

# **Ittihad International Investment LLC**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 30 JUNE 2024**



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## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF**

### **ITTIHAD INTERNATIONAL INVESTMENT LLC**

#### *Introduction*

We have reviewed the accompanying interim condensed consolidated financial statements of Ittihad International Investment LLC (the “Company”) and its subsidiaries (together referred to as the “Group”) as at 30 June 2024, comprising of the interim condensed consolidated statement of financial position as at 30 June 2024, and the related interim condensed consolidated statements of profit or loss, comprehensive income, 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 these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

#### *Scope of review*

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

#### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, “*Interim Financial Reporting*”.

For Ernst & Young

Ahmad Al Dali  
Registration No 5548

15 August 2024  
Abu Dhabi, United Arab Emirates

# Ittihad International Investment LLC

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED) For the six month period ended 30 June 2024

		<i>Six months ended 30 June (Unaudited)</i>	
	<i>Notes</i>	<i>2024 AED '000</i>	<i>2023 AED '000</i>
<b>Continuing operations</b>			
Revenue	3	<b>5,994,624</b>	5,433,218
Direct costs		<b>(5,637,499)</b>	(5,099,304)
<b>GROSS PROFIT</b>		<b>357,125</b>	333,914
Administrative expenses		<b>(167,197)</b>	(169,421)
Provision for expected credit losses, net		<b>(2,210)</b>	(5,020)
<b>OPERATING PROFIT</b>		<b>187,718</b>	159,473
Other income		<b>4,642</b>	3,465
Gain on disposal of subsidiary	10	<b>-</b>	2,317
Share of profit from associate		<b>1,097</b>	-
Net foreign exchange gain		<b>884</b>	225
Finance costs	4	<b>(139,552)</b>	(125,845)
Change in fair value of derivatives		<b>(8,575)</b>	(5,285)
<b>PROFIT BEFORE TAX</b>		<b>46,214</b>	34,350
Tax expense	11	<b>(10,710)</b>	-
<b>PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>		<b>35,504</b>	34,350
<b>Discontinued operations</b>			
Profit (loss) for the period from discontinued operations	10	<b>338</b>	(13,722)
<b>PROFIT FOR THE PERIOD</b>		<b>35,842</b>	<b>20,628</b>
<b>Attributable to:</b>			
<i>Equity holders of the parent company:</i>			
Continuing operations		<b>35,857</b>	34,354
Discontinued operations		<b>338</b>	(13,722)
		<b>36,195</b>	<b>20,632</b>
<i>Non-controlling interest:</i>			
Continuing operations		<b>(353)</b>	(4)
Discontinued operations		<b>-</b>	-
		<b>(353)</b>	<b>(4)</b>
		<b>35,842</b>	<b>20,628</b>

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

# Ittihad International Investment LLC

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the six month period ended 30 June 2024

	Notes	<i>Six months ended 30 June (Unaudited)</i>	
		2024 AED '000	2023 AED '000
<b>PROFIT FOR THE PERIOD</b>		<b>35,842</b>	20,628
<b>Other comprehensive income (loss)</b>			
<i>Items that may subsequently be reclassified to profit or loss</i>			
Changes in fair value of cash flow hedges		419	512
Foreign exchange differences on translation of foreign operations		(15,422)	(6,915)
		<b>(15,003)</b>	<b>(6,403)</b>
<i>Items that will not be subsequently reclassified to profit or loss</i>			
Changes in fair value of investment carried at fair value through other comprehensive income		(7,323)	2,544
<b>Other comprehensive loss for the period</b>		<b>(22,326)</b>	<b>(3,859)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>13,516</b>	<b>16,769</b>
<b>Attributable to:</b>			
<i>Equity holders of the parent company:</i>			
Continuing operations		13,531	30,495
Discontinued operations	10	338	(13,722)
		<b>13,869</b>	<b>16,773</b>
<i>Non-controlling interest:</i>			
Continuing operations		(353)	(4)
Discontinued operations		-	-
		<b>(353)</b>	<b>(4)</b>
		<b>13,516</b>	<b>16,769</b>

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

# Ittihad International Investment LLC

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2024

		(Unaudited) 30 June 2024	(Audited) 31 December 2023
	Notes	AED'000	AED'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	<b>1,886,895</b>	1,893,215
Right of use assets		<b>93,431</b>	95,554
Intangible assets		<b>39,142</b>	42,019
Goodwill		<b>3,417</b>	3,417
Investments carried at fair value through other comprehensive income		<b>33,850</b>	41,825
Amounts due from related parties	7	<b>26,531</b>	26,640
Accounts receivable and prepayments		<b>42,649</b>	44,235
Investment in an associate		<b>3,907</b>	2,810
Derivative financial instruments		<b>9,181</b>	<u>7,682</u>
		<b>2,139,003</b>	<u>2,157,397</u>
<b>Current assets</b>			
Inventories		<b>988,135</b>	865,701
Accounts receivable and other prepayments		<b>1,696,633</b>	1,486,813
Bank balances and cash	6	<b>539,149</b>	562,002
Amounts due from related parties	7	<b>48,857</b>	50,912
Derivative financial instruments		<b>2,185</b>	<u>5,146</u>
		<b>3,274,959</b>	<u>2,970,574</u>
Disposal group held for sale	10	<b>7,570</b>	<u>9,337</u>
		<b>3,282,529</b>	<u>2,979,911</u>
<b>TOTAL ASSETS</b>		<b><u>5,421,532</u></b>	<u>5,137,308</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Equity</b>			
Share capital	8	<b>500</b>	500
Shareholder's account		<b>91,228</b>	97,637
Statutory reserve		<b>9,443</b>	9,443
Retained earnings		<b>563,693</b>	527,498
Foreign currency translation reserve		<b>(22,313)</b>	(6,891)
Fair value reserve		<b>(19,942)</b>	(12,619)
Cash flow hedge reserve		<b>(5,586)</b>	<u>(6,005)</u>
Equity attributable to the owners of the Company		<b>617,023</b>	609,563
Non-controlling interest		<b>5,295</b>	<u>5,823</u>
<b>TOTAL EQUITY</b>		<b><u>622,318</u></b>	<u>615,386</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Warranty provisions		<b>3,608</b>	5,198
Term loans	9	<b>336,787</b>	411,823
Employees' end of service benefits		<b>82,781</b>	78,062
Lease liabilities		<b>96,430</b>	98,352
Derivative financial instruments		<b>35,019</b>	32,577
Deferred tax liability		<b>1,533</b>	-
Non-convertible Sukuk	9	<b>1,256,400</b>	<u>1,253,223</u>
		<b>1,812,558</b>	<u>1,879,235</u>

Ittihad International Investment LLC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
(UNAUDITED) continued

As at 30 June 2024

		<i>(Unaudited)</i> <i>30 June</i> <i>2024</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i>
	<i>Notes</i>	<i>AED'000</i>	<i>AED'000</i>
<b>Current liabilities</b>			
Accounts payable and accruals		<b>1,911,816</b>	1,611,295
Term loans	9	118,539	77,568
Bank financing facilities		911,814	926,666
Derivative financial instruments		5,609	4,808
Lease liabilities		7,007	8,017
Amount due to related parties	7	123	289
Bank overdrafts	6	<u>28,266</u>	<u>10,562</u>
		<u><b>2,983,174</b></u>	<u><b>2,639,205</b></u>
Liabilities directly associated with disposal group held for sale	10	<u>3,482</u>	<u>3,482</u>
		<u><b>2,986,656</b></u>	<u><b>2,642,687</b></u>
<b>Total liabilities</b>		<b><u>4,799,214</u></b>	<b><u>4,521,922</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>5,421,532</u></b>	<b><u>5,137,308</u></b>



Chairman

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

# Ittihad International Investment LLC

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six month period ended 30 June 2024

	Attributable to equity holders of the Company									
	Share capital AED '000	Shareholders' accounts AED '000	Statutory reserve AED '000	Fair value reserve AED '000	Retained earnings AED '000	Cash flow hedge reserve AED '000	Foreign currency translation reserve AED '000	Total AED '000	Non-controlling interests AED '000	Net equity AED '000
Balance at 1 January 2023 (audited)	500	275,377	9,443	(14,822)	512,166	(728)	7	781,943	-	781,943
Profit for the period	-	-	-	-	20,632	-	-	20,632	(4)	20,628
Other comprehensive (loss) income	-	-	-	2,544	-	512	(6,915)	(3,859)	-	(3,859)
Total comprehensive (loss) income for the period	-	-	-	2,544	20,632	512	(6,915)	16,773	(4)	16,769
Realised loss on disposal of investments carried at fair value through other comprehensive income	-	-	-	2,709	(2,709)	-	-	-	-	-
Acquisition of subsidiary	-	-	-	-	-	-	-	-	5,071	5,071
Dividends declared and paid (note 15)	-	-	-	-	(4,879)	-	-	(4,879)	-	(4,879)
Net movement in shareholders' accounts	-	(174,286)	-	-	-	-	-	(174,286)	-	(174,286)
Balance at 30 June 2023 (unaudited)	<u>500</u>	<u>101,091</u>	<u>9,443</u>	<u>(9,569)</u>	<u>525,210</u>	<u>(216)</u>	<u>(6,908)</u>	<u>619,551</u>	<u>5,067</u>	<u>624,618</u>
Balance at 1 January 2024 (audited)	500	97,637	9,443	(12,619)	527,498	(6,005)	(6,891)	609,563	5,823	615,386
Profit for the period	-	-	-	-	36,195	-	-	36,195	(353)	35,842
Other comprehensive (loss) income	-	-	-	(7,323)	-	419	(15,422)	(22,326)	-	(22,326)
Total comprehensive (loss) income for the period	-	-	-	(7,323)	36,195	419	(15,422)	13,869	(353)	13,516
Movement in non-controlling interest	-	-	-	-	-	-	-	-	(175)	(175)
Net movement in shareholders' accounts	-	(6,409)	-	-	-	-	-	(6,409)	-	(6,409)
Balance at 30 June 2024 (unaudited)	<u>500</u>	<u>91,228</u>	<u>9,443</u>	<u>(19,942)</u>	<u>563,693</u>	<u>(5,586)</u>	<u>(22,313)</u>	<u>617,023</u>	<u>5,295</u>	<u>622,318</u>

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

# Ittihad International Investment LLC

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six month period ended 30 June 2024

	Notes	<i>Six months ended 30 June</i>	
		2024 AED'000	2023 AED'000
<b>OPERATING ACTIVITIES</b>			
Profit before tax for the period from continuing operations		<b>46,214</b>	34,350
Profit (loss) before tax for the period from discontinued operations		<u>338</u>	<u>(13,722)</u>
		<b>46,552</b>	20,628
<i>Adjustments for:</i>			
Finance costs	4 & 10	<b>139,706</b>	126,714
Amortisation of intangible assets		<b>3,309</b>	5,680
Share of result from investment in an associate		<b>(1,097)</b>	-
Allowance for expected credit losses, net		<b>2,210</b>	14,318
Depreciation of property, plant and equipment	5	<b>68,815</b>	76,859
Depreciation of right of use of assets		<b>3,942</b>	3,705
Provision for warranty		<b>853</b>	989
Provision for slow moving inventories, net		<b>2,137</b>	211
Provision for employees' end of service benefits		<b>7,612</b>	7,427
Gain on sale of property, plant and equipment		<b>(574)</b>	(442)
Write-off of property, plant and equipment		<b>-</b>	69
Gain on disposal of subsidiary		<b>-</b>	(2,317)
Write-off of intangible assets		<b>-</b>	19
Net changes in fair value of derivative financial instruments		<u><b>8,575</b></u>	<u>5,285</u>
		<b>282,040</b>	259,145
Working capital changes:			
Inventories		<b>(124,571)</b>	(523,323)
Accounts receivable and prepayments		<b>(208,548)</b>	(166,944)
Accounts payable and accruals, net of current portion of warranty provision		<b>300,946</b>	126,936
Amounts due from related parties		<b>1,025</b>	19,669
Amounts due to related parties		<u><b>(206)</b></u>	<u>3,407</u>
		<b>250,686</b>	(281,110)
Cash from (used in) operations		<b>(2,893)</b>	(2,896)
Employees' end of service benefits paid		<u><b>(3,586)</b></u>	<u>-</u>
		<b>244,207</b>	<u>(284,006)</u>
Net cash flow from (used in) operating activities			
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		<b>(62,614)</b>	(27,500)
Purchase of intangible assets		<b>(432)</b>	(320)
Net movement in investments carried at fair value through OCI		<b>652</b>	25,985
Proceeds from sale of property, plant and equipment		<b>693</b>	836
Proceed from repayment of loan to associate		<b>1,000</b>	-
Cash outflow from disposal of a subsidiary		<b>-</b>	(65)
Settlement of derivative financial instruments, net		<b>(3,870)</b>	-
Cash paid on acquisition of subsidiary, net of cash acquired		<u><b>-</b></u>	<u>(7,521)</u>
		<b>(64,571)</b>	<u>(8,585)</u>
Net cash used in investing activities			

# Ittihad International Investment LLC

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six month period ended 30 June 2024

Notes	<i>Six months ended 30 June</i>	
	<i>2024</i> <i>AED'000</i>	<i>2023</i> <i>AED'000</i>
<b>FINANCING ACTIVITIES</b>		
Repayment of term loans	(44,358)	(101,368)
Proceeds from term loans	6,499	6,177
Bank financing facilities	(14,852)	439,765
Proceeds from Sukuk issuance	-	-
Dividends paid	-	(4,879)
Payment to non- controlling interest	(175)	-
Movement in shareholders' account	(6,409)	(3,753)
Payment of lease rentals	(8,647)	(9,713)
Finance cost paid	(136,839)	(100,194)
Net cash (used in) from financing activities	(204,781)	226,035
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD</b>		
	(25,145)	(66,556)
Foreign currency translation adjustment	(15,422)	(6,915)
Cash and cash equivalents at the beginning of the period	<u>551,834</u>	<u>551,782</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b><u>511,267</u></b>	<b><u>478,311</u></b>

Significant non-cash transactions excluded from the interim condensed consolidated statements of cash flows are as follows:

	<i>Six months ended 30 June</i>	
	<i>2024</i> <i>AED'000</i>	<i>2023</i> <i>AED'000</i>
Due from related party settled by the shareholder (note 7)	<u>—</u>	<u>170,533</u>

The attached notes 1 to 16 form part of these interim condensed consolidated financial statements.

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2024 (Unaudited)

### 1 ACTIVITIES

Ittihad International Investment LLC (the “Company”) is a limited liability company registered in Abu Dhabi, U.A.E. on 11 September 2008.

The main activities of Ittihad International Investment LLC (the “Company”) and its subsidiaries (the “Group”) are manufacturing of papers, paperboard, ready to use printing and writing papers, tissue paper, cleaning detergent, producing and supplying copper rod, distributing straight steel bars, cut and bend services, clinker grinding, providing operation and maintenance services for infrastructure networks, water systems, sewage, treatment plants and solid municipal waste management, sales and marketing of medical equipment and apparatus, management of hospitals, technical and specialised services for maintenance and operation of medical equipment.

The registered address of the Company is P O Box 41188, Abu Dhabi, United Arab Emirates.

The Company is owned by Mr. Jawaan Awaida Suhail Awaida Al Khaili (hereinafter referred as the “Owner” or the “Shareholder”).

The interim condensed consolidated financial statements for the six month period ended 30 June 2024 were authorized by the Board of Directors for issue on 15 August 2024.

### 2 BASIS OF PREPARATION

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting* as issued by International Accounting Standards Board (“IASB”).

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2023. In addition, results for the six month period ended 30 June 2024 are not necessarily indicative of the results that may be expected for the year ending 31 December 2024.

The interim condensed consolidated financial statements are presented in United Arab Emirates Dirham (AED) which is also the currency of primary economic environment in which the Company operates. Each entity in the Group determines its own functional currency. All financial information presented in AED has been rounded to the nearest thousand (AED'000) except otherwise stated.

The interim condensed consolidated financial statements are prepared under the historical cost convention, except for measurement at fair value of derivative financial instruments and investments carried at fair value through other comprehensive income.

#### **Basis of consolidation**

The interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June 2024. The interim condensed financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2024 (Unaudited)

### 2 BASIS OF PREPARATION continued

#### Basis of consolidation continued

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

The Group re-assesses 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group 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 intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

When the Group loses control of a subsidiary, the profit or loss on disposal 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 liabilities of the subsidiary and any non-controlling interests.

The consolidated subsidiaries and the Company's shareholding therein are as follows:

Subsidiaries & shareholding companies	Country of incorporation	Activities	Percentage of holding	
			30 June 2024 %	31 December 2023 %
Alternative Investments Sole proprietorship	United Arab Emirates	Invest in private companies and establishments	100	100
Industrial Capital Group LLC	United Arab Emirates	Invest in private companies and establishments	100	100
Union Copper Rod LLC	United Arab Emirates	Copper rod manufacturing	100	100
Union Rebar Factory LLC	United Arab Emirates	Steel bar cutting & bending	100	100
Union Chemicals Factory LLC	United Arab Emirates	Production of chemicals for detergents industry {Benzene Sulphonic Acid (LABSA) and Sodium Laureth Sulfate (SLES)}	100	100
National Cement Factory LLC	United Arab Emirates	Cement manufacturing	100	100
Crown Paper Mill LLC	United Arab Emirates	Tissue manufacturing and cutting	100	100
Emirates Link Group LLC	United Arab Emirates	Management and support services	100	100
Emirates Link Nitco LLC	United Arab Emirates	Water desalination and water treatment	100	100

# Ittihad International Investment LLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2023

### 2 BASIS OF PREPARATION continued

#### Basis of consolidation continued

Subsidiaries & shareholding companies	Country of incorporation	Activities	Percentage of holding	
			30 June 2024 %	31 December 2023 %
Malegori Landscape General Contracting LLC	United Arab Emirates	Irrigation and environmental services, civil works, afforestation, electromechanical works, landscape, works and facility management.	100	100
Emirates Link Technology LLC	United Arab Emirates	On-shore and off-shore oil & gas field services	100	100
Elite Intelligent Solutions LLC	United Arab Emirates	Information technology and network services	100	100
Advanced Pipeline Services LLC	United Arab Emirates	Cleaning and maintenance of sewerage pipes and water desalination and treatment plants operation and maintenance.	100	100
Ittihad International Petroleum Company LLC	United Arab Emirates	Oil and gas services	100	100
Growth Capital LLC	United Arab Emirates	Invest in private companies and establishments	100	100
Office Inspirations Décor & Furniture Trading LLC	United Arab Emirates	Trading of office furniture	100	100
Enma Recruitment LLC	United Arab Emirates	On shore and offshore oil and gas fields and facilities services and on demand labours	100	100
Med-In Investments LLC	United Arab Emirates	Invest in private companies and establishments	100	100
Abu Dhabi International Medical Services LLC	United Arab Emirates	Provider of pharmaceutical products and medical equipment	100	100
Unison Capital Investment LLC	United Arab Emirates	Health services and development	100	100
FourMed Medical Supplies LLC	United Arab Emirates	Provider of medical equipment	100	100
FourMed – FZ LLC	United Arab Emirates	Provider of medical equipment	100	100
Ittihad Gulf Limited	Kingdom of Saudi Arabia	Manufacturing of clearing and disinfecting detergents	100	100
Ittihad Paper Mill LLC	United Arab Emirates	Manufacturing and cutting of paper and carton	100	100
Ittihad Investments Company LLC	Kingdom of Saudi Arabia	Trading and services	100	100
Transport LTD	United Arab Emirates	Freight requirement services	100	100
Peak Capital Management Ltd	United Arab Emirates	Investment management	100	100
Metropolic Paper Industries LLC	United Arab Emirates	Manufacturing and trading of paper products	100	100
Solv Group Limited	United Arab Emirates	Cleaning and waste management services	100	100
West Coast Cleaning and Environmental Services Company LLC	United Arab Emirates	Cleaning and waste management services	100	100
Solv Environmental Services Company LLC	United Arab Emirates	Cleaning and waste management services	100	100
West Coast Saubermacher Environmental Services LLC	United Arab Emirates	Street cleaning and waste management services	100	100
Solv Facilities Management LLC	United Arab Emirates	Cleaning and waste management services	100	100

# Ittihad International Investment LLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 31 December 2023

### 2 BASIS OF PREPARATION continued

#### Basis of consolidation continued

Subsidiaries & shareholding companies	Country of incorporation	Activities	Percentage of holding	
			30 June 2024 %	31 December 2023 %
Solv Advance Maintenance LLC	United Arab Emirates	Building maintenance	100	100
Solv International Foods & Catering Services LLC	United Arab Emirates	Building cleaning, disinfection & sterilization services	100	100
Solv Building Cleaning Services LLC	United Arab Emirates	Management and support services	100	100
Solv Autor Repair LLC	United Arab Emirates	Car multi-specialization maintenance workshop	100	100
Solv Advanced Technical Services LLC	United Arab Emirates	Painting contracting, plumbing & sanitary, electromechanical installation and maintenance	100	100
Gulf Ittihad for Environmental Services (Sole Proprietorship LLC)	Kingdom of Saudi Arabia	Cleaning and waste management services	100	100
Maqayes Al Deqa	Kingdom of Saudi Arabia	Cleaning and waste management services	70	70
Ittihad International Ltd*	Cayman Island	Special purpose entity to issue sukuk	100	100
Abu Dhabi International Medical Services	Egypt	Provider of pharmaceutical products and medical equipment	100	100

#### Discontinued operations

Al Ain National Precast Technology LLC	United Arab Emirates	Production and installation of precast concrete for residential, commercial, industrial, municipal, and government customers	100	100
Ishtar Décor LLC	United Arab Emirates	Interior designing and contracting	100	100

### 2.1 NEW STANDARDS, INTERPRETATIONS AND AMENDMENT ADOPTED BY THE GROUP

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following new standards and amendments effective as of 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- Amendments to IFRS 16: Lease liability in a Sale and Leaseback
- Amendments to IAS 1: Classification of liabilities as Current or Non-current
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements

These amendments had no significant impact on the interim condensed consolidated financial statements of the Group.

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2024 (Unaudited)

### 2.2 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standards requires management to make judgment, estimates and assumptions that affect the application of accounting policies and reported amounts of financial assets and liabilities and the disclosure of contingent liabilities. These judgments, estimates and assumptions also affect the revenue, expenses, and provisions as well as fair value changes. Actual results may differ from these estimates.

These judgments, estimates and assumptions may affect the reported amounts in subsequent financial years. Estimates and judgments are currently evaluated and are based on historical experience and other factors.

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2023.

### 3 REVENUE

Set out below is a disaggregation of the Group's revenue from contracts with customers:

#### 3.1 Type of revenue

	<i>Six months ended 30 June</i>	
	<i>(Unaudited) 2024 AED '000</i>	<i>(Unaudited) 2023 AED '000</i>
Sale of industrial products (copper, cement, tissue, detergents, steal, paper)	<b>5,545,595</b>	5,017,356
Waste collection and cleaning	<b>123,959</b>	115,441
Sale of medical equipment and pharmaceutical products	<b>85,672</b>	97,353
Operation and maintenance of sewerage network and related services	<b>129,951</b>	101,953
Medical services	<b>72,346</b>	66,027
Sale of furniture	<b>14,121</b>	16,667
Landscaping services	<b>10,405</b>	4,579
Others	<b>12,575</b>	13,842
	<b><u>5,994,624</u></b>	<b><u>5,433,218</u></b>

#### 3.2 Timing of revenue recognition

	<i>Six months ended 30 June</i>	
	<i>(Unaudited) 2024 AED '000</i>	<i>(Unaudited) 2023 AED '000</i>
Revenue recognized at a point in time	<b>5,647,833</b>	5,199,467
Revenue recognized over time	<b>346,791</b>	<u>233,751</u>
	<b><u>5,994,624</u></b>	<b><u>5,433,218</u></b>

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

### 3 REVENUE continued

#### 3.3 Geographical markets

	<i>Six months ended 30 June</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>2024</i>	<i>2023</i>
	<i>AED '000</i>	<i>AED '000</i>
Within UAE	1,526,037	1,542,863
Outside UAE	4,468,587	3,890,355
Total	5,994,624	5,433,218

### 4 FINANCE COSTS

	<i>Six months ended 30 June</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>2024</i>	<i>2023</i>
	<i>AED '000</i>	<i>AED '000</i>
Sukuk profit	66,357	-
Interest on bank loans	45,718	110,352
Bank charges and commissions	14,826	10,340
Interest expense on supplier financing	8,156	446
Interest on lease liabilities	3,897	3,364
Interest on bank overdrafts	598	1,343
	<u>139,552</u>	<u>125,845</u>

### 5 PROPERTY, PLANT AND EQUIPMENT

	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>30 June</i>	<i>31 December</i>
	<i>2024</i>	<i>2023</i>
	<i>AED '000</i>	<i>AED '000</i>
<b>Net carrying amount:</b>		
At the beginning of the period / year	1,893,215	1,946,618
Additions during the period / year	62,614	99,790
Assets acquired through business combination	-	4,130
Disposal during the period / year	(119)	(1,239)
Write-off during the period / year	-	(85)
Depreciation charged during the period / year	<u>(68,815)</u>	<u>(155,999)</u>
	<b><u>1,886,895</u></b>	<b><u>1,893,215</u></b>

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

### 6 BANK BALANCES AND CASH

Cash and cash equivalents included in the interim condensed consolidated statement of cash flows comprise the following interim condensed consolidated statement of financial position amounts:

	<i>(Unaudited)</i> <i>30 June</i> <i>2024</i> <i>AED '000</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i> <i>AED '000</i>
Bank balances and cash	<b>539,149</b>	562,002
Add: cash under assets held for sale (note 10)	384	394
Less: bank overdrafts	<u>(28,266)</u>	<u>(10,562)</u>
 Cash and cash equivalents	 <b><u>511,267</u></b>	 <b><u>551,834</u></b>

Bank overdrafts carry interest at commercial rates and are secured by personal guarantees of the Owner.

### 7 RELATED PARTY TRANSACTIONS AND BALANCES

These represent transactions with related parties, i.e. shareholders, family members, directors and senior management of the Group, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Significant transaction with related parties carried out in the ordinary course of business, included in the interim condensed consolidated statement of profit or loss are as follows:

	<i>Six months ended 30 June</i>	
	<i>(Unaudited)</i> <i>2024</i> <i>AED '000</i>	<i>(Unaudited)</i> <i>2023</i> <i>AED '000</i>
<b><i>Entities under common control</i></b>		
Revenue	<u><b>14,806</b></u>	<u><b>10,739</b></u>

The Group pays expenses on behalf of related parties. Such expenses are recharged to the respective related parties.

Related party balances included in the interim condensed consolidated statement of financial position are as follows:

	<i>(Unaudited)</i> <i>30 June</i> <i>2024</i> <i>AED '000</i>		<i>(Audited)</i> <i>31 December</i> <i>2023</i> <i>AED '000</i>
<b><i>Entities under common control</i></b>			
<i>Amounts due from related parties:</i>			
Emirates Link Contracting*	8,189	8,133	
West Coast Waste Collection Co. LLC**	31,070	29,373	
Emirates Link Maltauro***	28,430	32,222	
Others	<u>4,295</u>	<u>3,420</u>	
	 <b><u>71,984</u></b>	 <b><u>73,148</u></b>	

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

### 7 RELATED PARTY TRANSACTIONS AND BALANCES continued

	(Unaudited) 30 June 2024 AED '000	(Audited) 31 December 2023 AED '000
<b>Associate</b>		
Short term loan to an associate:		
Fatorah Insurance claims settlement LLC****	<u>3,404</u>	<u>4,404</u>
	<u><u>75,388</u></u>	<u><u>77,552</u></u>

\* Amounts due from Emirates Link Contracting mainly represent funds provided by the Group and expenses paid on behalf of the related party. During the period ended 30 June 2023, the Shareholder (Owner) settled an amount of AED 170,533 thousand due from Emirates Link Contracting against the shareholder's account.

\*\* This represents receivable from a related party to be received in annual installments of AED 3,000 thousand with an interest rate of 12-month EIBOR plus 3% per annum.

\*\*\* This represents balance receivable in respect of sales to the related party in the ordinary course of business.

\*\*\*\* This represents a shareholder short-term loan extended to an equity accounted associate of the Group. The loan is non-interest bearing and repayable within one year.

Amounts due from related parties are expected, on the basis of past experience, to be fully recoverable.

Balances due from related parties are disclosed in the interim condensed consolidated statement of financial position as follows:

	(Unaudited) 30 June 2024 AED '000	(Audited) 31 December 2023 AED '000
Non-current portion	26,531	26,640
Current portion	<u>48,857</u>	<u>50,912</u>
	<u><u>75,388</u></u>	<u><u>77,552</u></u>

*Amounts due to related parties:*

Others	<u>123</u>	<u>289</u>
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#### Other balances with related parties

Other balances with a related party, under common Directorship that is disclosed in the interim condensed consolidated statement of financial position as follows:

	(Unaudited) 30 June 2024 AED '000	(Audited) 31 December 2023 AED '000
<i>Current assets:</i>		
Bank balance	<u>12,114</u>	<u>12,909</u>
<i>Non-current liabilities:</i>		
Bank loans	<u>—</u>	<u>413</u>
<i>Current liabilities:</i>		
Bank financing facilities	<u>112,687</u>	<u>224,616</u>

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

### 7 RELATED PARTY TRANSACTIONS AND BALANCES continued

#### Compensation of key management personnel

The remuneration of key management personnel during the period was as follows:

	<i>Six months ended 30 June</i>	
	<i>(Unaudited)</i> 2024 AED '000	<i>(Unaudited)</i> 2023 AED '000
Short-term benefits	13,485	12,714
Employees' end of service benefits	<u>1,930</u>	<u>5,911</u>
	<u>15,415</u>	<u>18,625</u>

### 8 SHARE CAPITAL

	<i>(Unaudited)</i> 30 June 2024 AED '000	<i>(Audited)</i> 31 December 2023 AED '000
<b>Authorised, issued and fully paid</b> 500 shares of AED 1,000 each (31 December 2023: 500 shares of AED 1,000 each)	<u>500</u>	<u>500</u>

### 9 LOANS AND BORROWINGS

	<i>(Unaudited)</i> 30 June 2024 AED '000	<i>(Audited)</i> 31 December 2023 AED '000
Term loans	455,326	489,391
Non-convertible Sukuk	1,256,400	1,253,223
Bank financing facilities	<u>911,814</u>	<u>926,666</u>
	<u>2,623,540</u>	<u>2,669,280</u>

#### 9.1 Term loans

	<i>(Unaudited)</i> 30 June 2024 AED '000	<i>(Audited)</i> 31 December 2023 AED '000
Term loans	469,138	506,997
Unamortised transaction costs	<u>(13,812)</u>	<u>(17,606)</u>
	<u>455,326</u>	<u>489,391</u>

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024 (Unaudited)

### 9 LOANS AND BORROWINGS continued

#### 9.1 Term loans continued

Disclosed in the interim condensed consolidated statement of financial position as follows:

	(Unaudited) 30 June 2024 AED '000	(Audited) 31 December 2023 AED '000
Current	118,539	77,568
Non-current	<u>336,787</u>	<u>411,823</u>
	<u>455,326</u>	<u>489,391</u>

During the period, the Group requested waiver from the respective banks in relation to the breach of covenants of certain term loans. Such waivers were granted by the respective banks before 30 June 2024.

#### 9.2 Non-convertible Sukuk

	(Unaudited) 30 June 2024 AED '000	(Audited) 31 December 2023 AED '000
Non-convertible Sukuk	1,285,375	1,285,375
Unamortised transaction costs	<u>(28,975)</u>	<u>(32,152)</u>
	<u>1,256,400</u>	<u>1,253,223</u>

### 10 DISPOSAL GROUP HELD FOR SALE AND DISCONTINUED OPERATIONS

In 2022, the shareholders resolved to discontinue the operations of its subsidiaries, Ishtar Décor LLC and Ishtar Décor Factory LLC. In 2020, the shareholders resolved to discontinue the operations of a subsidiary, Al Ain National Precast Technology LLC, and its assets and liabilities were classified as 'Disposal group held-for-sale' in accordance with IFRS 5 *Non-current Assets Held For Sale And Discontinued Operations*.

On 1 April 2023, Ishtar Décor Factory L.L.C was sold to a related party under common control. The Group recorded a gain of AED 2,317 thousand on its disposal.

The results and cashflows of the subsidiaries are presented as discounted operations in the interim condensed consolidated statement of profit or loss in accordance with IFRS 5.

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2024 (Unaudited)

### 10 DISPOSAL GROUP HELD FOR SALE AND DISCONTINUED OPERATIONS continued

	<i>Six months ended 30 June</i>	
	<i>(Unaudited) 2024 AED '000</i>	<i>(Unaudited) 2023 AED '000</i>
Revenue	-	951
Direct cost	<u>-</u>	<u>(1,958)</u>
<b>GROSS LOSS</b>	<b>-</b>	<b>(1,007)</b>
General and administrative expense	(1,431)	(2,720)
Provision for expected credit losses	-	(9,298)
Finance costs	(154)	(869)
Other income	<u>1,923</u>	<u>172</u>
<b>PROFIT (LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS</b>	<b><u>338</u></b>	<b><u>(13,722)</u></b>

The net cash flows incurred by the disposal group held for sale, were as follows:

	<i>Six months ended 30 June</i>	
	<i>(Unaudited) 2024 AED '000</i>	<i>(Unaudited) 2023 AED '000</i>
Operating	(10)	869
Financing	<u>-</u>	<u>(869)</u>
Cash outflows	<u>(10)</u>	<u>-</u>

The assets and liabilities of a subsidiary, Al Ain National Precast Technology LLC, classified as disposal group held for sale in accordance with IFRS 5 comprise of the following:

	<i>(Unaudited) 30 June 2024 AED'000</i>	<i>(Audited) 31 December 2023 AED'000</i>
<b>Assets</b>		
Accounts receivable and prepayments	7,047	8,943
Amounts due from related parties	139	-
Bank balances and cash	<u>384</u>	<u>394</u>
<b>Disposal group held for sale</b>	<b><u>7,570</u></b>	<b><u>9,337</u></b>
<b>Liabilities</b>		
Accounts payable and accruals	(3,357)	(3,397)
Amounts due to related parties	<u>(125)</u>	<u>(85)</u>
<b>Liabilities directly associated with disposal group held for sale</b>	<b><u>(3,482)</u></b>	<b><u>(3,482)</u></b>
<b>Net assets directly associated with disposal group</b>	<b><u>4,088</u></b>	<b><u>5,855</u></b>

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2024 (Unaudited)

### 11 TAXATION

The major components of tax expense disclosed in the interim condensed consolidated statement of profit or loss comprise of the following:

	<i>Six months ended 30 June</i>	
	<i>(Unaudited) 2024</i>	<i>(Unaudited) 2023</i>
	<i>AED '000</i>	<i>AED '000</i>
Current tax expense	9,177	-
Deferred tax	1,533	-
	<u>10,710</u>	<u>-</u>

### 12 SEGMENT ANALYSIS

Segments were identified based on the Group's internal reporting and how the Chief Operating Decision Maker ("CODM") assesses the performance of the business. The Group has four reportable segments listed below:

#### **Consumer goods**

These include manufacturing of papers, paperboard, ready to use printing and writing papers, tissue paper manufacturing, manufacturing & supply of cleaning detergent.

#### **Infrastructure and building material**

These include providing premium copper rods, straight steel bars and high-quality cement in addition to trading of timber, plywood and couplers.

#### **Business services**

These include providing operations and maintenance services for infrastructure networks, water systems, sewage, treatment plants and solid municipal waste management, procurement, operation and maintenance of government hospitals.

#### **Healthcare and others**

These include sales and marketing of medical equipment and apparatus, brokerage services and fit-out works.

Interest bearing loans and borrowings and Islamic loans except for the subsidiaries with project financing arrangements and bank overdrafts are managed on a group basis and are not allocated to operating segments.

Inter-segment transactions are on an arm's-length basis in a manner similar to transactions with third parties. Inter-segment revenues are eliminated on consolidation.

The Chief Operating Decision Makers (CODM) monitor the operating results of its business units separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the interim condensed consolidated financial statements.

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2024 (Unaudited)

### 12 SEGMENT ANALYSIS continued

*For the six-month period ended:*

	Consumer goods AED'000	Infrastructure and building material AED'000	Business services AED'000	Health care and others AED'000	Adjustments eliminations and unallocated AED'000	Total from continuing operations AED'000	Discontinued operations AED'000	Total AED'000
<b>30 June 2024</b>								
Revenue from external customers	899,739	4,647,490	336,660	111,443	(708)	5,994,624	-	5,994,624
Inter-segment revenue	-	-	-	43,816	(43,816)	-	-	-
Direct costs	(749,283)	(4,528,565)	(263,242)	(141,533)	45,124	(5,637,499)	-	(5,637,499)
<b>GROSS PROFIT</b>	<b>150,456</b>	<b>118,925</b>	<b>73,418</b>	<b>13,726</b>	<b>600</b>	<b>357,125</b>	<b>-</b>	<b>357,125</b>
Administrative expenses	(58,687)	(47,784)	(19,981)	(21,422)	(19,323)	(167,197)	(1,431)	(168,628)
Provision for expected credit losses, net	(1,986)	-	-	(224)	-	(2,210)	-	(2,210)
Other income	1,188	404	2,891	195	(36)	4,642	1,923	6,565
Share of profit from associate	-	-	-	-	1,097	1,097	-	1,097
Net foreign exchange gain	(559)	(258)	(30)	(97)	1,828	884	-	884
Finance costs	(17,291)	(15,672)	(5,078)	(5,740)	(95,771)	(139,552)	(154)	(139,706)
Change in fair value of derivative financial instruments	1,223	-	-	-	(9,798)	(8,575)	-	(8,575)
<b>PROFIT (LOSS) FOR THE PERIOD BEFORE TAX</b>	<b>74,344</b>	<b>55,615</b>	<b>51,220</b>	<b>(13,562)</b>	<b>(121,403)</b>	<b>46,214</b>	<b>338</b>	<b>46,552</b>
Tax expenses	(6,823)	(5,081)	(4,532)	-	5,726	(10,710)	-	(10,710)
<b>PROFIT (LOSS) FOR THE PERIOD AFTER TAX</b>	<b>67,521</b>	<b>50,534</b>	<b>46,688</b>	<b>(13,562)</b>	<b>(115,677)</b>	<b>35,504</b>	<b>338</b>	<b>35,842</b>
<b>30 June 2024</b>								
Total assets	2,262,906	2,135,561	523,186	427,344	64,965	5,413,962	7,570	5,421,532
Total liabilities	829,382	1,582,328	284,795	356,106	1,743,120	4,795,732	3,482	4,799,214

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2024 (Unaudited)

### 12 SEGMENT ANALYSIS continued

For the six-month period ended:

	Consumer goods AED'000	Infrastructure and building material AED'000	Business services AED'000	Health care and others AED'000	Adjustments eliminations and unallocated AED'000	Total from continuing operations AED'000	Discontinued operations AED'000	Total AED'000
<b>30 June 2023</b>								
Revenue from external customers	996,044	4,021,312	295,472	119,390	1,000	5,433,218	951	5,434,169
Inter-segment revenue	-	-	-	33,637	(33,637)	-	-	-
Direct costs	(868,154)	(3,913,818)	(222,755)	(129,890)	35,313	(5,099,304)	(1,958)	(5,101,262)
Gross profit	127,890	107,494	72,717	23,137	2,676	333,914	(1,007)	332,907
Administrative expenses	(50,778)	(38,402)	(37,002)	(22,615)	(20,624)	(169,421)	(2,720)	(172,141)
(Provision) reversal of provision for expected credit losses	(1,118)	(4,960)	638	420	-	(5,020)	(9,298)	(14,318)
Other income	651	455	2,327	32	-	3,465	172	3,637
Net foreign exchange gain	(247)	(109)	(24)	50	555	225	-	225
Finance costs	(44,030)	(26,847)	(5,488)	(5,199)	(44,281)	(125,845)	(869)	(126,714)
Gain on disposal of a subsidiary	-	-	-	-	2,317	2,317	-	2,317
Change in fair value of derivative financial instruments	-	-	-	-	(5,285)	(5,285)	-	(5,285)
Profit (loss) for the period	<u>32,368</u>	<u>37,631</u>	<u>33,168</u>	<u>(4,175)</u>	<u>(64,642)</u>	<u>34,350</u>	<u>(13,722)</u>	<u>20,628</u>
<b>31 December 2023</b>								
Total assets	<u>2,204,663</u>	<u>1,857,665</u>	<u>484,071</u>	<u>446,737</u>	<u>134,835</u>	<u>5,127,971</u>	<u>9,337</u>	<u>5,137,308</u>
Total liabilities	<u>725,135</u>	<u>1,348,281</u>	<u>167,819</u>	<u>345,272</u>	<u>1,931,933</u>	<u>4,518,440</u>	<u>3,482</u>	<u>4,521,922</u>

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2024 (Unaudited)

### 13 CONTINGENCIES AND COMMITMENTS

	<i>(Unaudited)</i> <i>30 June</i> <i>2024</i> <i>AED'000</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i> <i>AED'000</i>
Contingencies and commitments	<u>747,919</u>	<u>621,687</u>

### 14 FAIR VALUES OF FINANCIAL INSTRUMENTS

The fair values of the Group's financial instruments are not materially different from their carrying values at the interim condensed consolidated statement of financial position date.

For financial instruments that are recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (bases on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

	<i>Level 1</i> <i>AED '000</i>	<i>Level 2</i> <i>AED '000</i>	<i>Level 3</i> <i>AED '000</i>	<i>Total</i> <i>fair value</i> <i>AED '000</i>
<b><i>30 June 2024</i></b>				
<b>Assets measured at fair value:</b>				
Investments carried at FVTOCI	-	<u>33,850</u>	-	<u>33,850</u>
Derivative financial instruments	<u>—</u>	<u>11,366</u>	<u>—</u>	<u>11,366</u>
	<u>—</u>	<u>45,216</u>	<u>—</u>	<u>45,216</u>
<b>Liabilities measured at fair value:</b>				
Derivative financial instruments	<u>—</u>	<u>40,628</u>	<u>—</u>	<u>40,628</u>
<b><i>31 December 2023</i></b>				
<b>Assets measured at fair value:</b>				
Investments carried at FVTOCI	-	41,825	-	41,825
Derivative financial instruments	<u>—</u>	<u>12,828</u>	<u>—</u>	<u>12,828</u>
	<u>—</u>	<u>54,653</u>	<u>—</u>	<u>54,653</u>
<b>Liabilities measured at fair value:</b>				
Derivative financial instruments	<u>—</u>	<u>37,385</u>	<u>—</u>	<u>37,385</u>

During the period ended, there were no transfer between Level 1 and Level 2 fair value measurements, and no transfers into or out of level 3 fair value measurements.

### 15 DIVIDENDS

During the period, no dividends were declared or paid by the Group (period ended 30 June 2023: AED 4,879 thousand declared and paid).

# Ittihad International Investment LLC

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 June 2024 (Unaudited)

### **16 SUBSEQUENT EVENTS**

Subsequent to the period end, the Group issued additional non-convertible sukuk amounting to AED 367,250 thousand to settle certain term loans and bank financing facilities.