

**ARAM Group Company P.J.S.C and its  
subsidiary  
Sharjah - United Arab Emirates**

**Independent auditor's review report and  
condensed consolidated interim financial  
statements  
For the three month period ended March 31,  
2025**

**ARAM Group Company P.J.S.C and its subsidiary**  
**Sharjah - United Arab Emirates**  
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**ARAM Group Company P.J.S.C and its subsidiary**  
**Sharjah - United Arab Emirates**  
**General information**

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Website : [www.aramgroup.ae](http://www.aramgroup.ae)

The Directors	<u>Name</u>	<u>Designation</u>	<u>Nationality</u>
	Mr. Jassem Mubarak Masoud Jassem Aldhaheeri	Chairman	Emirati
	Mr. Mansoor Abduljabbar Abdulmohsen Ahmed Alsayegh	Vice chairman	Emirati
	Mr. Khamis Mohamed Khamis Buharoon Alshamsi	Board member	Emirati
	Ms. Alyazia Nasser Yousef Nasser Alzaabi	Board member	Emirati
	Ms. Najoud Abdulla Mohammad Burahima	Board member	Emirati
	Mr. Ali Mohd Zaid Ali Musmar	Chief Executive Officer	Jordanian

The Auditor : Crowe Mak  
P.O. Box: 6954  
Sharjah, United Arab Emirates

The Main Banks : Sharjah Islamic Bank P.J.S.C.  
National Bank of Kuwait S.A.K.P.

Ref: AM/B2354/MAY'2025

**Independent auditor's review report on condensed consolidated interim financial statements**

To,  
The Shareholders  
ARAM Group Company P.J.S.C and its subsidiary  
P.O. Box: 5440  
Sharjah, United Arab Emirates

**Introduction**

We have reviewed the accompanying condensed consolidated interim financial statements of **ARAM Group Company P.J.S.C** (the "Entity") and its subsidiary (together the "Group"), Sharjah, United Arab Emirates which comprise the condensed consolidated interim statement of financial position as at March 31, 2025 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 month period then ended and other explanatory information. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard, IAS 34 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

**Scope of Review**

We conducted our review in accordance with International Standards 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 of 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 statements for the three month period ended March 31, 2025 are not prepared, in all material respects, in accordance with IAS 34 'Interim Financial Reporting'.

For, Crowe Mak

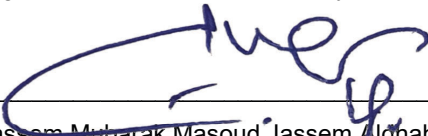



Dr. Khalid Maniar  
Registration Number: 24  
Sharjah, United Arab Emirates  
May 14, 2025

**ARAM Group Company P.J.S.C and its subsidiary**  
**Sharjah - United Arab Emirates**  
**Condensed consolidated interim statement of financial position as at March 31, 2025**  
**In Arab Emirates Dirham**

	<u>Notes</u>	<b>March 31, 2025</b> <b>(Unaudited)</b>	<b>December 31, 2024</b> <b>(Audited)</b>
<b>Assets</b>			
<i>Non-current assets</i>			
Property, plant and equipment		<b>61,260</b>	71,318
Investment properties	4	<b>153,350,000</b>	153,350,000
Right-of-use assets	5	<b>30,784</b>	61,603
Investments carried at fair value through other comprehensive income (FVTOCI)	6	<b>22,348,148</b>	14,466,656
<b>Total non-current assets</b>		<b>175,790,192</b>	167,949,577
<i>Current assets</i>			
Investments carried at fair value through profit or loss (FVTPL)	7	<b>160,163</b>	160,246
Due from a related party	9	<b>300,000</b>	300,000
Trade and other receivables		<b>993,728</b>	840,914
Cash and bank balances		<b>2,088,215</b>	697,289
<b>Total current assets</b>		<b>3,542,106</b>	1,998,449
<b>Total assets</b>		<b>179,332,298</b>	169,948,026
<b>Equity and liabilities</b>			
<i>Equity</i>			
Share capital		<b>78,901,086</b>	78,901,086
Statutory reserve		<b>34,869,340</b>	34,869,340
Voluntary reserve		<b>15,188,398</b>	15,188,398
Fair value reserve		<b>4,614,952</b>	(3,274,068)
Foreign currency translation reserve		<b>(741,038)</b>	(732,393)
Retained earnings		<b>15,802,719</b>	14,657,502
<b>Total equity</b>		<b>148,635,457</b>	139,609,865
<i>Non-current liabilities</i>			
Employees' end of service benefits		<b>916,486</b>	898,120
Bank borrowings	8	<b>19,885,807</b>	19,870,419
Deferred tax liabilities		<b>1,314,892</b>	1,314,892
<b>Total non-current liabilities</b>		<b>22,117,185</b>	22,083,431
<i>Current liabilities</i>			
Dividend payable		<b>562</b>	562
Lease liabilities	5	<b>35,006</b>	70,489
Bank borrowings	8	<b>3,684,211</b>	3,684,211
Due to related parties	9	<b>534,012</b>	534,012
Trade and other payables	10	<b>4,103,231</b>	3,853,410
Current tax liabilities		<b>222,634</b>	112,046
<b>Total current liabilities</b>		<b>8,579,656</b>	8,254,730
<b>Total liabilities</b>		<b>30,696,841</b>	30,338,161
<b>Total equity and liabilities</b>		<b>179,332,298</b>	169,948,026

The condensed consolidated interim financial statements on pages 3 to 18 were approved on May 14, 2025 and signed on behalf of the Group, by:

  
 Mr. Jassem Mubarak Masoud Jassem Aldhaheri  
 Chairman

  
 Mr. Ali Mohd Zaid Ali Musmar  
 Chief Executive Officer

The accompanying notes form an integral part of these condensed consolidated interim financial statements. The review report of the independent auditor is set out on page 2.

**ARAM Group Company P.J.S.C and its subsidiary**

**Sharjah - United Arab Emirates**

**Condensed consolidated interim statement of profit or loss and other comprehensive income for the three month period ended March 31, 2025**

**In Arab Emirates Dirham**

	<u>Notes</u>	<b>Three month period ended</b>	
		<b>March 31,</b>	
		<b>2025</b>	<b>2024</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Rental income		<b>2,782,515</b>	2,400,167
Unrealised gain on investments at FVTPL		-	127,230
Administrative and general expenses	11	<b>(1,250,742)</b>	(1,463,578)
Repairs and maintenance expenses		<b>(134,614)</b>	(178,009)
Finance costs		<b>(211,520)</b>	(549,394)
Other income		<b>70,166</b>	141,653
<b>Profit for the period, before tax</b>		<b>1,255,805</b>	478,069
Corporate tax expenses		<b>(110,588)</b>	(23,226)
<b>Net profit for the period, after tax</b>		<b>1,145,217</b>	454,843
Other comprehensive income / (loss)			
<u>Items that will not be reclassified subsequently to profit or loss</u>			
Net change in fair value of investments carried at FVTOCI		<b>7,889,020</b>	1,720,699
		<b>7,889,020</b>	1,720,699
<u>Items that may be reclassified subsequently to profit or loss</u>			
Exchange loss on translating foreign operations		<b>(8,645)</b>	(18,896)
		<b>(8,645)</b>	(18,896)
<b>Total comprehensive income for the period</b>		<b>9,025,592</b>	2,156,646
<b>Basic and diluted earnings per share</b>	13	<b>0.015</b>	0.006

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

The review report of the independent auditor is set out on page 2.

ARAM Group Company P.J.S.C and its subsidiary

Sharjah - United Arab Emirates

Condensed consolidated interim statement of changes in equity for the three month period ended March 31, 2025  
In Arab Emirates Dirham

	Share capital	Statutory reserve	Voluntary reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total equity
Balance as at December 31, 2023 (Audited)	78,901,086	33,190,039	13,509,097	(3,290,770)	(691,710)	1,388,193	123,005,935
Profit for the period	-	-	-	-	-	454,843	454,843
Other comprehensive income/(loss) for the period	-	-	-	1,720,699	(18,896)	-	1,701,803
Total comprehensive income for the period	-	-	-	1,720,699	(18,896)	454,843	2,156,646
Balance as at March 31, 2024 (Unaudited)	78,901,086	33,190,039	13,509,097	(1,570,071)	(710,606)	1,843,036	125,162,581
Balance as at December 31, 2024 (Audited)	78,901,086	34,869,340	15,188,398	(3,274,068)	(732,393)	14,657,502	139,609,865
Profit for the period	-	-	-	-	-	1,145,217	1,145,217
Other comprehensive income/(loss) for the period	-	-	-	7,889,020	(8,645)	-	7,880,375
Total comprehensive income for the period	-	-	-	7,889,020	(8,645)	1,145,217	9,025,592
<b>Balance as at March 31, 2025 (Unaudited)</b>	<b>78,901,086</b>	<b>34,869,340</b>	<b>15,188,398</b>	<b>4,614,952</b>	<b>(741,038)</b>	<b>15,802,719</b>	<b>148,635,457</b>

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

The review report of the independent auditor is set out on page 2.

**ARAM Group Company P.J.S.C and its subsidiary**

**Sharjah - United Arab Emirates**

**Condensed consolidated interim statement of cash flows for the three month period ended March 31, 2025**

**In Arab Emirates Dirham**

	<b>Three month period ended</b>	
	<b>March 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Cash flows from operating activities</b>		
Profit for the period, before tax	<b>1,255,805</b>	478,069
<i>Adjustments for:</i>		
Unrealised gain on investments carried at FVTPL	-	(127,230)
Depreciation of property, plant and equipment	<b>10,057</b>	11,515
Depreciation of right-of-use assets	<b>30,765</b>	82,023
Allowance for expected credit losses of trade receivables	<b>36,266</b>	40,427
Reversal of allowance for expected credit loss of trade receivables	<b>(4,386)</b>	(79,144)
Finance costs	<b>211,520</b>	549,394
Provision for / (reversal of) employees' end-of-service benefits	<b>40,841</b>	(29,838)
<b>Operating cash flows before movements in working capital</b>	<b>1,580,868</b>	925,216
<i>(Increase) / decrease in current assets</i>		
Trade and other receivables	<b>(184,694)</b>	385,606
<i>Increase / (decrease) in current liabilities</i>		
Trade and other payables	<b>38,584</b>	(54,792)
<b>Cash generated from operations</b>	<b>1,434,758</b>	1,256,030
Employees' end-of-service benefits paid	<b>(20,856)</b>	(8,033)
<b>Net cash generated from operating activities</b>	<b>1,413,902</b>	1,247,997
<b>Cash flows from financing activities</b>		
Payment of lease liabilities	<b>(35,025)</b>	(35,807)
<b>Net cash used in financing activities</b>	<b>(35,025)</b>	(35,807)
<b>Net increase in cash and cash equivalents</b>	<b>1,378,877</b>	1,212,190
Cash and cash equivalents at the beginning of the period	<b>697,289</b>	959,461
Increase due to exchange rate changes on balances held by foreign operations	<b>12,049</b>	16,297
<b>Cash and cash equivalents at the end of the period</b>	<b>2,088,215</b>	2,187,948
<b>Cash and cash equivalents</b>		
Cash in hand	<b>26,574</b>	33,946
Cash at banks	<b>2,061,641</b>	2,154,002
	<b>2,088,215</b>	2,187,948

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

The review report of the independent auditor is set out on page 2.



## **1 Legal status and business activities**

- 1.1 ARAM Group Company P.J.S.C, Sharjah, United Arab Emirates** (the "Entity") is a public joint stock company incorporated on January 26, 1977, under Emiri Decree number 133/76 issued on November 16, 1976. The trading register was issued by Economic Development Department, Government of Sharjah. The shares of the Entity are traded on the Abu Dhabi Securities Market.
- 1.2** The principal activities of the Entity comprise investing in financial instruments, investing in and leasing of properties, and investing in, establishment of, and management of agricultural, industrial, and commercial projects.
- 1.3** The registered office of the Entity is located at Al Khan Street, P.O. Box: 5440, Sharjah, United Arab Emirates.
- 1.4** The management and control are vested with the directors.
- 1.5** The Entity controls the following subsidiary as at March 31, 2025 which has been consolidated in these condensed consolidated interim financial statements:

<b>Sr. No</b>	<b>Name of the Branch</b>	<b>2025</b>	<b>2024</b>	<b>Country of operation and incorporation</b>	<b>Principal activity</b>
<b>1</b>	Tarfan General Trading and Contracting (Ebrahim Ahmed Al-Mannaei and Partners) W.L.L	100%	100%	State of Kuwait	General trading and contracting, purchase and sale of shares and bonds.

The subsidiary is a limited liability company incorporated in Kuwait. One individuals owns 1% of the subsidiary's share capital for and on behalf of the Entity; therefore, 100% beneficial ownership interest is with the Entity and hence there is no non-controlling interest.

- 1.6** These condensed consolidated interim financial statements incorporate the operating results of the trading license no. 1233 of the Entity and license no. 2003/328 of its subsidiary, herein together referred to as the "Group".

## **2 Application of new and revised Standards**

### **2.1 New and amended Standards that are effective for the current year**

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2025, have been adopted in these condensed consolidated interim financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- Lack of Exchangeability (Amendments to IAS 21): The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

## 2 Application of new and revised Standards (continued)

### 2.2 New and revised IFRS in issue but not yet effective

At the date of authorisation of these condensed consolidated interim financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

<u><i>New and revised IFRSs</i></u>	<u><i>Effective for annual periods beginning on or after</i></u>
Amendments to IFRS 10 and IAS 28 - Sale or Contribution of assets between an Investor and its Associate or Joint Venture	No effective date set
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	January 1, 2026
Annual Improvements to IFRS Accounting Standards — Volume 11	January 1, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1, 2027

Management anticipates that these standards will not have any significant impact on these condensed consolidated interim financial statements.

## 3 Material accounting policies

### 3.1 Basis of preparation

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

These condensed consolidated interim financial statements have been prepared on the historical cost basis except for investment properties, investments at fair value through profit or loss and investments at fair value through other comprehensive income that are measured at fair values.

The accounting policies and methods of computation adopted in preparing these condensed consolidated interim financial information are consistent with those used in the latest audited consolidated financial statements for the year ended December 31, 2024 except for the adoption of the new and revised standards and interpretations effective 1 January 2025 that are mentioned in Note 2.1 above.

All aspects of the financial risk management objectives and policies are consistent with those disclosed in the audited consolidated financial statements for the year ended December 31, 2024.

These condensed consolidated interim financial information do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2024.

### **3 Material accounting policies (continued)**

#### **3.1 Basis of preparation (continued)**

The condensed consolidated results for the three month period ended March 31, 2025 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2025.

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

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited consolidated financial statements as at, and for the year ended, December 31, 2024.

Certain amendments to accounting standards and annual improvements, as disclosed in the Group's most recent annual consolidated financial statements for the year ended December 31, 2024, are applicable to the Group but do not have any material impact on these condensed consolidated interim financial statements.

#### **3.2 Basis of consolidation**

The condensed consolidated interim financial statements consolidate the unaudited interim financial statements of the subsidiary referred to in Note 1.5, on line by line basis, with the unaudited interim financial statements of the Entity for the period in accordance with IFRS 10, 'Consolidated Financial Statements'.

All significant intra-group investments, receivables, payables and other such transactions are eliminated on consolidation.

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

#### **3.3 Corporate taxation**

Corporate tax expense comprises current and deferred tax. Current tax expense (or benefit) is the tax payable (or receivable) on the current year's taxable income calculated using tax rates (and laws) enacted or substantively enacted by the end of the reporting period in each jurisdiction, adjusted for changes in deferred tax assets and liabilities. Current tax expense is recognised in the condensed consolidated interim statement of profit or loss except when the tax relates to items directly recognised in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity respectively. Tax provisions are recognised for uncertain tax positions when it is probable that there will be a future outflow of funds to a tax authority, measured at the best estimate of the amount expected to become payable.

### **3 Material accounting policies (continued)**

#### **3.3 Corporate taxation (continued)**

Deferred tax is recognised using the liability method on temporary differences arising between the carrying amounts of assets and liabilities in the condensed consolidated interim financial statements and their tax bases. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted as at the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax liabilities are recognised for all taxable temporary differences, except for goodwill and temporary differences arising from the initial recognition of assets and liabilities in transactions that do not affect taxable or accounting profit. Deferred tax assets are only recognised for temporary differences to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets are reviewed at each reporting date and adjusted to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax relating to items recognised in other comprehensive income or equity are recognised in other comprehensive income or directly in equity respectively. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The Group's consolidated effective tax rate for the three month ended March 31, 2025 was 8.36% (three month ended March 31, 2024: 4.39%).

The Group has estimated the tax charge for the three month period ended March 31, 2025 to be AED 110,588 (three month ended March 31, 2024: AED 23,226) based on the aforesaid weighted-average annual corporate tax rate.

#### **3.4 Liquidity risk - unclaimed dividend**

The Securities and Commodities Authority (the Authority) issued its letter dated April 30, 2023 reference number E.M.SH/KH/258/2023, stating that the Authority has been appointed to manage the uncollected profits of locally listed public joint stock companies prior to March 2015 and requires public joint stock companies to stop the company's procedures for distributing uncollected profits prior to March 2015 from receipt of the letter and to transfer the full value of uncollected profits prior to March 2015 to the Authority's account no later than May 21, 2023. As on March 31, 2025, the remaining dues of the uncollected profits amounted to AED 562.

#### 4 Investment properties

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
Land	19,150,000	19,150,000
Buildings	134,200,000	134,200,000
	<b>153,350,000</b>	<b>153,350,000</b>

The movements in investment properties are as follows:

Balance at the beginning of the period / year	<b>153,350,000</b>	103,650,000
Increase in fair value during the period / year	-	16,600,000
Transferred from non-current assets held for sale during the period / year	-	33,100,000
Balance at the end of the period / year	<b>153,350,000</b>	<b>153,350,000</b>

The Group's investment properties consist of residential towers and buildings, offices, warehouses and undeveloped parcels of land.

Investment properties located at Al Qasimia, Al Khan and Al Muweilah, Sharjah with carrying value of AED 78.4 million have a first degree mortgage in favour of Sharjah Islamic Bank for the bank facilities (Note 8).

The Group has no restrictions on the realisability of its investment properties and there are no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance or enhancements, other than those against securities for the term loan (Note 8).

During the year ended December 31, 2023, the management had decided to dispose the investment properties located at Al Qasimia, Sharjah and Al Soor, Sharjah to settle the term loan liabilities. Accordingly, as at December 31, 2023, the investment properties and related assets and liabilities were classified as a disposal group and related income and expenses were classified as discontinued operations.

During the year ended December 31, 2024, management reassessed its intent regarding the disposal of certain investment properties. This change in intent was formally approved through a board resolution dated February 13, 2025. Consequently, these properties were reclassified as investment properties as at December 31, 2024.

As at December 31, 2024, the fair values of the properties are based on valuations performed by an independent valuer who is a specialist in valuing these types of investment properties.

Management follows the accounting policy of carrying out the fair valuation of investment property on an annual basis.

## 5 Leases

### a) Right-of-use assets

The right-of-use assets pertains to office premises on lease. The carrying value of the right-of-use assets is as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>Cost</b>		
Balance at the beginning of the period / year	739,262	1,151,736
Retirements during the period / year	-	(410,408)
Foreign exchange loss (net) during the period / year	(385)	(2,066)
<b>Balance at the end of the period / year</b>	<b>738,877</b>	<b>739,262</b>
<b>Accumulated depreciation</b>		
Balance at the beginning of the period / year	677,659	706,669
Charge for the period / year (Note 11)	30,765	174,880
Related to retirements during the period / year	-	(201,831)
Foreign exchange loss (net) during the period / year	(331)	(2,059)
<b>Balance at the end of the period / year</b>	<b>708,093</b>	<b>677,659</b>
<b>Carrying value at the end of the period / year</b>	<b>30,784</b>	<b>61,603</b>

### b) Lease liabilities

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>Comprising:</b>		
Current portion	35,006	70,489
Non-current portion	-	-
	<b>35,006</b>	<b>70,489</b>

Lease liabilities are presented in the condensed consolidated interim statement of financial position as follows:

Balance at the beginning of the period / year	70,489	407,533
Add: Interest charge during the period / year	283	6,962
Less: Retirement of lease liabilities during the period / year	-	(200,408)
Less: Payments during the period / year	(35,025)	(143,562)
Foreign exchange gain (net) during the period / year	(741)	(36)
<b>Balance at the end of the period / year</b>	<b>35,006</b>	<b>70,489</b>

**6 Investments carried at fair value through other comprehensive income (FVTOCI)**

	<b>March 31, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
Quoted investments	<b>19,825,498</b>	11,942,692
Unquoted investments	<b>2,522,650</b>	2,523,964
	<b>22,348,148</b>	14,466,656

The movements in investments carried at FVTOCI are as follows:

Balance at the beginning of the period / year	<b>14,466,656</b>	14,599,128
Increase/(decrease) in fair value during the period / year	<b>7,889,020</b>	(52,242)
Disposal during the period / year	-	(39,883)
Foreign exchange loss (net) during the period / year	<b>(7,528)</b>	(40,347)
Balance at the end of the period / year	<b>22,348,148</b>	14,466,656

The geographical distribution of investments carried at FVTOCI is as follows:

In Kuwait	<b>22,348,148</b>	14,466,656
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The above quoted investments are valued at the closing rate on March 31, 2025.

The management follows the accounting policy of carrying out the fair valuation of unquoted investments on an annual basis.

**7 Investments carried at fair value through profit or loss (FVTPL)**

	<b>March 31, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
Unquoted investments	<b>160,163</b>	160,246

The movements in investments carried at FVTPL are as follows:

Balance at the beginning of the period / year	<b>160,246</b>	635,946
Increase in fair value during the period / year	-	593,767
Disposal during the period / year	-	(1,069,044)
Foreign exchange loss (net) during the period / year	<b>(83)</b>	(423)
Balance at the end of the period / year	<b>160,163</b>	160,246

The geographical distribution of investments carried at FVTPL is as follows:

In Kuwait	<b>160,163</b>	160,246
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The management follows the accounting policy of carrying out the fair valuation of unquoted investments on an annual basis.

**ARAM Group Company P.J.S.C and its subsidiary****Sharjah - United Arab Emirates****Notes to the condensed consolidated interim financial statements for the three month period ended March 31, 2025****In Arab Emirates Dirham****8 Bank borrowings**

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Non-current	<b>19,885,807</b>	19,870,419
Current	<b>3,684,211</b>	3,684,211
	<b>23,570,018</b>	23,554,630

In 2021, the Group entered into a "One-off Ijarah facility" arrangement with Sharjah Islamic Bank. The facility is repayable in equal semi-annual installments over a period of ten years plus profit rate of 6 months EIBOR + 2.5% p.a., with a floor of 4% p.a. Effective on May 24, 2024, the profit rate has been amended to 3 months EIBOR + 2% p.a., with a floor of 4% p.a.

*The facility is secured against the following securities and guarantees:*

- First degree registered mortgage over certain properties in favour of Sharjah Islamic Bank (Note 4).
- Assignment of fire insurance policy over Ijarah properties in favour of Sharjah Islamic Bank.
- Cheque covering the total facility amount.
- Notarized power of attorney in favour of Sharjah Islamic Bank or its appointed agent to manage certain properties and collect its rentals.
- Assignment of rental cover from investment properties located at Plot No. 213 in Al Soor, Sharjah, Plot No. 216 in Al Majaz, Sharjah and Plot No. 689/A/1 in Industrial Area 13, Sharjah. Out of said investment properties, the investment properties located at Al Majaz, Sharjah and Industrial Area 13, Sharjah have been sold.

**9 Related party transactions**

The Group enters into transactions with other entities that fall within the definition of a related party as contained in IAS 24, Related Party Disclosures. Such transactions are in the normal course of business and at terms that correspond to those on normal arms-length transactions. Related parties comprise entities under common ownership and/or common management and control; their partners and key management personnel.

The management decides on the terms and conditions of the transactions and services received/rendered from/to related parties as well as other charges, if applicable.

**a) Due from key management personnel**

At the end of the reporting period, amounts due from related parties were as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Receivable from Chief Executive Officer	<b>300,000</b>	300,000

**b) Due to key management personnel**

At the end of the reporting period, amounts due to related parties were as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Remuneration and sitting fees payable to directors	<b>534,012</b>	534,012



## 9 Related party transactions (continued)

### c) Compensation of key management personnel

The compensation of key management personnel is as follows:

	Three month period ended March 31,	
	2025 (Unaudited)	2024 (Unaudited)
Salaries and other short-term benefits	364,497	323,333
End of service benefits	10,356	9,907
Directors' sitting fee	-	6,002
	<b>374,853</b>	<b>339,242</b>

## 10 Trade and other payables

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade payables	240,032	195,143
Accrued expenses	1,192,914	1,277,157
Tenants' security deposits	1,171,895	1,056,373
Contract liabilities - rent received in advance	1,116,205	1,138,401
Accrued interest	382,185	186,336
	<b>4,103,231</b>	<b>3,853,410</b>

## 11 Administrative and general expenses

	Three month period ended March 31,	
	2025 (Unaudited)	2024 (Unaudited)
Employee costs	600,817	528,926
Compensation of key management personnel (Note 9c)	374,853	339,242
Utilities	67,447	70,999
Legal, license and professional	48,027	280,890
Allowance for expected credit losses of trade receivables	36,266	40,427
Depreciation of right-of-use assets (Note 5a)	30,765	82,023
Depreciation of property, plant and equipment	10,057	11,515
Other general and administrative expenses	82,510	109,556
	<b>1,250,742</b>	<b>1,463,578</b>

## 12 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 condensed consolidated interim statement of profit or loss on a straight-line method and in accordance with different terms of these lease 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, 2025 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, 2025.

## 13 Basic and diluted earnings per share

	<b>Three month period ended</b>	
	<b>March 31, 2025</b>	<b>March 31, 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Profit for the period, before tax (AED)	<b>1,145,217</b>	454,843
Number of shares	<b>78,901,086</b>	78,901,086
Basic and diluted earnings per share (AED)	<b>0.015</b>	0.006

Basic earnings per share is calculated by dividing the profit for the period by the weighted average number of shares outstanding at the end of the reporting period. The Group has not issued any instruments which would have a dilutive impact on earnings per share when exercised.

## 14 Contingent liabilities and commitments

The Group is subject to litigations in the normal course of business, mainly on claims relating to recoveries of cheques from tenants. Although the ultimate outcome of these claims cannot be presently determined, the total amount of claims is not material to the condensed consolidated interim financial statements.

Except for the above and ongoing business obligations which are under normal course of business, there have been no other known contingent liabilities and commitments relating to the Group's condensed consolidated interim financial statements as of the reporting date.

## 15 Fair value measurement

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

### *Fair value of financial instruments carried at amortised cost*

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

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

The fair values of financial and non-financial assets and liabilities are determined using similar valuation techniques and assumptions as used in the audited annual financial statements for the year ended December 31, 2024.

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

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

### **March 31, 2025 (Unaudited)**

	<b>Level 1 AED</b>	<b>Level 2 AED</b>	<b>Level 3 AED</b>	<b>Total AED</b>
<b>Non-financial assets:</b>				
Investment properties (Note 4)	-	-	153,350,000	153,350,000
<b>Financial assets:</b>				
<b>Investments carried at FVTOCI</b>				
Quoted equities (Note 6)	19,825,498	-	-	19,825,498
Unquoted equities (Note 6)	-	-	2,522,650	2,522,650
<b>Investments carried at FVTPL</b>				
Unquoted equities (Note 7)	-	-	160,163	160,163
	<u>19,825,498</u>	<u>-</u>	<u>156,032,813</u>	<u>175,858,311</u>

**ARAM Group Company P.J.S.C and its subsidiary**

**Sharjah - United Arab Emirates**

**Notes to the condensed consolidated interim financial statements for the three month period ended March 31, 2025**

**In Arab Emirates Dirham**

**15 Fair value measurement (continued)**

December 31, 2024 (Audited)

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
Non-financial assets:				
Investment properties (Note 4)	-	-	153,350,000	153,350,000
Financial assets:				
Investments carried at FVTOCI				
Quoted equities (Note 6)	11,942,692	-	-	11,942,692
Unquoted equities (Note 6)	-	-	2,523,964	2,523,964
Investments carried at FVTPL				
Unquoted equities (Note 7)	-	-	160,246	160,246
	<u>11,942,692</u>	<u>-</u>	<u>156,034,210</u>	<u>167,976,902</u>

There are no transfers made between the levels during the period and there are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table.

**16 Uncertainty related to key estimates**

*Fair value of investments*

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

The effect on equity (fair value reserve) as a result of a change in the fair value of equity instruments quoted on the different stock exchange markets and held at FVTOCI at March 31, 2025, due to reasonably possible changes in the prices of these quoted shares held by the Group, with all other variables held constant, is as follows:

	<b>March 31, 2025 (Unaudited)</b>		<b>December 31, 2024 (Audited)</b>	
	<b>Change in market prices %</b>	<b>Effect on equity (fair value reserve)</b>	<b>Change in market prices %</b>	<b>Effect on equity (fair value reserve)</b>
<b>Market Index</b>				
Kuwait	<b>+5%</b>	<b>991,275</b>	<b>+5%</b>	<b>597,135</b>
	<b>-5%</b>	<b>(991,275)</b>	<b>-5%</b>	<b>(597,135)</b>

**17 Events after the reporting period**

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