

WAHA CAPITAL

**Report and condensed consolidated financial information for
the six-month period ended 30 June 2023**

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**REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO
THE BOARD OF DIRECTORS OF**

AL WAHA CAPITAL PJSC

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Al Waha Capital PJSC (“the Company”) and its subsidiaries (together referred to as “the Group”) as at 30 June 2023 and the related condensed consolidated statements of profit or loss and other comprehensive income for the three month and six month periods then ended and the condensed consolidated statements of changes in equity and cash flows for the six month period then ended, and explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Accounting Standard 34, *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of the Group are not prepared, in all material respects, in accordance with IAS 34.



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

28 July 2023
Abu Dhabi

Condensed consolidated statement of financial position

	Note	As at 30 June 2023 (Unaudited) AED '000	As at 31 December 2022 (Audited) AED '000
ASSETS			
Property and equipment, net		15,588	18,137
Right-of-use assets	17	29,350	35,245
Investment property	7	351,841	282,232
Goodwill and intangible assets		37,010	36,964
Loan investments	8	43,459	40,749
Investments in equity-accounted associates and joint ventures	9	92,257	95,505
Financial investments	10	7,668,093	6,873,932
Inventories		2,216	2,216
Trade and other receivables	11	953,539	848,172
Cash and bank balances	12	552,276	797,349
		9,745,629	9,030,501
Assets held for sale	6	466,940	466,940
Total assets		10,212,569	9,497,441
EQUITY AND LIABILITIES			
Equity			
Share capital	13	1,944,515	1,944,515
Treasury shares		(162,063)	(161,194)
Retained earnings		1,155,976	1,140,733
Reserves		577,157	577,069
Equity attributable to the Owners of the Company		3,515,585	3,501,123
Non-controlling interests		2,239,115	1,827,823
Total equity		5,754,700	5,328,946
Liabilities			
Borrowings	14	3,971,481	3,585,715
Derivative liabilities	15	97,218	72,644
Lease liabilities	17	29,377	34,368
Trade and other liabilities	16	359,793	475,768
Total liabilities		4,457,869	4,168,495
Total equity and liabilities		10,212,569	9,497,441

These condensed consolidated financial statements were authorised for issue by the Board of Directors on 28 July 2023 and signed on their behalf by:



Chairman



Managing Director



Chief Financial Officer

Condensed consolidated statement of profit or loss

For the six-month period ended 30 June		Six month period ended 30 June 2023 (Unaudited) AED '000	Six month period ended 30 June 2022 (Unaudited) AED '000	Three month period ended 30 June 2023 (Unaudited) AED '000	Three month period ended 30 June 2022 (Unaudited) AED '000
	Note				
Continuing operations					
Revenue from sale of goods and services	18	71,916	55,375	35,880	28,695
Cost of sale of goods and services	18	(53,505)	(44,367)	(26,875)	(22,931)
Gross profit		18,411	11,008	9,005	5,764
Share of profit from equity-accounted associates and joint ventures, <i>net</i>	9	1,598	4,986	1,170	2,303
Gain on disposal of equity-accounted associates and joint ventures		5,021	31,263	5,021	31,263
Income / (loss) from financial investments, <i>net</i>	19	445,794	149,853	226,254	(107,815)
Income from investment property, <i>net</i>		23,468	24,572	11,782	12,430
Other income, <i>net</i>		6,048	2,318	5,353	1,827
Net operating income / (loss)		500,340	224,000	258,585	(54,228)
General and administrative expenses	20	(120,697)	(64,593)	(58,548)	(17,613)
Finance cost, <i>net</i>	21	(61,497)	(54,284)	(29,578)	(28,547)
Profit / (loss) for the period from continuing operations		318,146	105,123	170,459	(100,388)
Discontinued operations					
Loss for the period for the period from discontinued operations	6	-	(6,430)	-	(1,008)
Profit / (loss) for the period		318,146	98,693	170,459	(101,396)
Profit / (loss) for the period attributable to:					
Owners of the Company		168,856	87,282	93,901	(59,342)
Non-controlling interests		149,290	11,411	76,558	(42,054)
Profit / (loss) for the period		318,146	98,693	170,459	(101,396)
Basic and diluted earnings / (loss) per share attributable to the Owners of the Company (AED)	13	0.090	0.046	0.050	(0.032)
Basic and diluted earnings / (loss) per share from continuing operations attributable to the Owners of the Company (AED)		0.090	0.043	0.050	(0.032)

The notes numbered 1 to 23 are an integral part of these condensed consolidated financial statements.

Condensed consolidated statement of profit or loss and other comprehensive income

For the six-month period ended 30 June	Six month period ended 30 June 2023 (Unaudited) AED '000	Six month period ended 30 June 2022 (Unaudited) AED '000	Three month period ended 30 June 2023 (Unaudited) AED '000	Three month period ended 30 June 2022 (Unaudited) AED '000
Profit / (loss) for the period	318,146	98,693	170,459	(101,396)
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Release of share of other reserves of equity- accounted associates and joint ventures upon disposal (note 9)	88	-	88	-
	88	-	88	-
Total comprehensive profit / (loss) for the period	318,234	98,693	170,547	(101,396)
Total comprehensive profit / (loss) attributable to:				
Owners of the Company	168,944	87,282	93,989	(59,342)
Non-controlling interests	149,290	11,411	76,558	(42,054)
Total comprehensive profit for the period / (loss)	318,234	98,693	170,547	(101,396)

The notes numbered 1 to 23 are an integral part of these condensed consolidated financial statements.

Condensed consolidated statement of changes in equity

For the six-month period ended 30 June

	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 period	-	-	87,282	-	-	-	87,282	11,411	98,693
Total comprehensive income	-	-	87,282	-	-	-	87,282	11,411	98,693
Cash dividend (note 13)	-	-	(138,807)	-	-	-	(138,807)	-	(138,807)
Bonus shares issued	-	113,515	(113,515)	-	-	-	-	-	-
Contributions by non-controlling interests, net (note 5)	-	-	-	-	-	-	-	53,716	53,716
At 30 June 2022 (Unaudited)	1,944,515	(153,669)	924,812	549,192	(4,526)	544,666	3,260,324	1,544,668	4,804,992
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 period	-	-	168,856	-	-	-	168,856	149,290	318,146
Other comprehensive income	-	-	-	-	88	88	88	-	88
Total comprehensive income	-	-	168,856	-	88	88	168,944	149,290	318,234
Cash dividend (note 13)	-	-	(150,681)	-	-	-	(150,681)	-	(150,681)
Purchase of treasury shares, net	-	(869)	-	-	-	-	(869)	-	(869)
Loss on acquisition of investment from non-controlling interests	-	-	(2,932)	-	-	-	(2,932)	(1,605)	(4,537)
Contributions by non-controlling interests, net (note 5)	-	-	-	-	-	-	-	263,607	263,607
At 30 June 2023 (Unaudited)	1,944,515	(162,063)	1,155,976	583,629	(6,472)	577,157	3,515,585	2,239,115	5,754,700

The notes numbered 1 to 23 are an integral part of these condensed consolidated financial statements.

Condensed consolidated statement of cash flows

For the six-month period ended 30 June

	Note	2023 (Unaudited) AED '000	2022 (Unaudited) AED '000
Cash flows from operating activities			
Profit from continuing operations		318,146	105,123
Loss from discontinued operations		-	(6,430)
Profit for the period		318,146	98,693
Adjustments for:			
Depreciation on property and equipment, net		4,294	7,109
Depreciation on right-of-use assets	17	5,895	7,822
Finance cost, net	21	61,497	57,802
Charge for employees' end of service benefits		2,192	3,394
Income from financial assets at fair value through profit or loss		(445,794)	(149,853)
Share of profit from equity-accounted associates and joint ventures, net	9	(1,598)	(4,986)
Dividend from equity-accounted associates and joint ventures	9	2,036	5,788
Gain on disposal of equity-accounted associates and joint ventures		(5,021)	(31,263)
Fair value gain on investment property		-	(508)
Amortisation and write-off of intangible assets		-	76
Provision for expected credit losses		5,633	244
Proceeds from equity-accounted associates and joint ventures		7,919	31,263
Investments in financial assets at FVTPL, net		(323,793)	382,677
Loans obtained / (repaid) for financial assets at FVTPL, net		331,082	(597,056)
Finance cost paid on loans obtained against financial assets at FVTPL		(21,676)	(22,441)
Interest expense on lease liabilities	17	(1,043)	(4,449)
Changes in working capital:			
Change in inventories		-	(585)
Change in trade and other receivables		(107,484)	(280,140)
Change in trade and other liabilities		(118,445)	(75,678)
Net cash used in operations		(286,160)	(572,091)
Employees' end of service benefits paid		(591)	(2,323)
Net cash used in operating activities		(286,751)	(574,414)
Cash flows from investing activities			
Purchase of intangibles, net		(46)	-
Payments made for development of investment property		(69,609)	(270)
Purchase of property and equipment, net		(1,745)	(3,555)
Interest received		18,239	894
Net cash used in investing activities		(53,161)	(2,931)
Cash flows from financing activities			
Finance cost paid on borrowings		(56,913)	(32,026)
Principal paid on lease liabilities		(4,991)	(3,527)
Loans repaid		(17,273)	(19,311)
Loans obtained		68,337	1,919
Dividends paid	13	(150,681)	(138,807)
Contributions of non-controlling interest holders, net	5	263,607	53,716
Loan investment provided including accrued interest		(2,710)	-
Acquisition non-controlling interest holders		(4,537)	(36,987)
Net cash generated from / (used in) financing activities		94,839	(175,023)
Net decrease in cash and cash equivalents		(245,073)	(752,368)
Cash and cash equivalents at 1 January		797,349	1,421,350
Cash and cash equivalents at 30 June	12	552,276	668,982

The notes numbered 1 to 23 are an integral part of these condensed consolidated financial statements.

Notes to the condensed 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 condensed consolidated financial statements for the six-month period ended 30 June 2023 comprise the results and financial position of the Company and its subsidiaries (collectively referred to as “the Group”) and the Group’s interest in associates and jointly controlled entities (“associates and joint ventures”).

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

The Group’s consolidated financial statements for the year ended 31 December 2022 are available on its website www.wahacapital.com and upon request at the Company’s registered office at P.O. Box 28922, Etihad Towers, 42nd floor, Tower 3, Abu Dhabi, UAE.

2 Basis of preparation

These condensed consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2022.

3 Significant accounting policies

The significant accounting policies, risk management principles, methods of computation and estimates applied by the Group in these condensed consolidated financial statements are the same as those applied by the Group in the preparation of the consolidated financial statements as at and for the year ended 31 December 2022 except for the adoption of the following new standards and amendments effective as of 1 January 2023. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New and revised IFRSs effective in 2023

The Group has applied, for the first time, new standards and amendments in 2023, as stated below:

- IFRS 17 *Insurance Contracts*
- Definition of Accounting Estimates - Amendments to IAS 8
- Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The adoption of these standards have no material impact on the condensed consolidated financial statements of the Group.

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 period ended 30 June 2023. Following assessment of the potential impact of the UAE CT Law on the balance sheet, we do not consider there to be material temporary differences on which deferred taxes should be accounted.

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.

Notes to the condensed consolidated financial statements (continued)

4 Fair values

a Fair value hierarchy

The Group uses the following hierarchy for determining 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.

	30 June 2023 (Unaudited) AED '000				31 December 2022 (Audited) AED '000			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Financial assets								
Financial assets at FVTPL								
Investment in equity securities	2,314,947	2,314,947	-	-	2,076,939	2,076,939	-	-
Other investment in equity securities	48,299	-	-	48,299	48,299	-	-	48,299
Convertible preference shares	178,557	-	-	178,557	160,994	-	-	160,994
Investment in fixed income securities	4,497,519	4,497,519	-	-	3,780,542	3,780,542	-	-
Derivative assets	59,185	-	59,185	-	99,385	-	99,385	-
Reverse repurchase contracts	117,925	-	117,925	-	236,808	-	236,808	-
Unquoted funds	451,661	-	-	451,661	470,965	-	-	470,965
Total	7,668,093	6,812,466	177,110	678,517	6,873,932	5,857,481	336,193	680,258
Financial liabilities								
Financial liabilities at FVTPL								
Derivative liabilities	(97,218)	-	(97,218)	-	(72,644)	-	(72,644)	-
Total	(97,218)	-	(97,218)	-	(72,644)	-	(72,644)	-

There has been no transfers between Level 1 and Level 2 during the period.

Notes to the condensed consolidated financial statements (continued)

4 Fair values (continued)

a Fair value hierarchy (continued)

As at the end of the reporting period, the Group held the following financial assets and liabilities at fair value:

	30 June 2023 (Unaudited) AED '000	31 December 2022 (Audited) AED '000	Fair value hierarchy	Valuation technique
Financial assets at fair value through profit or loss				
a Listed equity security	2,314,947	2,076,939	Level 1	Quoted bid prices in an active market.
b Other investment in equity securities	48,299	48,299	Level 3	Valuation is based on Net Asset Values (NAV) or latest transaction price in the market and discounted cash flows using unobservable inputs, mainly discount rate, interest rate, share price and market volatilities of the underlying instrument.
c Convertible preference shares	178,557	160,994	Level 3	Options model with unobservable inputs, mainly share price and market volatilities of the underlying shares
d Investment in listed fixed income securities	4,497,519	3,780,542	Level 1	Quoted bid prices in an active market.
e Reverse repurchase contracts	117,925	236,808	Level 2	The valuation is based on broker quotes.
f Derivative assets	59,185	99,385	Level 2	The valuation is based on broker quotes.
g Unquoted funds	451,661	470,965	Level 3	Valuation is based on Net Asset Values (NAV) of the fund calculated by the fund manager.
Financial liabilities at fair value through profit or loss				
a Derivative liabilities	(97,218)	(72,644)	Level 2	The valuation is based on broker quotes.

Notes to the condensed consolidated financial statements (continued)

4 Fair values (continued)

a Fair value hierarchy (continued)

Reconciliation of level 3 fair value movements

	Six-month period ended 30 June 2023 (Unaudited) AED '000	Year ended 31 December 2022 (Audited) AED '000
At 1 January	680,258	321,405
(Redemptions) / additions	(7,578)	367,326
Increase / (decrease) in fair value through profit or loss	5,837	(8,473)
	<u>678,517</u>	<u>680,258</u>

b Fair values of financial assets and liabilities measured at amortised cost

The fair values of financial assets and liabilities approximate their carrying amounts.

5 Non-controlling interests

During the period, the non-controlling interest holders of Waha MENA Equity Fund SP invested a net amount of AED 85,916 thousand (30 June 2022: AED 64,156 thousand), resulting in a decrease in the Group's ownership from 59.7% to 57.2%; the non-controlling interest holders of Waha Emerging Markets Credit Fund SP (previously referred to as the Waha CEEMEA Credit Fund SP) invested a net amount of AED 145,692 thousand (30 June 2022: redeemed net amount of AED 23,250 thousand), resulting in a decrease in the Group's ownership from 63.2% to 59.6%; the non-controlling interest holders in Waha Islamic Income Fund SP invested an amount of AED 31,999 thousand (30 June 2022: AED 11,310 thousand), resulting in a decrease in the Group's ownership from 78.7% to 64.2%. The Group had also invested an amount of AED 1,500 thousand in Waha Principal Investments – Sole Proprietorship LLC during the six-month period ended 30 June 2022.

Notes to the condensed consolidated financial statements (continued)

6 Non-current assets 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 and recognised a gain on disposal amounting to AED 32,653 thousand. Accordingly, the results of the discontinued operations were reclassified as of 30 June 2022 amounting to a loss of AED 6,430 thousand.

During 2022, the Group has decided to sell a part of its investment property amounting to AED 466,940 thousand. As a result, this portion has been reclassified to an asset held for sale (note 7).

7 Investment property

The movement of investment property is presented below:

	Six-month period ended 30 June 2023 (Unaudited) AED '000	Year ended 31 December 2022 (Audited) AED '000
At 1 January	282,232	711,422
Additions	69,609	40,374
Fair value gain	-	508
Disposal of investment property	-	(3,132)
Assets held for sale	-	(466,940)
	351,841	282,232

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 30 June 2023 has been determined by management with reference to the valuation carried out on 31 December 2022, performed by 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.

During 2020, the Group entered into a Musataha agreement for sale of a serviced land. Total consideration for the transaction is AED 13,000 thousand which is payable in five installments until September 2023.

During 2021, the Group entered into a Musataha agreement for sale of a serviced land. Total consideration for the transaction is AED 9,000 thousand which is payable in five installments until May 2025.

During 2022, the Group entered into a Musataha agreement for sale of a serviced land. Total consideration for the transaction is AED 4,275 thousand which is payable in five installments until June 2026.

Notes to the condensed consolidated financial statements (continued)

8 Loan investments

	30 June 2023 (Unaudited) AED '000	31 December 2022 (Audited) AED '000
Loan investment	<u>43,459</u>	<u>40,749</u>

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 30 June 2023, the loan is a stage 1 asset (31 December 2022: stage 1 asset).

9 Investments in equity-accounted associates and joint ventures

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

	Six-month period ended 30 June 2023 (Unaudited) AED '000	Year ended 31 December 2022 (Audited) AED '000
As at 1 January	95,505	170,242
Disposals	(2,898)	(73,078)
Share of profit, net	1,598	13,410
Share of equity reserves	88	(2,034)
Distributions received	(2,036)	(13,035)
	<u>92,257</u>	<u>95,505</u>

/

Notes to the condensed consolidated financial statements (continued)

10 Financial investments

	30 June 2023 (Unaudited) AED '000	31 December 2022 (Audited) AED '000
Financial assets at fair value through profit or loss		
Unquoted funds	451,661	470,965
Derivative assets ¹	59,185	99,385
Reverse repurchase contracts, net ²	117,925	236,808
Listed fixed income securities ³	4,497,519	3,780,542
Listed equity securities	2,314,947	2,076,939
Convertible preference shares ⁴	178,557	160,994
Other investments	48,299	48,299
	7,668,093	6,873,932

¹Derivative assets held by the Group include interest rate swaps, total return swaps, credit default swaps and currency futures and have a notional value of 3,038,357 thousand (31 December 2022: 5,493,387 thousand).

²Reverse repurchase contracts are shorted simultaneously. The carrying amounts presented are net of reverse repurchase receivables of AED 2,597,077 thousand and corresponding liabilities of AED 2,479,152 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.

³Listed fixed income securities totalling AED 2,817,389 thousand (31 December 2022: AED 2,441,902 thousand) are pledged as security against the Group's borrowings under repurchase agreements.

⁴On 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 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 178,557 thousand (31 December 2022: AED 160,994 thousand).

Notes to the condensed consolidated financial statements (continued)
11 Trade and other receivables

	30 June 2023 (Unaudited) AED '000	31 December 2022 (Audited) AED '000
Trade receivables	90,827	129,556
Allowance for expected credit losses	(17,757)	(16,832)
	73,070	112,724
Prepayments and advances	11,443	20,315
Accrued interest	88,123	69,573
Amounts set aside for prior years dividends	15,742	37,634
Deposits under lien	1,040	1,040
Margin accounts	690,774	545,710
Other receivables	78,590	61,710
Allowance for expected credit losses on other receivables	(5,243)	(534)
	953,539	848,172

12 Cash and bank balances

	30 June 2023 (Unaudited) AED '000	31 December 2022 (Audited) AED '000
Deposits held with banks	12,873	99,306
Cash at banks	539,360	698,008
Cash in hand	98	90
Cash and bank balances	552,331	797,404
Less: Allowance for expected credit losses	(55)	(55)
	552,276	797,349

13 Share capital and dividend

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%).

The basic and diluted earnings per share for the current period ended 30 June 2023 and 2022 has been calculated using the weighted average number of shares outstanding during the period after considering the effect of treasury shares.

	Six month period ended 30 June 2023 (Unaudited)	Six month period ended 30 June 2022 (Unaudited)	Three month period ended 30 June 2023 (Unaudited)	Three month period ended 30 June 2022 (Unaudited)
Profit / (loss) for the period attributable to Owners of the Company (AED '000)	168,856	87,282	93,901	(59,342)
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	1,879,706,511	1,883,545,982	1,879,706,511	1,883,545,982

Notes to the condensed consolidated financial statements (continued)
14 Borrowings

The movement in borrowings is presented below:

	Six-month period ended 30 June 2023 (Unaudited) AED '000	Year ended 31 December 2022 (Audited) AED '000
At 1 January	3,585,715	4,117,198
Loans drawn down	-	35,344
Loan arrangement and prepaid interest costs, net of amortization	399,419	6,051
Loans repaid	3,620	(572,189)
Loans transferred to a disposal group	(17,273)	(689)
	3,971,481	3,585,715

On 15 August 2021, the Group completed the refinancing of its existing \$500 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. An amount of AED 1,294,590 thousand was outstanding as at 30 June 2023 with nil drawdown during the period.

During the period, the Group's repurchase liabilities against its investment in fixed income securities increased by AED 331,082 thousand. The outstanding Repurchase liabilities as at 30 June 2023 were AED 2,516,849 thousand.

During the period, net amount of AED 51,064 thousand was drawn from the AED 378,000 thousand secured Murabaha-ljara based financing for further development of its light industrial real estate project. An amount of AED 160,042 thousand was outstanding as at 30 June 2023.

15 Derivative liabilities

	30 June 2023 (Unaudited) AED '000	31 December 2022 (Audited) AED '000
Financial liabilities at fair value through profit or loss		
Other derivative liabilities ¹	97,218	72,644
	97,218	72,644

¹ Other derivative liabilities held by the Group represent interest rate swaps, total return swaps, credit default swaps, and currency futures, and have a notional value of 1,194,931 thousand (31 December 2022: 600,317 thousand).

16 Trade and other liabilities

	30 June 2023 (Unaudited) AED '000	31 December 2022 (Audited) AED '000
Trade payables	140,220	212,918
Interest accrued on borrowings	67,208	54,072
Dividends payable	15,744	37,637
Long term employee incentive plans accrual	31,625	61,557
Deferred income	6,903	8,517
End of service benefit provision	21,476	19,875
Other payables and accruals	76,617	81,192
	359,793	475,768

Notes to the condensed consolidated financial statements (continued)

17 Leases

	Right-of-use assets AED '000	Lease liabilities AED'000
As at 1 January 2023	35,245	34,368
Depreciation expense	(5,895)	-
Interest expense	-	1,043
Payments	-	(6,034)
As at 30 June 2023 (Unaudited)	29,350	29,377
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	(83,587)	(107,059)
As at 31 December 2022 (Audited)	35,245	34,368

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

18 Revenue from sale of goods and services

	Six-month period ended 30 June 2023 (Unaudited) AED '000	Six-month period ended 30 June 2022 (Unaudited) AED '000	Three-month period ended 30 June 2023 (Unaudited) AED '000	Three-month period ended 30 June 2022 (Unaudited) AED '000
Revenue	71,916	55,375	35,880	28,695
Cost of sale	(53,505)	(44,367)	(26,875)	(22,931)
Gross profit	18,411	11,008	9,005	5,764

Revenue and cost of sales of services are 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 condensed consolidated financial statements (continued)

19 Income from financial investments, net

	Six-month period ended 30 June 2023 (Unaudited) AED '000	Six-month period ended 30 June 2022 (Unaudited) AED '000	Three-month period ended 30 June 2023 (Unaudited) AED '000	Three-month period ended 30 June 2022 (Unaudited) AED '000
Financial assets at fair value through profit or loss				
Net (loss) / gain from unquoted funds	(11,727)	37,805	2,473	14,064
Net gain / (loss) from derivatives	176,105	383,405	(9,316)	117,539
Net gain / (loss) from listed fixed income securities	154,095	(153,616)	64,167	(84,815)
Net gain / (loss) from listed equity securities	102,698	(115,832)	157,958	(116,241)
Net gain / (loss) from convertible preference shares	24,623	(1,909)	10,972	(38,362)
	445,794	149,853	226,254	(107,815)

20 General and administrative expenses

	Six-month period ended 30 June 2023 (Unaudited) AED '000			Three-month period ended 30 June 2023 (Unaudited) AED '000		
	Company	Subsidiaries	Total	Company	Subsidiaries	Total
Staff costs	72,769	10,514	83,283	37,777	5,275	43,052
Legal and other professional expenses	5,795	6,826	12,621	2,543	3,573	6,116
Depreciation	1,686	1,613	3,299	846	824	1,670
Marketing expenses	2,078	1,109	3,187	513	616	1,129
Provision for expected credit losses	4,709	924	5,633	-	455	455
Others	6,336	6,338	12,674	3,111	3,015	6,126
	93,373	27,324	120,697	44,790	13,758	58,548

	Six-month period ended 30 June 2022 (Unaudited) AED '000			Three-month period ended 30 June 2022 (Unaudited) AED '000		
	Company	Subsidiaries	Total	Company	Subsidiaries	Total
Staff costs ¹	24,546	10,085	34,631	(1,938)	4,937	2,999
Legal and other professional expenses	6,623	6,742	13,365	2,571	3,488	6,059
Depreciation	2,669	1,580	4,249	1,545	788	2,333
Amortisation of intangible assets	22	29	51	7	15	22
Marketing expenses	1,316	958	2,274	897	549	1,446
Provision for expected credit losses	-	244	244	-	846	846
Others	4,005	5,774	9,779	1,276	2,632	3,908
	39,181	25,412	64,593	4,358	13,255	17,613

¹ In 2022, staff costs included a prior year reversal amounted to AED 23,720 thousand.

Notes to the condensed consolidated financial statements (continued)
21 Finance cost, net

	Six month period ended 30 June 2023 (Unaudited) AED '000	Six month period ended 30 June 2022 (Unaudited) AED '000	Three month period ended 30 June 2023 (Unaudited) AED '000	Three month period ended 30 June 2022 (Unaudited) AED '000
Interest on borrowings	78,589	53,468	38,014	28,332
Interest on lease liabilities	1,043	879	504	598
Amortisation of loan arrangement costs	3,620	3,408	1,820	1,714
Interest income from loan investments at amortised cost	(2,710)	(1,989)	(1,471)	(1,085)
Collateral and other interest income	(17,098)	-	(8,560)	-
Interest earned on time deposits	(1,141)	(842)	(326)	(692)
Unwinding of interest on disposal of investment property	(806)	(640)	(403)	(320)
	61,497	54,284	29,578	28,547

22 Related parties
Significant transactions with related parties recognised in the statement of profit or loss:

Key management personnel compensation

	Six month period ended 30 June 2023 (Unaudited) AED '000	Six month period ended 30 June 2022 (Unaudited) AED '000	Three month period ended 30 June 2023 (Unaudited) AED '000	Three month period ended 30 June 2022 (Unaudited) AED '000
Salary and benefits	3,602	3,910	1,549	1,611
End of service and other long-term benefits	273	332	136	164
	3,875	4,242	1,685	1,775

23 Operating segments
Private Investments

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

Public Markets

The Public Markets segment provides asset management services to both proprietary capital and third-party investors by means of managed funds and separate accounts, across a number of strategies, and is operated through Waha Investments PrJSC.

Waha Land

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

Notes to the condensed consolidated financial statements (continued)
23 Operating segments (continued)
Corporate

The Corporate segment comprises the remainder of the Group's activities, not directly attributed to the above segments, but providing a range of corporate services to each.

The following table presents revenue and profit information for the Group's operating segments for the six-month period ended 30 June 2023 and 2022, respectively:

AED '000					
Six-month period ended	Private	Waha	Public	Corporate	Consolidated
30 June 2023 (Unaudited)	Investments	Land	Markets		
Revenue from sale of goods and services	71,916	-	-	-	71,916
Share of profit from equity-accounted associates and joint ventures, net	1,598	-	-	-	1,598
Gain on disposal of equity-accounted associates and joint ventures	5,021	-	-	-	5,021
Income / (loss) from financial investments, net	(29,672)	-	475,466	-	445,794
Income from investment property, net	-	23,468	-	-	23,468
Other income, net	268	145	5,633	2	6,048
Profit / (loss) for the period	(27,317)	16,035	458,489	(129,061)	318,146
Other comprehensive income	88	-	-	-	88
AED '000					
Six-month period ended	Private				
30 June 2022 (Unaudited)	Investments	Waha Land	Public Markets	Corporate	Consolidated
Revenue from sale of goods and services	55,375	-	-	-	55,375
Share of profit from equity-accounted associates and joint ventures, net	4,986	-	-	-	4,986
Gain on disposal of equity-accounted associates and joint ventures	31,263	-	-	-	31,263
Income from financial investments, net	(1,573)	-	151,426	-	149,853
Income from investment property, net	-	24,572	-	-	24,572
Other income, net	1,391	813	88	26	2,318
Profit / (loss) for the period from continuing operations	26,722	19,486	112,496	(53,581)	105,123
Loss for the period from discontinued operations	(6,430)	-	-	-	(6,430)
Profit / (loss) for the period	20,292	19,486	112,496	(53,581)	98,693

Segment income reported above represents income generated from external customers. There was no inter-segment income during the period (30 June 2022: nil).

Notes to the condensed consolidated financial statements (continued)

23 Operating segments (continued)

The following table presents assets and liabilities information for the Group's operating segments as at 30 June 2023 and 31 December 2022, respectively:

AED '000	Private		Public		
As at 30 June 2023 (unaudited)	Investments	Waha Land	Markets	Corporate	Consolidated
Segment assets	978,871	910,579	8,227,517	95,602	10,212,569
Segment liabilities	61,521	183,765	2,814,912	1,397,671	4,457,869
AED '000					
As at 31 December 2022 (audited)					
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