected credit loss model, which is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default.

(iv) Derivative assets
The Group limits its exposure to credit risk on derivative assets by dealing with financial institutions and commercial banks that have S&P credit ratings ranging between A and BBB+ as at the reporting date

Notes to the consolidated financial statements (continued)

28 Financial instruments (continued)

b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Ultimate responsibility for liquidity risk management rests with the Board of Directors, which provides appropriate liquidity risk management guidance to the management for the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking and borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The maturity profile of the assets and liabilities as at 31 December 2023 and 2022 are as follows:

AED '000	**31 December 2023**					31 December 2022				
	Current	**Non-current**				Current	Non-current			
Assets	**< 1 year**	**1 – 3 years**	**> 3 years**	**Unspecified**	**Total**	< 1 year	1 – 3 years	> 3 years	Unspecified	Total
Property and equipment, net	**-**	**-**	**-**	**12,966**	**12,966**	-	-	-	18,137	18,137
Right-of-use assets	**9,338**	**11,499**	**2,594**	**-**	**23,431**	11,814	18,257	5,174	-	35,245
Investment property	**-**	**-**	**-**	**413,450**	**413,450**	-	-	-	282,232	282,232
Goodwill and intangible assets	**-**	**-**	**-**	**37,081**	**37,081**	-	-	-	36,964	36,964
Loan investments	**46,340**	**-**	**-**	**-**	**46,340**	40,749	-	-	-	40,749
Investments in equity-accounted associates and joint ventures	**-**	**-**	**-**	**88,313**	**88,313**	-	-	-	95,505	95,505
Financial investments	**8,469,038**	**14,677**	**169,185**	**-**	**8,652,900**	6,799,975	1,304	72,653	-	6,873,932
Inventories	**2,522**	**-**	**-**	**-**	**2,522**	2,216	-	-	-	2,216
Trade and other receivables	**2,928,422**	**-**	**-**	**-**	**2,928,422**	848,172	-	-	-	848,172
Cash and bank balances	**866,942**	**-**	**-**	**-**	**866,942**	797,349	-	-	-	797,349
Assets held for sale	**468,515**	**-**	**-**	**-**	**468,515**	466,940	-	-	-	466,940
Total assets	**12,791,117**	**26,176**	**171,779**	**551,810**	**13,540,882**	8,967,215	19,561	77,827	432,838	9,497,441
Liabilities and equity										
Borrowings	**5,825,618**	**28,388**	**101,838**	**-**	**5,955,844**	3,511,482	51,429	22,804	-	3,585,715
Financial liabilities	**27,627**	**10,045**	**181,194**	**-**	**218,866**	9,164	2,557	60,923	-	72,644
Lease liabilities	**9,144**	**12,276**	**-**	**-**	**21,420**	12,916	21,452	-	-	34,368
Deferred tax liability	**-**	**-**	**-**	**3,286**	**3,286**	-	-	-	-	-
Trade and other liabilities	**649,258**	**-**	**-**	**23,093**	**672,351**	455,893	-	-	19,875	475,768
Total equity	**-**	**-**	**-**	**6,669,115**	**6,669,115**	-	-	-	5,328,946	5,328,946
Total liabilities and equity	**6,511,647**	**50,709**	**283,032**	**6,695,494**	**13,540,882**	3,989,455	75,438	83,727	5,348,821	9,497,441

Notes to the consolidated financial statements (continued)

28 Financial instruments (continued)

b) Liquidity risk (continued)

The table below analyses the Group's financial liabilities, based on contractual undiscounted payments, into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date.

AED '000	31 December 2023				31 December 2022			
	< 1 year	1 – 3 years	> 3 years	Total	< 1 year	1 – 3 years	> 3 years	Total
Liabilities								
Borrowings	**5,960,653**	**32,832**	**121,766**	**6,115,251**	3,637,609	58,433	26,686	3,722,728
Trade and other liabilities	**544,405**	**-**	**-**	**544,405**	366,184	-	-	366,184
Derivative liabilities	**10,248**	**13,147**	**-**	**23,395**	14,808	23,426	-	38,234
Total liabilities	**6,515,306**	**45,979**	**121,766**	**6,683,051**	4,018,601	81,859	26,686	4,127,146

c) Market risks

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices 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 returns.

Notes to the consolidated financial statements (continued)

28 Financial instruments (continued)

c) Market risks (continued)

i) Currency risk

The Group may be exposed to currency risk on financial investments, trade receivables and trade payables that are denominated in a currency other than the respective functional currencies of Group entities. In respect of the Group's transactions and balances denominated in US$, Qatari Riyal (QAR), Saudi Riyal (SAR), the Group is not exposed to the currency risk as the UAE Dirham (AED) and Saudi Riyal (SAR) are currently pegged to the US$. The table below summarizes the sensitivity of the Group's monetary and non-monetary assets and liabilities to changes in foreign exchange movements at year end. The analysis is based on the assumptions that the relevant foreign exchange rate increased/decreased by 0.5% with all other variables held constant:

2023 AED'000	**Assets**	**Liabilities**	**Net Exposure**	**Hedged**	**Effect on net equity for +/- 0.5% sensitivity**
Euro	**1,140,316**	**(996,812)**	**143,504**	**(141,064)**	**+/- 1,423**
Great British Pound	**490**	**-**	**490**	**-**	**+/- 2**
Kuwaiti Dinar	**368,587**	**(17,087)**	**351,500**	**-**	**+/- 1,758**
Bahraini Dinar	**34,043**	**(1,449)**	**32,594**	**-**	**+/- 163**
Egyptian Pound	**564,263**	**-**	**564,263**	**-**	**+/- 2,821**
Omani Riyal	**85,689**	**(6,159)**	**79,530**	**-**	**+/- 398**
Others	**26,676**	**(5,239)**	**21,437**	**-**	**+/- 107**
	2,220,064	**(1,026,746)**	**1,193,318**	**(141,064)**	**+/- 6,672**

2022 AED'000	Assets	Liabilities	Net Exposure	Hedged	Effect on net equity for +/- 0.5% sensitivity
Euro	835,553	(706,046)	129,507	(125,490)	+/- 1,275
Great British Pound	3,853	-	3,853	-	+/- 19
Kuwaiti Dinar	78,480	(14,194)	64,286	-	+/- 321
Bahraini Dinar	68,447	(3,827)	64,620	-	+/- 323
Egyptian Pound	689,770	(13,412)	676,358	-	+/- 3,382
Omani Riyal	870	-	870	-	+/- 4
Others	21,437	-	21,437	-	+/- 107
	1,698,410	(737,479)	960,931	(125,490)	+/- 5,431

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk on its investment in listed fixed income securities carried at fair value through profit or loss, and cash flow interest rate risk on its floating rate non-derivative borrowings. The sensitivities of these financial instruments to changes in interest rates are as follows:

Fair value interest rate risk

- The Group had listed fixed income securities fair valued at AED 5,391,776 thousand at the end of the reporting period (2022: AED 3,780,542 thousand), for which the Group uses a range of DV01 (the dollar value of a basis point) for different time intervals as a key measure of interest rate risk. An absolute measure derived from duration, it indicates the change in price or fair value, expressed in monetary units, caused by a one basis point (0.01%) change in the yield curve. The DV01 for the Group's listed fixed income securities was AED 130,826 thousand at the end of the reporting period (2022: AED 698 thousand).

Notes to the consolidated financial statements (continued)

28 Financial instruments (continued)

c) Market risks (continued)

(ii) Interest rate risk (continued)

Cash flow interest rate risk

- The Group had floating rate non-derivative borrowings of AED 5,793,182 thousand at the end of the reporting period (2022: AED 3,487,778 thousand). Had the relevant interest rates been higher/lower by 50 basis points, the Group's finance cost would have been higher/lower, therefore the profit for the year would have been lower/higher by AED 47,406 thousand (2022: AED 39,078 thousand).

In the normal course of business, the Group enters into interest rate swaps, where appropriate, to hedge against the net interest rate exposure of the Group's investments in listed fixed income securities and the corresponding borrowings through repurchase agreements, except where the interest rate exposure is deemed to be immaterial or acceptable in relation to the cost of entering into a hedge. At the end of the reporting period, the net carrying amount of the interest rate swaps was immaterial.

(iii) Equity and fixed income price risk

Equity and fixed income price risk arises from investments in equity and fixed income securities. Management of the Group monitors the mix of securities in its investment portfolio based on respective benchmark market indices to reduce the exposure on account of share prices (refer to note 28 (e) for sensitivity analysis).

d) Operational risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's involvement with financial instruments, including processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit. This responsibility is supported by the development of overall Group standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions.
- requirements for the reconciliation and monitoring of transactions.
- compliance with regulatory and other legal requirements.
- documentation of controls and procedures.
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified.
- requirements for the reporting of operational losses and proposed remedial action.
- development of contingency plans.
- training and professional development.
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

Compliance with Group standards is supported by a programme of periodic reviews undertaken by internal audit. The results of internal audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Audit Committee and senior management of the Group.

Notes to the consolidated financial statements (continued)

28 Financial instruments (continued)

e) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of share capital, retained earnings and reserves. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders in order to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

In respect of the public market segment, the amount of net assets attributable to shareholders can change significantly on a weekly basis, as the Funds are subject to weekly subscriptions and redemptions at the discretion of shareholders, as well as changes resulting from the Funds' performance. The Group's objective when managing capital is to safeguard the Funds' ability to continue as a going concern in order to provide returns for shareholders, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Funds.

The Group monitors its capital structure based on the covenants required by the Group's lenders of the Revolving Corporate facility ("RCF"). For the year ended 31 December 2023, a gearing ratio was computed and is defined as Borrowings over tangible assets as defined in the RCF agreement dated 15 August 2021.

The Group's gearing ratio reported to the Group's lenders of the Revolving Corporate facility ("RCF") as at 31 December 2023 was 0.28 (31 December 2022: 0.28) and was in compliance of the requirement of maximum of 0.60 times.

f) Fair values

a Fair value hierarchy

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

Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: inputs are unobservable for the asset or liability.

Notes to the consolidated financial statements (continued)

28 Financial instruments (continued)

f) Fair values (continued)

a Fair value hierarchy (continued)

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. As at 31 December, the Group held the following financial assets and liabilities at fair value:

		2023 AED '000	2022 AED '000	Fair value hierarchy	Valuation technique	Sensitivity Analysis
Financial assets at fair value through profit or loss						
a	Listed equity securities	**2,395,507**	2,076,939	Level 1	Quoted bid prices in an active market	± 5% change in quoted bid prices, impacts fair value by AED 119,775 thousand
b	Other investment in equity securities	**963**	48,299	Level 3	Valuation is based on Net Asset Values (NAV) and discounted cash flows using unobservable inputs, mainly discount rate, interest rate, share price and market volatilities of the underlying instrument.	± 5% change in NAV, impacts fair value by AED 48 thousand
c	Convertible preference shares	**200,009**	160,994	Level 3	Options model with unobservable inputs, mainly share price and market volatilities of the underlying shares	± 5% change in quoted bid prices, impacts fair value by AED 10,000 thousand
d	Listed fixed income securities	**5,391,776**	3,780,542	Level 1	Quoted bid prices in an active market	± 5% change in quoted bid prices, impacts fair value by AED 269,589 thousand
e	Reverse repurchase contracts	**-**	236,808	Level 2	The valuation is based on broker quotes	
f	Derivative assets	**238,542**	99,385	Level 2	The valuation is based on broker quotes	± 5% change in broker quotes impacts fair value by AED 11,927 thousand
g	Unquoted fund	**426,103**	470,965	Level 3	Valuation is based on Net Asset Values (NAV) of the fund calculated by the fund manager	± 5% change in NAV, impacts fair value by AED 21,305 thousand
Financial liabilities at fair value through profit or loss						
a	Derivative liabilities	**(200,728)**	(72,644)	Level 2	The valuation is based on broker quotes	± 5% change in broker quotes impacts fair value by AED 10,036 thousand
b	Reverse repurchase contracts	**(18,138)**	-	Level 2	The valuation is based on broker quotes	± 5% change in broker quotes impacts fair value by AED 907 thousand

Notes to the consolidated financial statements (continued)

28 Financial instruments (continued)

f) Fair values (continued)

a Fair value hierarchy (continued)

	2023 AED '000				2022 AED '000			
Financial assets	**Total**	**Level 1**	**Level 2**	**Level 3**	Total	Level 1	Level 2	Level 3
Financial assets at FVTPL								
Investment in equity securities	**2,395,507**	**2,395,507**	**-**	**-**	2,076,939	2,076,939	-	-
Other investment in equity securities	**963**	**-**	**-**	**963**	48,299	-	-	48,299
Convertible preference shares	**200,009**	**-**		**200,009**	160,994	-		160,994
Investment in fixed income securities	**5,391,776**	**5,391,776**	**-**	**-**	3,780,542	3,780,542	-	-
Derivative assets	**238,542**	**-**	**238,542**	**-**	99,385	-	99,385	-
Reverse repurchase contracts	**-**	**-**	**-**	**-**	236,808	-	236,808	-
Unquoted fund	**426,103**	**-**	**-**	**426,103**	470,965	-	-	470,965
Total	**8,652,900**	**7,787,283**	**238,542**	**627,075**	6,873,932	5,857,481	336,193	680,258
Financial liabilities	**Total**	**Level 1**	**Level 2**	**Level 3**	Total	Level 1	Level 2	Level 3
Financial liabilities at FVTPL								
Derivative liabilities	**(200,728)**	**-**	**(200,728)**	**-**	(72,644)	-	(72,644)	-
Reverse repurchase contracts	**(18,138)**	**-**	**(18,138)**	**-**	-	-	-	-
Total	**(218,866)**	**-**	**(218,866)**	**-**	(72,644)	-	(72,644)	-

There have been no transfers between levels 1 and 2 during the year.

Notes to the consolidated financial statements (continued)

28 Financial instruments (continued)

f) Fair values (continued)

a Fair value hierarchy (continued)

Reconciliation of Level 3 fair value movements

	2023 AED '000	2022 AED '000
At 1 January	**680,258**	321,405
(Redemptions) / additions, net	**(4,712)**	367,326
Decrease in fair value through profit or loss, net	**(48,471)**	(8,473)
	627,075	680,258

b Fair values of financial assets and liabilities measured at amortised cost

The fair values of financial assets and liabilities approximate their carrying amounts.