

**Gulf General Investments Co. (P.S.C)**

Condensed consolidated interim financial  
information (unaudited)

For the six months period ended 30 June 2022

**Gulf General Investments Co. (P.S.C)**  
**Condensed consolidated interim financial information (unaudited)**  
**For the six months period ended 30 June 2022**

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## **Review report of the Independent Auditor**

### **To the shareholders of Gulf General Investments Co. (P.S.C)**

#### **Introduction**

We have reviewed the accompanying condensed consolidated interim statement of financial position of Gulf General Investments Co. (P.S.C) (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2022, the related condensed consolidated interim income statement, condensed consolidated interim statement of comprehensive income for the three months and six months periods then ended, condensed consolidated interim statement of changes in equity and condensed consolidated interim information of cash flows for the six months period then ended and other related explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

#### **Scope of review**

We conducted our review in accordance with the 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.

#### **Basis of Qualified Conclusion**

As disclosed in note 17 to the condensed consolidated interim financial statements, the Group has ceased recording interest on its borrowings since 1 January 2020. In addition to this, the group is currently renegotiating the amount repayable to its borrowers and as at the period end date, we were not able to independently verify the total amount of borrowing and its effects on this condensed consolidated interim financial information have not been determined.

Had this interest been recognized and renegotiated amount confirmed for the period ended 30 June 2022, many elements in the accompanying condensed consolidated interim financial information would have been materially affected.

#### **Qualified Conclusion**

Based on our review, with the exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information are not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.



# Grant Thornton

## **Review report of the Independent Auditor To the Shareholders of Gulf General Investments Co. (P.S.C)**

### **Emphasis of matter**

We draw attention to notes 5 and 17 of the condensed consolidated interim financial information which fully explains that the Group is in the process of negotiation with the lenders to restructure certain existing loan and credit facilities to meet its commitments and financial obligations as they fall due in the foreseeable future. Our review conclusion is not modified in respect of this matter.

We draw attention to note 2 of the condensed consolidated interim financial statements, which indicates that the Group's current liabilities exceeded its current assets by AED 2,950.2 million as at 30 June 2022. As stated in note 2, these events or conditions, along with other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

**GRANT THORNTON**



**Dr. Osama El-Bakry  
Registration No: 935  
Dubai, United Arab Emirates**

**11 August 2022**

**Gulf General Investments Co. (P.S.C)**  
**Condensed consolidated interim statement of financial position**  
**As at 30 June 2022**

|  |              | <b>30 June<br/>2022<br/>AED '000<br/>(Unaudited)</b> | <b>31 December<br/>2021<br/>AED '000<br/>(Audited)</b> |
|--|--------------|--|--|
|  | <b>Notes</b> |  |  |
| <b>Assets</b>                            |              |  |  |
| <b>Non-current assets</b>                |              |  |  |
| Property, plant and equipment            |              | 475,145  | 484,962  |
| Investment properties                    | 6            | 2,525,199  | 2,525,081  |
| Goodwill                                 |              | 11,500   | 11,500   |
| Investments in associates                | 7            | 182,167  | 184,839  |
| Investments in securities                | 8            | 71,242   | 74,682   |
| Trade and other receivables              | 11           | 17,939   | 23,052   |
|  |              | <u>3,283,192</u>                                     | <u>3,304,116</u>                                       |
| <b>Current assets</b>                    |              |  |  |
| Properties held for development and sale | 9            | 174,220  | 174,102  |
| Inventories                              | 10           | 39,969   | 40,819   |
| Due from related parties                 | 16           | 7,392  | 10,288   |
| Trade and other receivables              | 11           | 551,680  | 530,408  |
| Reinsurance contract assets              | 12           | 239,991  | 258,689  |
| Investments in securities                | 8            | 108,662  | 101,868  |
| Cash in hand and at bank                 | 13           | 312,979  | 310,288  |
|  |              | <u>1,434,893</u>                                     | <u>1,426,462</u>                                       |
| <b>Total assets</b>                      |              | <u><b>4,718,085</b></u>                              | <u><b>4,730,578</b></u>                                |

The accompanying notes 1 to 22 are an integral part of these condensed consolidated interim financial information.

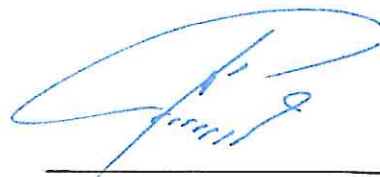
**Gulf General Investments Co. (P.S.C)**  
**Condensed consolidated interim statement of financial position (continued)**  
**As at 30 June 2022**

|   |              | <b>30 June<br/>2022<br/>AED '000<br/>(Unaudited)</b> | <b>31 December<br/>2021<br/>AED '000<br/>(Audited)</b> |
|---|--------------|--|--|
|   | <b>Notes</b> |  |  |
| <b>Equity and liabilities</b>   |              |  |  |
| <b>Equity</b>   |              |  |  |
| Share capital   | 15           | 1,791,333  | 1,791,333  |
| Legal reserve   |              | 49,645   | 49,645   |
| Additional reserve  |              | 7,068  | 7,068  |
| Asset revaluation surplus   |              | 120,337  | 120,337  |
| Cumulative change in fair value of investments measured<br>at fair value through other comprehensive income |              | (2,863)  | 577  |
| Accumulated losses  |              | (1,824,005)  | (1,787,975)  |
| <b>Equity attributable to owners of the Company</b>   |              | <b>141,515</b>                                       | <b>180,985</b>   |
| Non-controlling interests   |              | 177,126  | 200,427  |
| <b>Total equity</b>   |              | <b>318,641</b>                                       | <b>381,412</b>   |
| <b>Liabilities</b>  |              |  |  |
| <b>Non-current liabilities</b>  |              |  |  |
| Provision for employees' end of service benefits  |              | 14,360   | 15,005   |
| <b>Current liabilities</b>  |              |  |  |
| Due to related parties  | 16           | 427,999  | 436,249  |
| Insurance contract liabilities  | 12           | 523,894  | 512,308  |
| Borrowings  | 17           | 2,310,786  | 2,295,240  |
| Trade and other payables  |              | 1,119,974  | 1,081,738  |
| Lease liabilities   |              | 2,431  | 8,626  |
|   |              | <b>4,385,084</b>                                     | <b>4,334,161</b>                                       |
| <b>Total liabilities</b>  |              | <b>4,399,444</b>                                     | <b>4,349,166</b>                                       |
| <b>Total equity and liabilities</b>   |              | <b>4,718,085</b>                                     | <b>4,730,578</b>                                       |

The condensed consolidated interim financial information was authorised for issue by and on behalf of the Board of Directors on 11<sup>th</sup> August 2022



**Abdalla Juma Majid Al Sari**  
**Chairman**



**Hamad Saif Hamad Almheiri**  
**Director**

The accompanying notes 1 to 22 are an integral part of these condensed consolidated interim financial information.



**Gulf General Investments Co. (P.S.C)**  
**Condensed consolidated interim income statement (unaudited)**  
For the six months period ended 30 June 2022

|   | Notes | Three months period<br>ended 30 June |                         | Six months period<br>ended 30 June |                         |
|---|-------|--------------------------------------|-------------------------|------------------------------------|-------------------------|
|   |       | 2022                                 | 2021                    | 2022                               | 2021                    |
|   |       | AED '000<br>(Unaudited)              | AED '000<br>(Unaudited) | AED '000<br>(Unaudited)            | AED '000<br>(Unaudited) |
| Revenue   |       | 76,985                               | 127,321                 | 196,603                            | 278,019                 |
| Cost of revenue   |       | (69,290)                             | (108,036)               | (188,656)                          | (236,178)               |
| <b>Gross profit</b>                                     |       | <b>7,695</b>                         | <b>19,285</b>           | <b>7,947</b>                       | <b>41,841</b>           |
| Administrative and general expenses                     | 18    | (28,726)                             | (23,898)                | (55,722)                           | (50,810)                |
| Selling and distribution expenses                       |       | (396)                                | (1,853)                 | (754)                              | (2,205)                 |
| Other income  |       | 1,668                                | 1,620                   | 3,186                              | 2,509                   |
| Share of loss in associates                             | 7     | -                                    | (7,593)                 | (2,672)                            | (16,456)                |
| Revaluation deficit                                     |       | -                                    | (11,189)                | -                                  | (11,189)                |
| Change in fair value of investments in securities – net | 8     | 2,113                                | 2,833                   | 4,282                              | 1,754                   |
| Loss on disposal of equity interest in an associate     |       | -                                    | (32,891)                | -                                  | (32,891)                |
| Finance cost  |       | (8,485)                              | (3,368)                 | (17,006)                           | (11,775)                |
| Finance income  |       | 845                                  | (254)                   | 1,408                              | 1,287                   |
| <b>Loss for the period</b>                              |       | <b>(25,286)</b>                      | <b>(57,308)</b>         | <b>(59,331)</b>                    | <b>(77,935)</b>         |
| <b>Loss attributable to:</b>                            |       |                                      |                         |                                    |                         |
| Owners of the Company                                   |       | (15,919)                             | (50,877)                | (36,030)                           | (65,929)                |
| Non-controlling interests                               |       | (9,367)                              | (6,431)                 | (23,301)                           | (12,006)                |
|   |       | <b>(25,286)</b>                      | <b>(57,308)</b>         | <b>(59,331)</b>                    | <b>(77,935)</b>         |
| <b>Loss per share –</b>                                 |       |                                      |                         |                                    |                         |
| <b>Basic (AED fills per share)</b>                      | 20    | <b>(0.89)</b>                        | <b>(2.84)</b>           | <b>(2.01)</b>                      | <b>(3.68)</b>           |

The accompanying notes 1 to 22 are an integral part of the condensed consolidated interim financial information.

# Gulf General Investments Co. (P.S.C)

## Condensed consolidated interim statement of other comprehensive income (unaudited)

For the six months period ended 30 June 2022

|   | Note | Three months period<br>ended 30 June |                         | Six months period<br>ended 30 June |                         |
|---|------|--------------------------------------|-------------------------|------------------------------------|-------------------------|
|   |      | 2022                                 | 2021                    | 2022                               | 2021                    |
|   |      | AED '000<br>(Unaudited)              | AED '000<br>(Unaudited) | AED '000<br>(Unaudited)            | AED '000<br>(Unaudited) |
| Loss for the period   |      | (25,286)                             | (57,308)                | (59,331)                           | (77,935)                |
| <b>Other comprehensive income:</b>                              |      |                                      |                         |                                    |                         |
| <i>Items that will never be reclassified to profit or loss:</i> |      |                                      |                         |                                    |                         |
| Change in fair value of investments in securities - net (FVOCI) | 8    | 1,401                                | (391)                   | (3,440)                            | 1,840                   |
| Revaluation of land and buildings                               |      | -                                    | 99,226                  | -                                  | 99,226                  |
| <b>Other comprehensive income/(loss)for the period</b>          |      | <b>1,401</b>                         | <b>98,835</b>           | <b>(3,440)</b>                     | <b>101,066</b>          |
| <b>Total comprehensive (loss)/income for the period</b>         |      | <b>(23,885)</b>                      | <b>41,527</b>           | <b>(62,771)</b>                    | <b>23,131</b>           |
| <b>Total comprehensive (loss)/income attributable to:</b>       |      |                                      |                         |                                    |                         |
| Owners of the Company   |      | (14,518)                             | 41,555                  | (39,470)                           | 29,690                  |
| Non-controlling interests                                       |      | (9,367)                              | (28)                    | (23,301)                           | (6,559)                 |
| <b>Total comprehensive (loss)/income for the period</b>         |      | <b>(23,885)</b>                      | <b>41,527</b>           | <b>(62,771)</b>                    | <b>23,131</b>           |

The accompanying notes 1 to 22 are an integral part of the condensed consolidated interim financial information.



# Gulf General Investments Co. (P.S.C)

## Condensed consolidated interim statement of changes in equity (unaudited)

For the six months period ended 30 June 2022

|  | Attributable to owners of the Company |                           |                                |                                       |  |                                |  |
|--|---------------------------------------|---------------------------|--------------------------------|---------------------------------------|--|--------------------------------|--|
|  | Share capital<br>AED '000             | Legal reserve<br>AED '000 | Additional reserve<br>AED '000 | Asset revaluation surplus<br>AED '000 | Cumulative change in fair value of investments measured at fair value through other comprehensive income<br>AED '000 | Accumulated losses<br>AED '000 | Equity attributable to owners of Parent Company<br>Total<br>AED '000 |
|  |                                       |                           |                                |                                       |  |                                |  |
| As at 1 January 2021 (audited)   | 1,791,333                             | 49,645                    | 7,068                          | 37,747                                | (27,004)   | (1,672,402)                    | 186,387  |
| Total comprehensive income for the period (unaudited):                         |                                       |                           |                                |                                       |  |                                |  |
| Loss for the period  | -                                     | -                         | -                              | -                                     | -  | (65,929)                       | (65,929)   |
| Other comprehensive income   | -                                     | -                         | -                              | 93,779                                | 1,840  | -                              | 95,619   |
| Total comprehensive income / (loss)  | -                                     | -                         | -                              | 93,779                                | 1,840  | (65,929)                       | 29,690   |
| Loss transfer to retained earnings on disposal of equity interest in associate | -                                     | -                         | -                              | -                                     | 3,219  | (3,219)                        | -  |
| At 30 June 2021 (unaudited)  | 1,791,333                             | 49,645                    | 7,068                          | 131,526                               | (21,945)   | (1,741,550)                    | 216,077  |
| As at 1 January 2022 (audited)   | 1,791,333                             | 49,645                    | 7,068                          | 120,337                               | 577  | (1,787,975)                    | 180,985  |
| Total comprehensive income for the period (unaudited):                         |                                       |                           |                                |                                       |  |                                |  |
| Loss for the period  | -                                     | -                         | -                              | -                                     | -  | (36,030)                       | (36,030)   |
| Other comprehensive loss   | -                                     | -                         | -                              | -                                     | (3,440)  | -                              | (3,440)  |
| Total comprehensive loss   | -                                     | -                         | -                              | -                                     | (3,440)  | (36,030)                       | (39,470)   |
| At 30 June 2022 (unaudited)  | 1,791,333                             | 49,645                    | 7,068                          | 120,337                               | (2,863)  | (1,824,005)                    | 141,515  |
|  |                                       |                           |                                |                                       |  |                                | 177,126  |
|  |                                       |                           |                                |                                       |  |                                | 318,641  |

The accompanying notes 1 to 22 are an integral part of the condensed consolidated interim financial information.

# Gulf General Investments Co. (P.S.C)

## Condensed consolidated interim statement of cash flows (unaudited)

For the six months period ended 30 June 2022

|   |       | Six month period<br>ended 30 June |                                 |
|---|-------|-----------------------------------|---------------------------------|
|   | Notes | 2022<br>AED '000<br>(Unaudited)   | 2021<br>AED '000<br>(Unaudited) |
| <b>Cash flows from operating activities</b>                                       |       |                                   |                                 |
| Loss for the period   |       | (59,331)                          | (77,935)                        |
| <i>Adjustments for:</i>   |       |                                   |                                 |
| Depreciation  | 18    | 2,598                             | 2,214                           |
| Share of loss from associates   |       | 2,672                             | 16,456                          |
| Loss on disposal of equity interest in an associate                               |       | -                                 | 32,891                          |
| Revaluation deficit   |       | -                                 | 11,189                          |
| Change in fair value of investments measured at fair value through profit or loss |       | (4,282)                           | (1,754)                         |
| (Gain) / Loss on disposal of property and equipment                               |       | (18)                              | -                               |
| Provision of employees' end of service benefits                                   |       | 1,240                             | 596                             |
| Finance income  |       | (1,408)                           | (1,287)                         |
| Interest on lease liability   |       | 65                                | 270                             |
| Gain on termination of lease liability  |       | (93)                              | -                               |
| Finance costs   |       | 17,006                            | 11,775                          |
| <b>Operating loss before working capital changes</b>                              |       | <b>(41,551)</b>                   | <b>(5,585)</b>                  |
| Changes in re-insurance contract assets   |       | 18,698                            | 20,004                          |
| Changes in insurance contract liabilities   |       | 11,586                            | (25,068)                        |
| Changes in related parties  |       | (5,354)                           | 4,606                           |
| Changes in properties held for development and sale                               |       | (118)                             | -                               |
| Changes in inventories  |       | 850                               | 8,963                           |
| Changes in trade and other receivables  |       | (16,159)                          | 12,266                          |
| Changes in trade and other payables   |       | 21,476                            | 5,705                           |
| Additions to investment properties  |       | (118)                             | -                               |
|   |       | <b>(10,690)</b>                   | <b>20,891</b>                   |
| Employees' end of service benefits paid   |       | (1,885)                           | (861)                           |
| <b>Net cash (used in)/generated from operating activities</b>                     |       | <b>(12,575)</b>                   | <b>20,030</b>                   |
| <b>Cash flows from investing activities</b>                                       |       |                                   |                                 |
| Purchase of investments in financial assets FVTPL                                 |       | (2,751)                           | -                               |
| Proceeds from sale of investments in securities                                   |       | 240                               | 9,176                           |
| Proceeds from disposal of PPE   |       | 69                                | -                               |
| Proceeds from disposal of equity interest in an associate                         |       | -                                 | 19,200                          |
| Purchase of property, plant and equipment   |       | (1,498)                           | 2,586                           |
| Finance income  |       | 1,408                             | 1,287                           |
| <b>Net cash (used in)/generated from investing activities</b>                     |       | <b>(2,532)</b>                    | <b>32,249</b>                   |
| <b>Cash flows from financing activities</b>                                       |       |                                   |                                 |
| Net movement in bank borrowings   |       | 15,546                            | (13,626)                        |
| Finance costs   |       | (17,006)                          | (11,775)                        |
| Payment of lease liability  |       | (1,002)                           | (3,733)                         |
| <b>Net cash used in financing activities</b>                                      |       | <b>(2,462)</b>                    | <b>(29,134)</b>                 |
| <b>Net (decrease)/increase in cash and cash equivalents</b>                       |       | <b>(17,569)</b>                   | <b>23,145</b>                   |
| Cash and cash equivalents at the beginning of the period                          |       | 155,482                           | 241,617                         |
| <b>Cash and cash equivalents at the end of the period</b>                         | 14    | <b>137,913</b>                    | <b>264,762</b>                  |

The accompanying notes 1 to 22 are an integral part of these condensed consolidated interim financial information.

# **Gulf General Investments Co. (P.S.C)**

## **Notes to the condensed consolidated interim financial information (unaudited)** **For the six months period ended 30 June 2022**

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### **1 Reporting entity**

Gulf General Investments Co. (P.S.C) (the “Company”) is incorporated under Emiri Decree No. 2/73 dated 27 July 1973 as a Public Shareholding Company. The duration of the Company is ninety nine years commencing from the date of issuance of the above mentioned Emiri Decree. The registered address of the Company is P. O. Box 22588, Dubai, United Arab Emirates. The Company is listed on the Dubai Financial Market.

The condensed consolidated interim financial information as at and for the six month period ended 30 June 2022 (the “current period”) comprise the Company and its subsidiaries (collectively referred to as the “Group”) and the Group’s interest in associates.

Federal Law By Decree No. 32 of 2021 on Commercial Companies (the “New Companies Law”) was issued on 20 September 2021 with an effective date of 2 January 2022, and will entirely replace Federal Law No. 2 of 2015 on Commercial Companies, as amended. The Group has twelve months from the effective date to comply with the provisions of the New Companies Law.

The principal activities of the Group are to act as a real estate agent, manufacturing, retail trading and provision of real estate development, writing of insurance of all types, hospitality and other services.

Investment Group (Pvt) Limited, a company registered in UAE is a significant shareholder of the Company (the “significant shareholder”).

### **2 Basis of preparation**

#### **Going concern**

These condensed consolidated interim financial statements have been prepared on a going concern basis notwithstanding the fact that the Group has incurred a net loss of AED 59.33 million (six month 30 June 2021: AED 77.93 million), current liabilities exceeding current assets by AED 2,950.2 million (31 December 2021: 2,907.7 million) and accumulated losses of AED 1,824 million (31 December 2021: 1,781.9 million) as at that date. The continuation of the Group’s operations is dependent upon future profitable operations and the ability of the Group to generate sufficient cash flows from operations and sale of investments and properties to meet its future obligations. Also refer to note 5.

#### **Statement of compliance**

The condensed consolidated interim financial information as at and for the six month period ended 30 June 2022 has been prepared in accordance with the International Accounting Standard (“IAS”) 34, ‘Interim Financial Reporting’ issued by the International Accounting Standards Board. This does not include all of the information required for a complete set of International Financial Reporting Standards (“IFRSs”) financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2021. Further, results for interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

#### **Use of estimates and judgements**

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

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 the preparation of the consolidated financial statements of the Group as at and for the year ended 31 December 2021.

# **Gulf General Investments Co. (P.S.C)**

## **Notes to the condensed consolidated interim financial information (unaudited)** **For the six months period ended 30 June 2022**

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### **3 Significant accounting policies**

The accounting policies applied are same as those applied in the annual financial statements as at and for the year ended 31 December 2021.

#### **New and revised IFRS applied with no material effect on the condensed consolidated interim financial statements**

There are no new and revised IFRS that has a material impact for the Group during the period.

#### **New and revised IFRS not yet effective**

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

##### **IFRS 17 Insurance Contracts**

IFRS 17 requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as of 1 January 2023.

Management anticipates that IFRS 17 will be adopted in the Group's financial statements for the annual period beginning 1 January 2023. The application of IFRS 17 may have significant impact on amounts reported and disclosures made in the Group's financial statements in respect of its insurance contracts. However, it is not practicable to provide a reasonable estimate of the effects of the application of this standard until the Group performs a detailed review. Management is in the process of performing a detailed assessment as required by the Insurance Authority on implementation of IFRS 17.

### **4 Financial risk factors**

The Group's activities potentially expose it to a variety of financial risks: market risk (including currency risk, equity price risk, and interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2021.

There has been no change in the risk management policies since the year end.

### **5 Funding and liquidity**

The Group has third party commitments amounting to AED 4,125.72 million as at 30 June 2022 (31 December 2021: AED 4,084.68 million) of which AED 4,111.36 million (31 December 2021: AED 4,069.7 million) is payable within one year from the reporting date.

These third party commitments include loans and borrowings of AED 2,939.85 million (31 December 2021: AED 2,931.0 million) which is payable within one year from the reporting date.

The Board of Directors expect that the Group will meet its funding requirements through future income generated from operations, sale of investments and properties, existing cash and bank balance and restructuring of its certain existing loan facilities.

Furthermore, the Board of Directors and the management have undertaken a variety of initiatives and are continuing with the plans as outlined above, which they believe to be realistic and achievable to ensure the Group's ability to meet its financial commitments as they fall due. Also refer to note 17.

# Gulf General Investments Co. (P.S.C)

## Notes to the condensed consolidated interim financial information (unaudited) For the six months period ended 30 June 2022

### 6 Investment properties

|                                   | 30 June<br>2022<br>AED '000<br>(Unaudited) | 31 December<br>2021<br>AED '000<br>(Audited) |
|-----------------------------------|--|--|
| Opening balance                   | 2,525,081                                  | 2,585,089                                    |
| Additions during the period/ year | 118  | -  |
| Disposals during the period/ year | -  | (79,400)                                     |
| Change in fair value              | -  | 19,392                                       |
| Closing balance                   | <u>2,525,199</u>                           | <u>2,525,081</u>                             |

- (i) During the six month period ended 30 June 2022, the Directors' of the Company have reviewed the carrying value of investment properties and are of the opinion that there is no significant change in fair value of investment properties as compared to the previous valuation carried out as at 31 December 2021.

The fair value measurement of these properties have been categorised as Level 3 in fair value hierarchy.

- (ii) Certain investment properties are mortgaged to banks towards credit facilities granted to the Group.

### 7 Investments in associates

The Group's share of loss in associates for the six month period ended 30 June 2022 amounted to AED 2.67 million (30 June 2021: share of loss of AED 16.4 million).

Certain investments in associates are mortgaged to banks towards credit facilities granted to the Group.

| Name of the associates   | Place of<br>Incorporation | Ownership (%) |                  |
|--|---------------------------|---------------|------------------|
|  |                           | June<br>2022  | December<br>2021 |
| Arab Real Estate Development P.S.C (Arab Corp)   | Jordan                    | 30.8          | 30.8             |
| Ghadah General Trading and Contracting Co. L.L.C<br>(Khalid Mustafa Karam Sons & Partners) | Kuwait                    | 38.0          | 38.0             |
| Al Sagr Corporate Insurance Company  | Saudi Arabia              | 20.0          | 20.0             |

### 8 Investments in securities

|  | 30 June<br>2022<br>AED '000<br>(Unaudited) | 31 December<br>2021<br>AED '000<br>(Audited) |
|--|--|--|
| <i>Investments measured at fair value through other comprehensive income ("FVOCI")</i> |  |  |
| Opening balance  | 74,682                                     | 49,343                                       |
| Addition during the period/ year   | -  | 28,712                                       |
| Disposal during the period/ year   | -  | (8,831)                                      |
| Change in fair value during the period/ year   | <u>(3,440)</u>                             | <u>5,458</u>                                 |
| Closing balance  | <u>71,242</u>                              | <u>74,682</u>                                |

# Gulf General Investments Co. (P.S.C)

## Notes to the condensed consolidated interim financial information (unaudited)

For the six months period ended 30 June 2022

### 8 Investments in securities (continued)

|  | 30 June<br>2022<br>AED '000<br>(Unaudited) | 31 December<br>2021<br>AED '000<br>(Audited) |
|--|--|--|
| <i>Investments measured at fair value through profit or loss ("FVTPL")</i> |  |  |
| Opening balance  | 101,868                                    | 95,864                                       |
| Addition during the period/ year   | 2,751                                      | 515  |
| Disposal during the period/ year   | (239)                                      | (436)  |
| Change in fair value during the period/ year                               | 4,282                                      | 5,925  |
| Closing balance  | 108,662                                    | 101,868                                      |

Certain investments are mortgaged to banks and financial institution towards credit facilities granted to the Group.

### 9 Properties held for development and sale

During the six month period ended 30 June 2022, the Company's Directors have reviewed the carrying value of properties held for development and sale and are of the opinion that there is no significant change in recoverable amount of properties held for development and sale as compared to the previous valuation carried out as at 31 December 2021. Certain properties held for development and sale are mortgaged to banks towards credit facilities granted to the Group.

### 10 Inventories

Certain inventories along with assignment of insurance policies against those inventories are hypothecated to banks against credit facilities granted to the Group.

### 11 Trade and other receivables

Trade and other receivables include notes receivable that represent post-dated cheques received from the buyers of properties held for development and sale. Management has performed an impairment assessment on the future collectability of these notes receivable and accordingly has concluded that no allowance for impairment is required as these notes are expected to be realised in the normal course of business.

### 12 Reinsurance contract assets and insurance contract liabilities

|   | 30 June<br>2022<br>AED '000<br>(Unaudited) | 31 December<br>2021<br>AED '000<br>(Audited) |
|---|--|--|
| <b>Gross</b>  |  |  |
| Reserve for outstanding claims                      | 164,244                                    | 205,522                                      |
| Unallocated loss adjustment expense reserve         | 5,257                                      | 6,337  |
| Unexpired risk reserve                              | 11,213                                     | 5,796  |
| Mathematical reserve                                | 1,157                                      | 1,157  |
| Reserve for incurred but not reported claims (IBNR) | 67,044                                     | 74,865                                       |
| Reserve for outstanding claims (including IBNR)     | 248,915                                    | 293,677                                      |
| Unearned premium reserve                            | 274,979                                    | 218,631                                      |
| <b>Total insurance contract liabilities (gross)</b> | <b>523,894</b>                             | <b>512,308</b>                               |



# Gulf General Investments Co. (P.S.C)

## Notes to the condensed consolidated interim financial information (unaudited) For the six months period ended 30 June 2022

### 12 Reinsurance contract assets and insurance contract liabilities (continued)

|  |                  |                  |
|--|------------------|------------------|
| Less: recoverable from reinsurers                          |                  |                  |
| Reinsurer share of outstanding claims                      | (126,123)        | (156,950)        |
| Reinsurer share of unexpired risk reserve                  | -                | (395)            |
| Reinsurer share of mathematical reserve                    | (1,150)          | (1,150)          |
| Reinsurer share of incurred but not reported claims (IBNR) | (23,148)         | (26,313)         |
| Reinsurer share of outstanding claims (including IBNR)     | (150,421)        | (184,808)        |
| Reinsurer share of unearned premium reserve                | (89,570)         | (73,881)         |
| <b>Total re-insurance contract assets</b>                  | <b>(239,991)</b> | <b>(258,689)</b> |
| <b>Net insurance contract liabilities</b>                  | <b>283,903</b>   | <b>253,619</b>   |

### 13 Cash in hand and at bank

|                              | 30 June<br>2022<br>AED '000<br>(Unaudited) | 31 December<br>2021<br>AED '000<br>(Audited) |
|------------------------------|--|--|
| Cash in hand                 | 1,805                                      | 1,827  |
| Bank balances:               |  |  |
| - Current accounts           | 125,636                                    | 117,322                                      |
| - Deposit accounts           | 185,572                                    | 191,173                                      |
| Less: expected credit losses | (34)                                       | (34)   |
|                              | <b>312,979</b>                             | <b>310,288</b>                               |

Deposits include fixed deposits of AED 185.3 million (31 December 2021: AED 158.4 million) held under lien (also refer to note 17) against facilities granted to the Group and also include a deposit amounting to AED 10.3 million (31 December 2021: AED 10.3 million) deposited in the name of the Group to the order of the Ministry of Economy and Trade of the United Arab Emirates as required by the Federal Law No. (6) of 2007 relating to the Central bank of UAE.

### 14 Cash and cash equivalents

|  | Six month period<br>ended 30 June<br>2022<br>AED '000<br>(Unaudited) | 2021<br>AED '000<br>(Unaudited) |
|--|--|---------------------------------|
| Cash in hand   | 1,805  | 1,350                           |
| Bank balances:   |  |                                 |
| - Current accounts   | 125,636  | 119,379                         |
| - Deposit accounts   | 185,572  | 198,414                         |
| Expected credit losses   | (34)   | (34)                            |
|  | <b>312,979</b>   | <b>319,109</b>                  |
| Less: Fixed deposits under lien/ deposits with<br>maturity over three months | (256)  | (258)                           |
| Less: bank overdrafts (refer to note 17)                                     | (174,810)  | (54,089)                        |
|  | <b>137,913</b>   | <b>264,762</b>                  |

# Gulf General Investments Co. (P.S.C)

## Notes to the condensed consolidated interim financial information (unaudited) For the six months period ended 30 June 2022

### 15 Share capital

|  | 30 June<br>2022<br>AED '000<br>(Unaudited) | 31 December<br>2021<br>AED '000<br>(Audited) |
|--|--|--|
| <i>Authorised, issued and paid up</i>              |  |  |
| 1,791 million shares of AED 1 each paid up in cash | <u>1,791,333</u>                           | <u>1,791,333</u>                             |

### 16 Related party transactions and balances

The Group in the ordinary course of business, enters into transaction with other business enterprises that fall within the definition of a related party as contained in International Accounting Standard 24. Pricing policies and terms of transactions with related parties are mutually agreed.

Significant transactions carried out with related parties during the period, other than those disclosed elsewhere in the condensed consolidated interim financial information, are as follows:

|  | Six month period<br>ended 30 June<br>2022<br>AED '000<br>(Unaudited) | 2021<br>AED '000<br>(Unaudited) |
|--|--|---------------------------------|
| Commission paid on rented properties             | 294  | 379                             |
| Gross premium                                    | 1,776  | 2,089                           |
| Claims paid                                      | <u>(221)</u>   | <u>(392)</u>                    |
| <i>Compensation to key management personnel:</i> |  |                                 |
| Salaries and benefits                            | <u>3,583</u>   | <u>1,453</u>                    |

#### *Due from related parties*

|                       | 30 June<br>2022<br>AED '000<br>(Unaudited) | 31 December<br>2021<br>AED '000<br>(Audited) |
|-----------------------|--|--|
| Associates            | 2,707                                      | 2,707  |
| Other related parties | <u>4,685</u>                               | <u>7,581</u>                                 |
|                       | <u>7,392</u>                               | <u>10,288</u>                                |

#### *Due to related parties*

|                       | 30 June<br>2022<br>AED '000<br>(Unaudited) | 31 December<br>2021<br>AED '000<br>(Audited) |
|-----------------------|--|--|
| Other related parties | <u>427,999</u>                             | <u>436,249</u>                               |

The Group's assets comprising of certain investment in subsidiaries, investment properties, investment in associates and investment in securities are held by the related parties for the beneficial interest of the Group.

# Gulf General Investments Co. (P.S.C)

## Notes to the condensed consolidated interim financial information (unaudited) For the six months period ended 30 June 2022

### 17 Borrowings

|                                    | 30 June<br>2022<br>AED'000<br>(Unaudited) | 31 December<br>2021<br>AED'000<br>(Audited) |
|------------------------------------|---|---|
| Term loans (refer note below)      | 2,135,976                                 | 2,140,690                                   |
| Bank overdrafts (refer to note 15) | 174,810                                   | 154,550                                     |
|                                    | <u>2,310,786</u>                          | <u>2,295,240</u>                            |

The below table provides movement of interest bearing borrowings:

|   | 30 June<br>2022<br>AED'000<br>(Unaudited) | 31 December<br>2021<br>AED'000<br>(Audited) |
|---|---|---|
| At 1 January                                    | 2,295,240                                 | 2,274,314                                   |
| <i>Cash flow items</i>                          |   |   |
| Repayment of borrowings during the period/ year | (4,714)                                   | (55,818)                                    |
| <i>Other non-cash items</i>                     |   |   |
| Net movement in trust receipts                  | -   | (19,157)                                    |
| Net movement in bank overdrafts                 | 20,260                                    | 95,901                                      |
| At 30 June/ 31 December                         | <u>2,310,786</u>                          | <u>2,295,240</u>                            |

On 2 July 2012, the Company concluded the restructuring agreement with a group of banks covering the outstanding debt of AED 2,778.4 million ("Earlier Restructured Loan"). The restructured loan was repayable in annual instalments up to 31 December 2018.

In previous years, the Company initiated a negotiation with the lenders to further restructure its outstanding debt. As at 30 September 2017, the Company concluded the revised restructuring agreement after obtaining approvals from the majority of the banks covering a total debt of AED 2,147 million (including interest payable of AED 74 million upto 31 December 2016). Under the revised agreement, 66.08% of the Earlier Restructured loan is repayable in annual instalments until 31 December 2023 and the remaining 33.92% as a final settlement in a manner to be renegotiated at that time.

The revised restructured facility carries interest at the rate of 2.75% per annum above 6-month EIBOR for term facilities denominated in AED and 6-month LIBOR for term facilities denominated in USD charged on a semi-annual basis. Further, effective from the revised restructuring agreement date, a payment-in-kind (PIK) at 0.25% will be additionally charged on a semi-annual basis on the outstanding debt and is due to be repaid on 31 December 2023. Commencing 31 December 2018, in the event of default, the interest rate will be increased by 0.25% per annum on a semi-annual basis. The Group has been in default in 2019 and therefore the interest rate has increased from 2.75% to 3.00% per annum for the year/period ended 31 December 2021 and 30 June 2022. Any such increase in the interest rate will no longer be applicable for future periods if no event of default subsists.

The Group was in default since 2019 in making repayment of loan which was due and payable as at 30 June 2022. The Group's Directors had reviewed the facts and circumstances of default and accordingly classified the entire loan amount as current liability.

There is no change in the security and covenant requirements as per the revised restructuring agreement. The Group is required to maintain a minimum Asset Cover Ratio of 1.2:1 and is also subject to the general covenants including dividend restriction in accordance with the restructuring agreement. Further, certain subsidiaries of the Group are subject to maintain certain level of financial indebtedness as guarantors of the restructured loan. These borrowings are secured against certain assets of the Group.

## Gulf General Investments Co. (P.S.C)

### Notes to the condensed consolidated interim financial information (unaudited)

For the six months period ended 30 June 2022

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#### 17 Borrowings (continued)

Furthermore, the Group is in the process of negotiation with a financial institution to restructure a credit facility amounting to AED 257 million (included in trade and other payables) and interest of AED 39.3 million (31 December 2021: AED 39.3 million).

#### 18 Administrative and general expenses

|                                       | Three months period<br>ended 30 June |                                 | Six months period<br>ended 30 June |                                 |
|---------------------------------------|--------------------------------------|---------------------------------|------------------------------------|---------------------------------|
|                                       | 2022<br>AED '000<br>(Unaudited)      | 2021<br>AED '000<br>(Unaudited) | 2022<br>AED '000<br>(Unaudited)    | 2021<br>AED '000<br>(Unaudited) |
| Staff costs                           | 16,465                               | 13,394                          | 31,801                             | 29,270                          |
| Legal and professional fee            | 2,130                                | 2,743                           | 4,459                              | 5,111                           |
| Depreciation                          | 1,302                                | 1,069                           | 2,598                              | 2,214                           |
| Rent                                  | 2,601                                | 35                              | 3,847                              | 1,078                           |
| Repairs and maintenance               | 1,378                                | 1,047                           | 2,810                              | 1,707                           |
| Telephone, postal and office supplies | 333                                  | 199                             | 659                                | 417                             |

# Gulf General Investments Co. (P.S.C)

## Notes to the condensed consolidated interim financial information (unaudited)

For the six months period ended 30 June 2022

### 19 Financial instruments/ fair value hierarchy

#### (i) Financial instruments

Financial assets of the Group include investments in securities, re-insurance contract assets, trade and other receivables and cash in hand and at bank. Financial liabilities of the Group include borrowings, insurance contract liabilities, trade and other payables and finance lease liabilities. The table below sets out the Group's classification of each class of financial assets and financial liabilities and their fair values for the current and comparative period:

|                                | Designated<br>as fair value<br>through<br>profit<br>or loss<br>AED '000 | Designated<br>as fair value<br>through other<br>comprehensive<br>income<br>AED '000 | Others at<br>amortised<br>cost<br>AED '000 | Carrying<br>amount<br>AED '000 | Fair value<br>AED '000 |
|--------------------------------|---|---|--|--------------------------------|------------------------|
| <b>30 June 2022</b>            |   |   |  |                                |                        |
| <b>(Unaudited)</b>             |   |   |  |                                |                        |
| <i>Financial assets</i>        |   |   |  |                                |                        |
| Investments in securities      | 108,662   | 71,241  | -  | 179,903                        | 179,903                |
| Due from related parties       | -   | -   | 7,392                                      | 7,392                          | 7,392                  |
| Re-insurance contract assets   | -   | -   | 239,991                                    | 239,991                        | 239,991                |
| Trade and other receivables    | -   | -   | 551,680                                    | 551,680                        | 551,680                |
| Cash at bank                   | -   | -   | 312,979                                    | 312,979                        | 312,979                |
|                                | <b>108,662</b>  | <b>71,241</b>   | <b>1,112,042</b>                           | <b>1,291,945</b>               | <b>1,291,945</b>       |
| <i>Financial liabilities</i>   |   |   |  |                                |                        |
| Borrowings                     | -   | -   | 2,310,786                                  | 2,310,786                      | 2,310,786              |
| Due to related parties         | -   | -   | 427,999                                    | 427,999                        | 427,999                |
| Insurance contract liabilities | -   | -   | 523,894                                    | 523,894                        | 523,894                |
| Trade and other payables       | -   | -   | 1,119,974                                  | 1,119,974                      | 1,119,974              |
|                                | <b>-</b>  | <b>-</b>  | <b>4,382,653</b>                           | <b>4,382,653</b>               | <b>4,382,653</b>       |
| <b>31 December 2021</b>        |   |   |  |                                |                        |
| <b>(Audited)</b>               |   |   |  |                                |                        |
| <i>Financial assets</i>        |   |   |  |                                |                        |
| Investments in securities      | 101,868   | 74,682  | -  | 176,550                        | 176,550                |
| Due from related parties       | -   | -   | 10,288                                     | 10,288                         | 10,288                 |
| Re-insurance contract assets   | -   | -   | 258,689                                    | 258,689                        | 258,689                |
| Trade and other receivables    | -   | -   | 541,660                                    | 541,660                        | 541,660                |
| Cash at bank                   | -   | -   | 308,461                                    | 308,461                        | 308,461                |
|                                | <b>101,868</b>  | <b>74,682</b>   | <b>1,119,098</b>                           | <b>1,295,648</b>               | <b>1,295,648</b>       |
| <i>Financial liabilities</i>   |   |   |  |                                |                        |
| Borrowings                     | -   | -   | 2,295,240                                  | 2,295,240                      | 2,295,240              |
| Due to related parties         | -   | -   | 436,249                                    | 436,249                        | 436,249                |
| Insurance contract liabilities | -   | -   | 512,308                                    | 512,308                        | 512,308                |
| Trade and other payables       | -   | -   | 1,081,738                                  | 1,081,738                      | 1,081,738              |
|                                | <b>-</b>  | <b>-</b>  | <b>4,325,535</b>                           | <b>4,325,535</b>               | <b>4,325,535</b>       |

# Gulf General Investments Co. (P.S.C)

## Notes to the condensed consolidated interim financial information (unaudited) For the six months period ended 30 June 2022

### 19 Financial instruments/ fair value hierarchy (continued)

#### (ii) Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: 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).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

|   | Level 1<br>AED '000 | Level 2<br>AED '000 | Level 3<br>AED '000 |
|---|---------------------|---------------------|---------------------|
| <b>30 June 2022 (Unaudited)</b>   |                     |                     |                     |
| <b>Financial assets</b>   |                     |                     |                     |
| <b>Investments measured at fair value through<br/>other comprehensive income:</b> |                     |                     |                     |
| Quoted equity investments   | 67,874              | -                   | -                   |
| Unquoted equity investments   | -                   | -                   | 3,368               |
|   | <u>67,874</u>       | <u>-</u>            | <u>3,368</u>        |
| <b>Investments measured at fair value through<br/>profit or loss:</b>             |                     |                     |                     |
| Quoted equity investments   | 37,380              | -                   | -                   |
| Unquoted equity investments   | -                   | -                   | 71,282              |
|   | <u>37,380</u>       | <u>-</u>            | <u>71,282</u>       |
| <b>31 December 2021 (Audited)</b>   |                     |                     |                     |
| <b>Financial assets</b>   |                     |                     |                     |
| <b>Investments measured at fair value through<br/>other comprehensive income:</b> |                     |                     |                     |
| Quoted equity investments   | 71,265              | -                   | -                   |
| Unquoted equity investments   | -                   | -                   | 3,417               |
|   | <u>71,265</u>       | <u>-</u>            | <u>3,417</u>        |
| <b>Investments measured at fair value through<br/>profit or loss:</b>             |                     |                     |                     |
| Quoted equity investments   | 30,391              | -                   | -                   |
| Unquoted equity investments   | -                   | -                   | 71,477              |
|   | <u>30,391</u>       | <u>-</u>            | <u>71,477</u>       |

During the six month period ended 30 June 2022, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into or out of Level 3 fair value measurements (31 December 2021: Nil).



# Gulf General Investments Co. (P.S.C)

## Notes to the condensed consolidated interim financial information (unaudited) For the six months period ended 30 June 2022

### 19 Financial instruments/ fair value hierarchy (continued)

#### (ii) Fair value hierarchy (continued)

The fair value of unquoted equity investments was determined by an external, qualified and independent valuer as at 31 December 2021 who has experience in equity investments valuations. The Company's Directors are of the opinion that there is no significant change in fair value of unquoted equity investments as compared to the previous valuation carried out as at 31 December 2021.

### 20 Loss per share

|   | Six month period<br>ended 30 June |                     |
|---|-----------------------------------|---------------------|
|   | 2022<br>(Unaudited)               | 2021<br>(Unaudited) |
| Net loss attributable to owners of the company (AED '000) | <u>(36,030)</u>                   | <u>(65,929)</u>     |
| Number of shares ('000)                                   | <u>1,791,333</u>                  | <u>1,791,333</u>    |
| Basic loss per share (AED fils per share)                 | <u>(2.01)</u>                     | <u>(3.68)</u>       |

There was no dilution effect on the basic earnings per share as the Company does not have any such outstanding commitment as at the reporting date.

### 21 Contingent liabilities and commitments

#### *Guarantees*

The Group has issued corporate guarantees for loans and advances from commercial banks obtained by related and third parties including subsidiaries and associates.

#### *Litigations*

Certain claims and contingent liabilities may arise during the normal course of business. The Board of Directors review these on a regular basis as and when such claims are received and each case is treated according to its merit. Based on the terms of the relevant contract and circumstances, the Group determines if a counter claim should be lodged. Based on the opinion of the Group's independent legal counsel and information presently available, the Board of Directors have assessed that the final outcome of outstanding legal claims (initial judgement in some cases is in favour and in some cases against the Company) cannot be reliably determined considering these cases are sub-judice. On the basis of their review of the current position of these legal claims, the Company's Directors are of the view that the existing provision as at the reporting date is adequate to cover any possible cash outflows arising from the final outcome of these claims. The Company has elected not to present the complete disclosures as required by IAS 37 "Provision and Contingent Liabilities and Contingent Assets" as management is of the view that since the legal claims are sub-judice and are disputed, therefore this information may be prejudicial to their position on these matters.

Furthermore, certain other contingent liabilities may arise during the normal course of business, which based on the information presently available, either cannot be quantified at this stage or in the opinion of the management is without any merit. However, in the opinion of the management, these contingent liabilities are not likely to result in any cash outflows for the Group in addition to any related existing provisions currently in the books.

# Gulf General Investments Co. (P.S.C)

## Notes to the condensed consolidated interim financial information (unaudited)

For the six months period ended 30 June 2022

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### 22 Segment reporting

The internal management reports which are prepared under IFRS are reviewed by the Board of Directors based on the different sectors in which the Group operates. The Group has identified the following different sectors as its basis of segmentation:

|                                      |  |
|--------------------------------------|--|
| <i>Manufacturing</i>                 | Includes manufacture and sale of oil, lubricants, grease, prefabricated houses, concrete, carpentry, restaurant, ovens, kitchens and central air conditioning systems. |
| <i>Investments</i>                   | Includes investments in real estate properties and equity securities.  |
| <i>Insurance services and others</i> | Service and other operations include writing of insurance and various other services including hospitality.  |

Information regarding the operations of each separate segment is included below. Performance is measured based on segment profit as management believes that profit is the most relevant factor in evaluating the results of certain segments relative to other entities that operate within these industries. There are regular transactions between the segments and any such transaction is priced on mutually agreed terms.

# Gulf General Investments Co. (P.S.C) and its subsidiaries

Notes to the condensed consolidated interim financial information (unaudited)

For the six months period ended 30 June 2021

## 22 Segment reporting (continued)

|                                | Manufacturing |             | Investments |             | Insurance services and others |             | Unallocated |             | Total       |             |
|--------------------------------|---------------|-------------|-------------|-------------|-------------------------------|-------------|-------------|-------------|-------------|-------------|
|                                | 30-Jun 2022   | 31-Dec 2021 | 30-Jun 2022 | 31-Dec 2021 | 30-Jun 2022                   | 31-Dec 2021 | 30-Jun 2022 | 31-Dec 2021 | 30-Jun 2022 | 31-Dec 2021 |
|                                | AED '000      | AED '000    | AED '000    | AED '000    | AED '000                      | AED '000    | AED '000    | AED '000    | AED '000    | AED '000    |
|                                | (Unaudited)   | (Audited)   | (Unaudited) | (Audited)   | (Unaudited)                   | (Audited)   | (Unaudited) | (Audited)   | (Unaudited) | (Audited)   |
| Segment assets                 | 59,837        | 60,440      | 3,659,922   | 3,677,512   | 677,957                       | 672,051     | 320,369     | 320,575     | 4,718,085   | 4,730,578   |
| Segment liabilities            | 20,492        | 20,758      | 3,077,581   | 3,049,780   | 893,699                       | 688,611     | 407,672     | 590,017     | 4,399,444   | 4,349,166   |
|                                |               |             |             |             |                               |             |             |             |             |             |
|                                | 30-Jun 2022   | 30-Jun 2021 | 30-Jun 2022 | 30-Jun 2021 | 30-Jun 2022                   | 30-Jun 2021 | 30-Jun 2022 | 30-Jun 2021 | 30-Jun 2022 | 30-Jun 2021 |
|                                | AED '000      | AED '000    | AED '000    | AED '000    | AED '000                      | AED '000    | AED '000    | AED '000    | AED '000    | AED '000    |
| (Unaudited)                    |               |             |             |             |                               |             |             |             |             |             |
| Revenue                        | 11,360        | 4,796       | 8,349       | 19,064      | 176,894                       | 254,159     | -           | -           | 196,603     | 278,019     |
|                                |               |             |             |             |                               |             |             |             |             |             |
| Segment result from operations | (1,104)       | 59          | 3,054       | (33,420)    | (44,273)                      | (22,897)    | -           | -           | (42,323)    | (56,258)    |
|                                |               |             |             |             |                               |             |             |             |             |             |
| Finance income                 | -             | -           | -           | -           | 1,408                         | 1,287       | -           | -           | 1,408       | 1,287       |
|                                |               |             |             |             |                               |             |             |             |             |             |
| Finance cost                   | (5)           | (8)         | (15,434)    | (9,775)     | (1,567)                       | (1,992)     | -           | -           | (17,006)    | (11,775)    |
|                                |               |             |             |             |                               |             |             |             |             |             |
| Loss for the period            | (1,094)       | (11,138)    | (12,401)    | (43,195)    | (45,836)                      | (23,602)    | -           | -           | (59,331)    | (77,935)    |