

**ARAM Group Company P.J.S.C.  
(formerly Sharjah Group Company P.J.S.C.)  
and its Subsidiary**

Condensed Consolidated Interim  
Financial Information

For the period ended March 31, 2022

**ARAM Group Company P.J.S.C. (formerly Sharjah Group Company P.J.S.C.)  
and its Subsidiary  
Condensed Consolidated Interim Financial Information  
For the period ended March 31, 2022**

**Table of contents**

---

	<b>Page(s)</b>
Report on review of condensed consolidated interim financial information	1
Condensed consolidated interim statement of financial position	2
Condensed consolidated interim statement of profit or loss and other comprehensive income	3
Condensed consolidated interim statement of changes in equity	4
Condensed consolidated interim statement of cash flows	5
Notes to the condensed consolidated interim financial information	6 - 11

**Report on review of the condensed consolidated interim financial information  
To the Shareholders of ARAM Group Company P.J.S.C. (formerly Sharjah Group  
Company P.J.S.C.)****Introduction**

We have reviewed the accompanying condensed consolidated interim statement of financial position of Aram Group Company P.J.S.C. (the "Company") and its Subsidiary (collectively referred to as the "Group") as at March 31, 2022, and the related condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the three months period then ended, and related explanatory notes.

Management is responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of condensed consolidated 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 interim financial information is not prepared, in all material respects, in accordance with IAS 34.

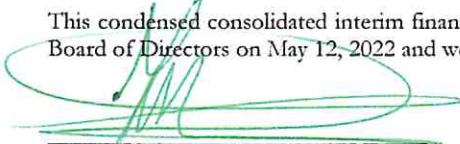
**GRANT THORNTON****Osama El Bakry  
Registration No. 935  
Dubai, United Arab Emirates****May 12, 2022**

**ARAM Group Company P.J.S.C. (formerly Sharjah Group Company P.J.S.C.)  
and its Subsidiary  
Condensed Consolidated Interim Financial Information**

**Condensed consolidated statement of financial position  
As at March 31, 2022**

	Notes	March 31, 2022 (Unaudited) AED	December 31, 2021 (Audited) AED
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment		187,865	137,386
Investment properties	3	152,570,000	152,570,000
Right-of-use assets	4	405,269	438,254
Investments at fair value through other comprehensive income	5	6,459,975	7,493,801
		<u>159,623,109</u>	<u>160,639,441</u>
<b>Current assets</b>			
Trade and other receivables		1,816,155	2,315,878
Investments at fair value through profit or loss	6	335,698	422,171
Cash and bank balances		4,527,865	4,172,198
		<u>6,679,718</u>	<u>6,910,247</u>
<b>TOTAL ASSETS</b>		<u>166,302,827</u>	<u>167,549,688</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		78,901,086	78,901,086
Statutory reserve		31,787,073	31,787,073
Voluntary reserve		12,106,131	12,106,131
Fair value reserve		(11,601,914)	(10,594,871)
Foreign currency translation reserve		(497,916)	(469,541)
Accumulated losses		(10,286,094)	(9,697,648)
<b>Total equity</b>		<u>100,408,366</u>	<u>102,032,230</u>
<b>Non-current liabilities</b>			
Employees' end of service benefits		864,850	821,279
Lease liabilities	4	308,105	341,744
Borrowings	7	30,753,783	30,738,395
		<u>31,926,738</u>	<u>31,901,418</u>
<b>Current liabilities</b>			
Trade and other payables	8	3,836,804	3,449,701
Dividends payable		26,320,056	26,356,462
Lease liabilities	4	126,652	125,666
Borrowings	7	3,684,211	3,684,211
		<u>33,967,723</u>	<u>33,616,040</u>
<b>Total liabilities</b>		<u>65,894,461</u>	<u>65,517,458</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>166,302,827</u>	<u>167,549,688</u>

This condensed consolidated interim financial information was approved and authorised for issue by the Board of Directors on May 12, 2022 and were signed on their behalf by:

  
Ziyad Mahmoud Khairallah Al Haji  
Chairman

  
Ali Mohd. Zaid Ali Musmar  
Chief Executive Officer

The accompanying notes from 1 to 13 form an integral part of this condensed consolidated interim financial information.

**ARAM Group Company P.J.S.C. (formerly Sharjah Group Company P.J.S.C.)  
and its Subsidiary  
Condensed Consolidated Interim Financial Information**

**Condensed consolidated statement of profit or loss  
and other comprehensive income  
For the period ended March 31, 2022**

	Notes	Three months period ended March 31, 2022 (Unaudited) AED	Three months period ended March 31, 2021 (Unaudited) AED
Rental income		2,509,874	2,613,772
Unrealised (loss)/gain on investments at fair value through profit or loss		(86,177)	38,409
Administrative and general expenses	9	(1,050,086)	(346,337)
Repairs and maintenance expenses		(406,949)	(197,808)
Staff costs		(628,044)	(520,342)
Salaries and other benefits to Chief Executive Officer		(366,667)	(205,209)
Allowance for expected credit loss of trade receivables		(230,460)	(42,776)
Depreciation on right-of-use assets		(31,304)	(31,072)
Directors' fees and travel expenses		(24,194)	-
Depreciation on property and equipment		(19,192)	(15,680)
Finance costs		(418,501)	(6,863)
Other income		163,254	12,642
<b>(LOSS)/PROFIT FOR THE PERIOD</b>		<b>(588,446)</b>	<b>1,298,736</b>
<b>Other comprehensive income</b>			
<i>Items that will never be reclassified to profit or loss in subsequent periods</i>			
Change in fair value of investments at fair value through other comprehensive income		(1,007,043)	103,853
<i>Items that are or may be reclassified to profit or loss in subsequent periods</i>			
Foreign currency translation reserve		(28,375)	63,481
<b>Total other comprehensive (loss)/income</b>		<b>(1,035,418)</b>	<b>167,334</b>
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD</b>		<b>(1,623,864)</b>	<b>1,466,070</b>
<b>Basic and diluted (loss)/ earnings per share</b>	12	<b>(0.007)</b>	<b>0.016</b>

The accompanying notes from 1 to 13 form an integral part of this condensed consolidated interim financial information.

ARAM Group Company P.J.S.C. (formerly Sharjah Group Company P.J.S.C.)  
and its Subsidiary  
Condensed Consolidated Interim Financial Information

Condensed consolidated statement of changes in equity  
For the period ended March 31, 2022

	Share capital AED	Statutory reserve AED	Voluntary reserve AED	Fair value reserve AED	Foreign currency translation reserve AED	Accumulated losses AED	Total AED
Balance at January 1, 2022 (Audited)	78,901,086	31,787,073	12,106,131	(10,594,871)	(469,541)	(9,697,648)	102,032,230
Loss for the period	-	-	-	-	-	(588,446)	(588,446)
Other comprehensive loss for the period	-	-	-	(1,007,043)	(28,375)	-	(1,035,418)
Total comprehensive loss for the period	-	-	-	(1,007,043)	(28,375)	(588,446)	(1,623,864)
<b>Balance at March 31, 2022 (Unaudited)</b>	<b>78,901,086</b>	<b>31,787,073</b>	<b>12,106,131</b>	<b>(11,601,914)</b>	<b>(497,916)</b>	<b>(10,286,094)</b>	<b>100,408,366</b>
	Share capital AED	Statutory reserve AED	Voluntary reserve AED	Fair value reserve AED	Foreign currency translation reserve AED	Retained earnings AED	Total AED
Balance at January 1, 2021 (Audited)	78,901,086	31,787,073	12,106,131	(11,713,078)	(529,209)	18,754,944	129,306,947
Profit for the period	-	-	-	-	-	1,298,736	1,298,736
Other comprehensive income for the period	-	-	-	103,853	63,481	-	167,334
Total comprehensive income for the period	-	-	-	103,853	63,481	-	1,466,070
<b>Balance at March 31, 2021 (Unaudited)</b>	<b>78,901,086</b>	<b>31,787,073</b>	<b>12,106,131</b>	<b>(11,609,225)</b>	<b>(465,728)</b>	<b>20,053,680</b>	<b>130,773,017</b>

The accompanying notes from 1 to 13 form an integral part of this condensed consolidated interim financial information.

**ARAM Group Company P.J.S.C. (formerly Sharjah Group Company P.J.S.C.)  
and its Subsidiary  
Condensed Consolidated Interim Financial Information**

**Condensed consolidated statement of cash flows  
For the period ended March 31, 2022**

	Notes	<b>Three months period ended March 31, 2022 (Unaudited) AED</b>	Three months period ended March 31, 2021 (Unaudited) AED
<b>OPERATING ACTIVITIES</b>			
(Loss)/profit for the period		(588,446)	1,298,736
<i>Adjustments for non-cash items:</i>			
Allowance for expected credit loss of trade receivables		230,460	42,776
Unrealised loss/(gain) on investments classified at fair value through profit or loss	6	86,177	(38,409)
Provision for employees' end of service benefits		43,796	41,163
Depreciation on right-of-use assets	4	31,304	31,072
Depreciation on property and equipment		19,192	15,680
Finance costs		418,501	6,863
Reversal of allowance for expected credit loss of trade receivables		(157,824)	-
		<u>83,160</u>	<u>1,397,881</u>
<i>Changes in working capital</i>			
Trade and other receivables		427,087	(515,260)
Trade and other payables		(10,536)	24,762
<b>Net cash flow from operating activities</b>		<u>499,711</u>	<u>907,383</u>
<b>INVESTING ACTIVITY</b>			
Purchase of property and equipment		(69,734)	(4,189)
<b>Net cash flow used in investing activity</b>		<u>(69,734)</u>	<u>(4,189)</u>
<b>FINANCING ACTIVITIES</b>			
Lease payments	4	(36,330)	(36,302)
Dividends paid		(36,406)	(1,681,790)
<b>Net cash flow used in financing activities</b>		<u>(72,736)</u>	<u>(1,718,092)</u>
<b>Net change in cash and bank balances</b>		<b>357,241</b>	<b>(814,898)</b>
Exchange differences on translating foreign operations		(1,574)	13,405
Cash and bank balances, beginning of period		4,172,198	6,132,119
<b>Cash and bank balances, end of period</b>		<u>4,527,865</u>	<u>5,330,626</u>

The accompanying notes from 1 to 13 form an integral part of this condensed consolidated interim financial information.

**ARAM Group Company P.J.S.C. (formerly Sharjah Group Company P.J.S.C.)  
and its Subsidiary  
Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information  
For the period ended March 31, 2022**

---

**1 Legal status and principal activities**

ARAM Group Company P.J.S.C. (the "Company") is a public share holding company registered in the Emirate of Sharjah, United Arab Emirates under Emiri Decree number 133/76 dated November 16, 1976. The registered office of the Company is P O. Box 5440, Sharjah, United Arab Emirates. The shares of the Company are traded on the Abu Dhabi Securities Market. During the year ended December 31, 2021, the Company changed its legal name from Sharjah Group Company P.J.S.C. to ARAM Group Company P.J.S.C.

The Company holds the following investment as at March 31, 2022 which has been consolidated in this condensed interim financial information:

Name of subsidiary	Legal/beneficial ownership interest		Country of operation and incorporation	Principal activity
	2022	2021		
Tarfan General Trading and Contracting (Ebrahim Ahmed Al-Mannaie and Partners) W.L. L	100%	100%	State of Kuwait	General trading and Contracting – purchase and sale of shares and bonds for Subsidiary’s sake.

The Company holds 98% shareholding in the subsidiary and remaining 2% is held by two individual shareholders on behalf of the Company. Therefore, 100% beneficial ownership interest is with the Company.

The principal activities of the Company and its Subsidiary (the “Group”) comprise investing in financial instruments, real estate, industrial projects and leasing of properties.

**2 Summary of significant accounting policies**

**a) Basis of preparation**

The condensed consolidated interim financial information of the Group has been prepared in accordance with International Accounting Standards 34 *Interim Financial Reporting* and does not include all of the information and disclosures required in the annual consolidated financial statements in accordance with International Financial Reporting Standard (IFRS) and should be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2021.

The condensed consolidated interim financial information has been prepared under the historical cost convention except for investment properties, investments at fair value through profit or loss and investments at fair value through other comprehensive income which are stated at their fair value.

Accounting policies, related adjustments, estimates and assumptions adopted for the preparation of this condensed consolidated interim financial information are the same as those applied in the preparation of the audited consolidated financial statements for the year ended December 31, 2021.

**b) Functional and presentation currency**

The condensed consolidated interim financial information has been prepared in Arab Emirates Dirham (AED), the functional currency of the Group.

The subsidiary determines its own financial currency and its assets and liabilities have been translated into AED at the closing rate at the reporting date. Income and expenses have been translated into the Group’s presentation currency at the average rate over the reporting period. Exchange differences are charged/credited to the condensed consolidated interim statement of other comprehensive income.

---



**ARAM Group Company P.J.S.C. (formerly Sharjah Group Company P.J.S.C.)  
and its Subsidiary  
Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)  
For the period ended March 31, 2022**

---

**2 Summary of significant accounting policies (continued)**

**c) Basis of consolidation**

This condensed consolidated interim financial information incorporates the financial information of the Company and entity controlled by the Company. Control is achieved where the Company has the power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns.

**d) Significant accounting estimates and judgments**

The preparation of the condensed consolidated interim financial information in conformity with IAS 34, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied in preparation of the consolidated financial statements of the Group as at and for the year ended December 31, 2021.

**e) Other pronouncements**

Other accounting pronouncements which have become effective from January 1, 2022 and have therefore been adopted do not have a significant impact on the Company's financial results or position.

**f) Liquidity risk – unclaimed dividend**

As at March 31, 2022, the unclaimed dividends amounted to AED 26,320,056 (December 31, 2021: AED 26,356,462) was payable to the shareholders. Considering the Group's current liabilities exceeds its current assets, if claims are made by the shareholders or any authorities, it will impact the liquidity of the Group.

**3 Investment properties**

	March 31, 2022 AED (Unaudited)	December 31, 2021 AED (Audited)
Balance at January 1,	152,570,000	183,051,350
Unrealised loss on revaluation of investment properties at fair value	-	(30,481,350)
	<u>152,570,000</u>	<u>152,570,000</u>

Investment properties consist of residential towers and buildings, offices, warehouses and undeveloped parcels of land. It includes certain properties with carrying value of AED 57.06 million as at March 31, 2022 having first degree mortgage in favor of a commercial bank (Note 7).

**Fair value**

Investment properties are stated at market value based on a valuation carried out by an independent external valuer as at December 31, 2021.

The fair values have been determined by taking into consideration the discounted estimated net cash flows and the current lease arrangements, which are entered into on an arm's length basis. Furthermore, fair values have also been determined, where relevant, with regard to recent market transactions for similar properties in the same locations as the Group's investment properties.

**ARAM Group Company P.J.S.C. (formerly Sharjah Group Company P.J.S.C.)  
and its Subsidiary  
Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)  
For the period ended March 31, 2022**

**4 Leases**

***Right-of-use assets***

The carrying amounts of the Group's right-of-use assets are as follow:

	March 31, 2022 (Unaudited) AED	December 31, 2021 (Audited) AED
<b>Cost</b>		
As at January 1,	754,423	748,816
Translation reserve	(6,228)	5,607
	<u>748,195</u>	<u>754,423</u>
<b>Accumulated depreciation</b>		
As at January 1,	316,169	189,532
Charged during the period/year	31,304	124,287
Translation reserve	(4,547)	2,350
	<u>342,926</u>	<u>316,169</u>
<b>Net carrying value as at period/year end</b>	<u>405,269</u>	<u>438,254</u>

***Lease liabilities***

Lease liabilities are presented in the condensed consolidated statement of financial position as at March 31, 2022 as follows:

	March 31, 2022 (Unaudited) AED	December 31, 2021 (Audited) AED
Current liabilities	126,652	125,666
Non-current liabilities	308,105	341,744
	<u>434,757</u>	<u>467,410</u>

Movement in the lease liabilities during the period/year are as follows:

	March 31, 2022 (Unaudited) AED	December 31, 2021 (Audited) AED
As at January 1,	467,410	582,850
Interest charged for the period/year	5,474	25,326
Payment of the principle portion during the period/year	(36,330)	(145,320)
Translation reserve	(1,797)	4,554
	<u>434,757</u>	<u>467,410</u>

**5 Investments classified at fair value through other comprehensive income**

	March 31, 2022 (Unaudited) AED	December 31, 2021 (Audited) AED
Quoted investments	4,862,592	4,882,752
Unquoted investments	1,597,383	2,611,049
	<u>6,459,975</u>	<u>7,493,801</u>

**ARAM Group Company P.J.S.C. (formerly Sharjah Group Company P.J.S.C.)  
and its Subsidiary  
Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)  
For the period ended March 31, 2022**

**5 Investments classified at fair value through other comprehensive income  
(continued)**

The movement in investments classified at fair value through other comprehensive income is as follows:

	March 31, 2022 (Unaudited) AED	December 31, 2021 (Audited) AED
As at January 1,	7,493,801	6,319,888
Changes in the fair value	(1,007,043)	1,118,207
Translation reserve	(26,783)	55,706
	<u>6,459,975</u>	<u>7,493,801</u>

**6 Investments classified at fair value through profit or loss**

	March 31, 2022 (Unaudited) AED	December 31, 2021 (Audited) AED
Quoted investments	264,062	276,064
Unquoted investments	71,636	146,107
	<u>335,698</u>	<u>422,171</u>

The movement in investments classified at fair value through profit and loss is as follows:

	March 31, 2022 (Unaudited) AED	December 31, 2021 (Audited) AED
As at January 1,	422,171	354,645
Changes in fair value	(86,177)	66,442
Translation reserve	(296)	1,084
	<u>335,698</u>	<u>422,171</u>

**7 Borrowings**

	March 31, 2022 (Unaudited) AED	December 31, 2021 (Audited) AED
Non-current liabilities	30,753,783	30,738,395
Current liabilities	3,684,211	3,684,211
	<u>34,437,994</u>	<u>34,422,606</u>

The Group obtained loan in the year 2021 to settle legal claim and other legal expenses payables and has mortgaged certain investment properties as mentioned in Note 3. Loan is payable over a period of ten years carrying profit rate of 3 months EIBOR +2.5% (Minimum 4%) per annum and first instalment is due on May 23, 2022.

**ARAM Group Company P.J.S.C. (formerly Sharjah Group Company P.J.S.C.)  
and its Subsidiary  
Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)  
For the period ended March 31, 2022**

**8 Trade and other payables**

	March 31, 2022 (Unaudited) AED	December 31, 2021 (Audited) AED
<i>Financial liabilities</i>		
Trade payables	343,218	289,522
Refundable deposits	914,875	788,028
Accrued expenses	1,180,121	827,181
	<u>2,438,214</u>	<u>1,904,731</u>
<i>Non-financial liability</i>		
Rental income received in advance	1,398,590	1,544,970
	<u>3,836,804</u>	<u>3,449,701</u>

**9 Administrative and general expenses**

	Three months period ended March 31, 2022 (Unaudited) AED	Three months period ended March 31, 2021 (Unaudited) AED
Legal and professional fees	780,187	172,501
Utilities	83,722	88,663
Donations	60,000	-
Other expenses	126,177	85,173
	<u>1,050,086</u>	<u>346,337</u>

**10 Seasonality of results**

The Group's income consists of rental and investment income. Rental income is not significantly affected by any seasonal impact as it depends on annual lease contracts which are recognised in the income statement on a straight-line method and in accordance with different terms of these contracts. In addition, there is limited fluctuation on the rent rates where the Group's investment properties are located. Investment income depends on market conditions, investment activities of the Group and declaration of profit by investee companies, which are of a seasonal nature. Accordingly, results of investment income for the period ended March 31, 2022 are not comparable to those relating to the comparative period and are not indicative of the results that might be expected for the year ending December 31, 2022.

**11 Related parties**

In the normal course of business, the Group carries on business with other entities which fall within the definition of a related party in accordance with IFRS.

For the purpose of the condensed consolidated interim financial information, entities are considered to be related to the Company or the Group if the Company or the Group has the ability, directly or indirectly, to exercise significant influence over the entities in making financial and operating decisions, or vice versa, or where the Company or the Group are subject to common control or significant influence.

**ARAM Group Company P.J.S.C. (formerly Sharjah Group Company P.J.S.C.)  
and its Subsidiary  
Condensed Consolidated Interim Financial Information**

**Notes to the condensed consolidated interim financial information (continued)  
For the period ended March 31, 2022**

---

**11 Related parties (continued)**

**Compensation of key management personnel**

Key management personnel of the Group include the Chief Executive Officer and Directors. Key management personnel compensation includes the following:

	<b>Three months period ended March 31, 2022 (Unaudited) AED</b>	<b>Three months period ended March 31, 2021 (Unaudited) AED</b>
Salaries and other short-term employee benefits	346,667	191,686
End of service benefits	20,000	13,523
Directors' fee	18,000	-
Directors' travel expenses	6,194	-
	<hr/>	<hr/>

**12 Capital commitments**

The Group has not entered into capital commitments as at March 31, 2022 and December 31, 2021.

**13 Basic and diluted (loss)/earnings per share**

	<b>Three months period ended March 31, 2022 (Unaudited) AED</b>	<b>Three months period ended March 31, 2021 (Audited) AED</b>
(Loss)/profit for the period	(588,446)	1,298,736
Weighted average number of shares	78,901,086	78,901,086
Basic and diluted (loss)/earnings per share	<hr/> <b>(0.007)</b> <hr/>	<hr/> 0.016 <hr/>