

SHUAA CAPITAL PSC

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD FROM 1 JANUARY 2023 TO 31 MARCH 2023

**Condensed consolidated interim financial information
for the three months ended 31 March 2023**

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Review report on condensed consolidated interim financial information to the Board of Directors of SHUAA Capital PSC

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of SHUAA Capital PSC (the "Company") and its subsidiaries (the "Group") as at 31 March 2023 and the related condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended and other explanatory notes. The Directors are responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity." A review of the condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting'.

PricewaterhouseCoopers Limited Partnership Dubai Branch
10 May 2023



Jacques Fakhoury
Registered Auditor Number: 379
Place: Abu Dhabi, United Arab Emirates

SHUAA CAPITAL PSC

Condensed consolidated interim statement of profit or loss for the three months ended 31 March 2023 (unaudited)

(Currency - Thousands of U.A.E. Dirhams)

		3 months to 31 March 2023 Unaudited	3 months to 31 March 2022* Unaudited
Continuing operations	<i>Notes</i>		
Revenue	6	59,720	90,753
Other (expense)/Income	7	(6,683)	111,796
Net foreign exchange (loss)/gain		(3,107)	6,879
Change in fair value gain/(loss) from financial assets at fair value through profit or loss (FVTPL)		13,218	(84,881)
Share of net (loss)/profit of investments in associates accounted for using the equity method	11	(8,201)	2,112
Gain on derivative financial liability		(71)	928
Total Income		54,876	127,587
Staff costs		(7,277)	(38,237)
Employee carried interest		(3,082)	(225)
Fee and commission expense		(1,150)	(5,291)
General and administrative expenses		(6,522)	(19,404)
Depreciation and amortisation		(3,272)	(9,993)
Reversal/ (provision) of impairment losses on financial assets		(145)	1,571
Total expenses		(21,448)	(71,579)
Profit/ (loss) before impairment of intangibles and finance costs		33,428	56,008
Finance cost	142	(13,755)	(27,072)
Finance credit relating to unit holders		-	18,390
Impairment of intangibles and other items		(8)	(95,290)
Profit/ (loss) from continuing operations		19,665	(47,964)
Loss from discontinued operations	22	-	(680)
Profit/ (loss) for the period		19,665	(48,644)
Attributable to:			
Owners of the Parent		14,713	5,617
Non-controlling interests		4,952	(54,261)
		19,665	(48,644)
Earnings per share attributable to Owners from continuing operations (in AED)	17	0.01	0.002
Earnings per share attributable to Owners (AED)	17	0.01	0.002

*Refer to note 24 for changes to comparatives

The accompanying notes on pages 7 to 23 form an integral part of this condensed consolidated interim financial information

SHUAA CAPITAL PSC

Condensed consolidated interim statement of comprehensive income for the three months ended 31 March 2023 (unaudited)

(Currency - Thousands of U.A.E. Dirhams)

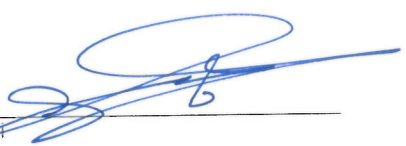
		3 months to 31 March 2023 Unaudited	3 months to 31 March 2022 Unaudited
	<i>Notes</i>		
Gain/(loss) for the period		19,665	(48,644)
Other comprehensive (loss)/ income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations	16	10,522	(24,055)
Net (loss)/gain on cash flow hedges		(1,386)	7,222
		-----	-----
Other comprehensive income/(loss) for the period		9,136	(16,833)
		-----	-----
Total comprehensive income /(loss)for the period		28,801	(65,477)
		-----	-----
Attributable to:			
Owners of the Parent		18,165	(772)
Non-controlling interests		10,636	(64,705)
		-----	-----
		28,801	(65,477)
		=====	=====

The accompanying notes on pages 7 to 23 form an integral part of this condensed consolidated interim financial information.

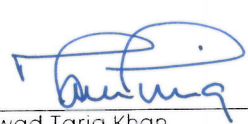
SHUAA CAPITAL PSC**Condensed consolidated interim statement of financial position at 31 March 2023
(unaudited)***(Currency - Thousands of U.A.E. Dirhams)*

	Notes	31 March 2023 Unaudited	31 December 2022 Audited
Assets			
Cash and cash equivalents	8	98,275	64,151
Receivables and other debit balances	9	437,398	407,061
Loans, advances and finance leases	10	388,118	274,503
Financial assets at fair value	19.1	687,624	668,602
Investments in associates	11	871,623	947,599
Property and equipment		21,168	25,693
Goodwill and other intangible assets	12	910,728	902,234
Assets held for sale	22	50,488	186,130
Total assets		3,465,422	3,475,973
Liabilities			
Payables and other credit balances	13	469,014	488,469
Other financial liabilities		162,437	163,808
Borrowings	14	1,259,870	1,206,206
Payables to unit holders		29,290	29,290
Liabilities of disposal groups classified as held for sale	22	-	68,019
Total liabilities		1,920,611	1,955,792
Equity			
Share capital	15	2,535,720	2,535,720
Share premium		52,579	52,579
Statutory reserve		49,631	49,631
Other reserves	16	(1,464,024)	(1,467,476)
Retained earnings		87,804	76,579
Equity attributable to Owners		1,261,710	1,247,033
Non-controlling interests (NCI)		283,101	273,148
Total equity		1,544,811	1,520,181
Total equity and liabilities		3,465,422	3,475,973

This condensed consolidated interim financial information was approved by the Board of Directors on 10 May 2023 and signed on their behalf by:



Fadhel Alali
Chairman



Fawad Tariq Khan
Group Chief Executive Officer

The accompanying notes on pages 7 to 23 form an integral part of this condensed consolidated interim financial information

SHUAA CAPITAL PSC

Condensed consolidated interim statement of changes in equity for the three months ended 31 March 2023 (unaudited)

(Currency - Thousands of U.A.E. Dirhams)

	Share capital	Share premium	Statutory reserve	Other reserves	Retained earnings	Equity attributable to owners of the Parent	Non - controlling interests	Total
Balance at 1 January 2022 (Audited)	2,535,720	52,579	49,631	(1,424,452)	240,479	1,453,957	392,105	1,846,062
Profit/(loss) for the period	-	-	-	-	5,617	5,617	(54,261)	(48,644)
Other comprehensive income for the period	-	-	-	(6,389)	-	(6,389)	(10,444)	(16,833)
Total comprehensive (loss)/income for the period	-	-	-	(6,389)	5,617	(772)	(64,705)	(65,477)
Share of equity issuance expenses of associate	-	-	-	-	(10,575)	(10,575)	-	(10,575)
Acquisition of subsidiary	-	-	-	-	-	-	118,153	118,153
Transactions with unit holders	-	-	-	-	-	-	(178,340)	(178,340)
Dividend paid to NCI	-	-	-	-	-	-	(3,256)	(3,256)
Balance at 31 March 2022 (Unaudited)	2,535,720	52,579	49,631	(1,430,841)	235,521	1,442,610	263,957	1,706,567
Balance at 1 January 2023 (Audited)	2,535,720	52,579	49,631	(1,467,476)	76,579	1,247,033	273,148	1,520,181
Profit/(loss) for the period	-	-	-	-	14,713	14,713	4,952	19,665
Other comprehensive loss for the period	-	-	-	3,452	-	3,452	5,684	9,136
Total comprehensive (loss)/income for the period	-	-	-	3,452	14,713	18,165	10,636	28,801
Share of buy back of treasury shares of associate	-	-	-	-	(3,488)	(3,488)	(683)	(4,171)
Balance at 31 March 2023 (Unaudited)	2,535,720	52,579	49,631	(1,464,024)	87,804	1,261,710	283,101	1,544,811

The accompanying notes on pages 7 to 23 form an integral part of this condensed consolidated interim financial information.

SHUAA CAPITAL PSC

Condensed consolidated interim statement of cash flows

(Currency - Thousands of U.A.E. Dirhams)

		3 months to 31 March 2023 Unaudited	3 months to 31 March 2022* Unaudited
Cash flows from operating activities	<i>Notes</i>		
Profit/(Loss) for the period		19,665	(48,644)
Adjustments:			
Finance (credit) relating to unit holders		-	(18,390)
Income from deemed disposal of associate	7	-	(68,989)
Loss on disposal of associates	7	27,978	-
Foreign exchange loss/(gain)		3,107	(6,879)
Carried interest recognised – net		3,082	225
Finance cost		13,755	36,846
Net interest income		-	(3,377)
Fair value (gain) on investments at FVTPL		(13,218)	84,881
Share of loss/(profit) from investments in associates	11	8,201	(3,490)
Gain on revaluation of derivative financial liabilities		71	(928)
Employees' end of service benefit charge		773	1,499
Provisions for impairment losses – net		145	(885)
Impairment of intangibles		-	93,778
Depreciation and amortization		3,272	10,024
Operating cash flows before movements in working capital		66,831	75,671
(Increase)/ decrease in receivables and other debit balances		(13,980)	11,227
Decrease in loans and advances		6,398	23,756
(Decrease) in payables and other credit balances		(14,991)	(307,331)
Decrease in other financial liabilities		(1,371)	(18,190)
Cash flows used in operating activities of disposal group classified as held for sale		-	155,605
Net cash generated/(used) in operations		42,887	(59,262)
Employees' end of service benefit paid		(7,196)	(1,334)
Net cash generated/(used) in operating activities		35,691	(60,596)
Cash flows from investing activities			
Payments for the purchase of investments		(16,558)	(145,367)
Proceeds from disposal of investments		30,010	167,814
Net interest received		-	3,377
Distribution from associate		5,617	4,990
Net cash from acquired in business combination		-	14,332
Net cash from discontinued operation		-	(53,027)
Cash flow from investing activities of disposal group classified as held for sale		-	137,835
Net cash generated/(used) from investing activities		19,069	129,954
Cash flows from financing activities			
Repayment of borrowings		(11,608)	(53,859)
Dividend paid		-	(3,256)
Lease rentals paid		(1,916)	(1,916)
Finance cost paid		(7,112)	(30,146)
Cash flow from financing activities of discontinued operations		-	(92,243)
Net cash generated/(used) in financing activities		(20,636)	(181,420)
Net increase/ (decrease) in cash and cash equivalents		34,124	(112,062)
Cash and cash equivalents at beginning of the period	8	62,901	453,520
Restricted cash		-	(18,920)
Cash and cash equivalents at end of the period		97,025	322,538
Cash and cash equivalents from continuing operations	8	97,025	322,538

*Refer to note 24 for changes to comparatives

The accompanying notes on pages 7 to 23 form an integral part of this condensed consolidated interim financial information.

SHUAA CAPITAL PSC

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

1. LEGAL STATUS AND ACTIVITIES

SHUAA Capital P.S.C. (the "Company" or "SHUAA") is a public shareholding company established in Dubai, United Arab Emirates, pursuant to Emiri Decree No. 6 of 25 April 1979 and in accordance with the UAE Federal Law No. 8 of 1984 concerning Commercial Companies and its amendments ("Companies Law"). The registered address of the Company is P.O. Box 31045, Dubai, United Arab Emirates. The Company's shares are traded on the Dubai Financial Market in the United Arab Emirates.

Changes to laws and regulations

Implementation of UAE Corporation Tax Law and application of IAS 12 Income Taxes

On 16 January 2023 the UAE government published a Cabinet Decision setting the threshold at which the new Corporate Income Tax will apply. This event made the Corporate Income Tax substantively enacted and enacted within the meaning of IAS 12. Current taxes will only be payable for financial years beginning on or after 1 June 2023 so the company will be subject to current tax for the first time during the year ending 31 December 2023.

However, enactment of the legislation requires the Company to record deferred taxes using the enacted rate of 9%. Management has performed an assessment and assessed Deferred taxes to be immaterial. The impact of any future changes in enacted law will be accounted for when such changes are substantively enacted or enacted.

2. CHANGES IN ACCOUNTING POLICIES

The Group has consistently applied the accounting policies as applied by the Group in the annual consolidated financial statements for the year ended 31 December 2021 except for the following accounting policies which were applicable from 1 January 2022:

2.1 New and revised IFRS in issue but not yet effective and not early adopted

New and revised IFRS	Key requirements	Effective Date
Classification of Liabilities as Current or Non-current – Amendments to IAS 1	The narrow-scope amendments to IAS 1 <i>Presentation of Financial Statements</i> clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. They must be applied retrospectively in accordance with the normal requirements in IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> . In May 2020, the IASB issued an Exposure Draft proposing to defer the effective date of the amendments to 1 January 2023.	Deferred to 1 January 2023
Definition of Accounting Estimates – Amendments to IAS 8	The amendment to IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.	1 January 2023

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Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

2. CHANGES IN ACCOUNTING POLICIES (continued)

2.1 New and revised IFRS in issue but not yet effective and not early adopted (continued)

New and revised IFRS	Key requirements	Effective Date
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	<p>The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.</p> <p>The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:</p> <ul style="list-style-type: none">• right-of-use assets and lease liabilities, and• decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets. <p>The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments</p>	1 January 2023
Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28	<p>The IASB has made limited scope amendments to IFRS 10 Consolidated financial statements and IAS 28 Investments in associates and joint ventures.</p> <p>The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations).</p> <p>Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively.</p> <p>** In December 2015 the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method.</p>	n/a **

The Group is currently assessing the impact of these standards, interpretations and amendments on the future financial statements and intends to adopt these, if applicable, when they become effective. There are no other relevant applicable new standards and amendments to published standards or IFRIC interpretations that have been issued but are not effective for the first time for the Group's financial year beginning on 1 January 2023 that would be expected to have a material impact on the consolidated financial statements of the Group.

3. BASIS OF PREPARATION

This condensed consolidated interim financial information and accompanying notes for the period ended 31 March 2023 have been prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting" and comply with the applicable requirements of the laws in the UAE. As per the requirements of IAS 34, the condensed consolidated interim financial information does not include all the information required for full annual consolidated financial statements and should be read in conjunction with the Group's audited consolidated financial statements as at and for the year ended 31 December 2022. In addition, results for the three months ended 31 March 2023 are neither audited nor are they necessarily indicative of the results that may be expected for the full financial year ending 31 December 2023.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the preparation of the Group's condensed consolidated interim financial information, management has made a number of critical estimates and judgments in a manner consistent with those described in the Group's annual consolidated financial statements for the year ended 31 December 2022.

SHUAA CAPITAL PSC

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

5. SEGMENTAL INFORMATION

For internal management purposes the Group is organised into three operating segments, all of which are based on business units:

Asset Management manages real estate funds and projects, investment portfolios and funds in the regional equities, fixed income and credit markets. It also provides investment solutions to clients with a focus on alternative investment strategies.

Investment banking provides corporate finance advisory, transaction services, private placement, public offerings of equity and debt securities and structured products. It also creates market liquidity on OTC fixed income products.

Corporate manages principal investments, non-core assets, corporate developments, treasury and other shared services related to the Group.

	1 January to 31 March 2023 (Unaudited)			
	Asset Management	Investment Banking	Corporate	Total
Net fee and commission income	53,002	947	(627)	53,322
Advisory income	-	1,690	-	1,690
Trading income	-	3,169	-	3,169
Other operating income	-	-	388	388
Total revenues	53,002	5,806	(239)	58,569
Staff costs	(2,490)	(3,760)	(1,027)	(7,277)
Employee carried interest	(3,082)	-	-	(3,082)
General and administrative expenses	(5,186)	(2,063)	(640)	(7,889)
Depreciation and amortization	(1,694)	(1,549)	(29)	(3,272)
Release of provision for impairment losses on financial instruments	-	-	(145)	(145)
Other operating expenses	1,083	32	(2,860)	(1,745)
Total expenses	(11,369)	(7,340)	(4,701)	(23,410)
(Loss)/profit before other income and finance cost	41,633	(1,534)	(4,940)	35,159
Fair value losses from investments	-	-	13,218	13,218
Gain from derivative financial liability	-	-	(71)	(71)
Share of gain of investments in associates accounted for using equity method	-	-	(8,201)	(8,201)
Finance cost	(1,796)	(402)	(11,557)	(13,755)
Finance cost relating to unit holders	-	-	-	-
Other income	270	13	(6,968)	(6,685)
(loss)/profit for the period from continuing operations	40,107	(1,923)	(18,519)	19,665
Loss for the period from discontinued operations	-	-	-	-
Profit/(loss) for the period attributable to NCI	(8,862)	-	3,910	(4,952)
(Loss)/profit for the period attributable to Owners	31,245	(1,923)	(14,609)	14,713
Revenue from external customers (fee & commission)	53,002	947	8,573	62,522
Revenue from within the group (fee & commission)	-	-	-	-
	53,002	947	8,573	62,522

SHUAA CAPITAL PSC

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

5. SEGMENTAL INFORMATION (continued)

	1 January to 31 March 2022 (Unaudited)			
	Asset Management	Investment Banking	Corporate	Total
Net fee and commission income	37,580	486	42,826	80,892
Advisory income	-	3,157	-	3,157
Net interest income	-	-	-	-
Trading income	-	1,788	-	1,788
Other operating income	-	-	(375)	(375)
Total revenues	37,580	5,431	42,451	85,462
Staff costs	(17,579)	(2,994)	(17,664)	(38,237)
Employee carried interest	(225)	-	-	(225)
General and administrative expenses	(6,676)	(1,258)	(9,763)	(17,697)
Depreciation and amortisation	(6,578)	(1,601)	(1,814)	(9,993)
Reversal for impairment losses on financial instruments	-	-	1,571	1,571
Other operating expenses	(95,730)	(89)	46,771	(49,048)
Total expenses	(126,788)	(5,942)	19,101	(113,629)
(Loss)/profit before other income and finance cost	(89,208)	(511)	61,552	(28,167)
Fair value losses from investments	-	(41)	(84,840)	(84,881)
Gain from derivative financial liability	-	-	928	928
Share of gain of investments in associates accounted for using equity method	-	-	2,112	2,112
Finance cost	(1,481)	(486)	(25,105)	(27,072)
Finance cost relating to unit holders	-	-	18,390	18,390
Other income	226	236	70,263	70,725
(loss)/profit for the period from continuing operations	(90,463)	(802)	43,300	(47,965)
Loss for the period from discontinued operations			(679)	(679)
Profit/(loss) for the period attributable to NCI	61,889	-	(7,628)	54,261
(Loss)/profit for the period attributable to Owners	(28,574)	(802)	34,993	5,617
Revenue from external customers (fee & commission)	31,639	486	42,826	74,951
Revenue from within the group (fee & commission)	5,941	-	-	5,941
	37,580	486	42,826	80,892

	3 months to 31 March 2023 Unaudited	3 months to 31 March 2022 Unaudited
Revenues		
Total revenue from reportable segments	67,769	85,462
Revenue reported in other segmental line items	(12,893)	42,125
Total Income	54,876	127,587
Profit before tax		
Total profit before tax from reportable segments	19,665	(48,644)
Unallocated amounts	-	-
Consolidated profit before tax	19,665	(48,644)

SHUAA CAPITAL PSC

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

5. SEGMENTAL INFORMATION (continued)

	At 31 March 2023 (Unaudited)			
	Asset Management	Investment Banking	Corporate	Total
Assets	1,103,333	320,226	2,041,863	3,465,422
Liabilities	168,282	55,266	1,697,063	1,920,611
At 31 December 2022 (Audited)				
	Asset Management	Investment Banking	Corporate	Total
Assets	940,479	312,712	2,222,782	3,475,973
Liabilities	190,598	15,828	1,749,366	1,955,792

The results of the discontinued operations and assets/liabilities pertaining to the disposal group classified as held for sale are included in the 'Corporate' operating segment

6. REVENUE

	3 months to 31 March 2023 Unaudited	3 months to 31 March 2022 Unaudited
Fees and commission income	54,473	86,183
Advisory income	1,690	3,157
Trading income	3,169	1,788
Other operating income/(expense) (Note 6.1)	388	(375)
Revenue	59,720	90,753

6.1 OTHER OPERATING INCOME / (EXPENSE)

	3 months to 31 March 2023 Unaudited	3 months to 31 March 2022 Unaudited
Other income/(expense)	388	(579)
Board representation fees	-	204
	388	(375)

Other income and expenses includes income related to operating activities of certain subsidiaries that are other than the primary activities of ADFG and SHUAA.

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Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

7. OTHER (EXPENSE)/INCOME

	3 months to 31 March 2023 Unaudited	3 months to 31 March 2022 Unaudited
Government grant income	-	298
Finance lease modification charge	-	(300)
Income from deemed disposal of associate	-	68,989
Reversal of performance fee expense	-	41,069
Loss on disposal of associate	(27,978)	-
Others (7.1)	21,295	1,740
	<u>(6,683)</u>	<u>111,796</u>

7.1 This includes reversal of long outstanding accruals of commission expenses pertaining to prior years.

8. CASH AND CASH EQUIVALENTS

	31 March 2023 Unaudited	31 December 2022 Audited
Cash in hand	161	135
Balances held with banks	98,114	64,016
	<u>98,275</u>	<u>64,151</u>
Cash and deposits with banks	98,275	64,151
Less: Restricted deposits	(1,250)	(1,250)
	<u>97,025</u>	<u>62,901</u>

9. RECEIVABLES AND OTHER DEBIT BALANCES

	31 March 2023 Unaudited	31 December 2022 Audited
Trade receivables – net of loss allowance (9.1)	74,129	67,891
Receivables from managed funds	43,250	47,329
Advances and deposits	6,642	4,833
Prepayments	9,275	5,175
Accrued income	24,274	21,296
Others (9.2)	279,828	260,537
	<u>437,398</u>	<u>407,061</u>
Trade receivables and managed funds – net of loss allowance		
Trade receivables and managed funds	125,443	123,283
Loss allowance	(8,063)	(8,063)
	<u>117,380</u>	<u>115,220</u>

9.1 Included in trade receivables is an amount of 470 (31 March 2022 12,878) due from related parties (Note 23).

9.2 This includes 172,000 receivable from the disposal of a subsidiary.

10. LOANS, ADVANCES AND FINANCE LEASES

During the three-month period ended 31 March 2023 a charge of 145 (reversal for the three-month period ended 31 March 2022: 1,571) was made against expected credit losses on loans given by the Group.

As at 31 March 2023, the underlying collateral for loans, advances and finance leases were valued at 173,392 (31 December 2022: 173,392). Provisions are made for the impaired portion of the loans, advances and finance leases, net of collateral.

SHUAA CAPITAL PSC

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

11. INVESTMENTS IN ASSOCIATES

	31 March 2023 Unaudited	31 December 2022 Audited
Opening balance	947,599	354,036
Additions	-	814,993
Share of (loss)/profit of associates	(8,201)	162,598
Share of equity issuance cost of associate	-	(10,575)
Share of buy back of treasury shares of associate	(4,171)	-
Impairment	-	(5,735)
Classified as fair value through P&L	-	1,324
Dividends and other distributions	(5,617)	(19,985)
Disposal	(57,987)	(88,460)
Transfer to subsidiary	-	(210,393)
Reclassified to Held for sale	-	(50,204)
Closing balance	871,623	947,599

The below table highlights the geographical allocation of associates:

	31 March 2023 Unaudited	31 December 2022 Audited
UAE	871,623	947,599
	871,623	947,599

12. GOODWILL AND OTHER INTANGIBLE ASSETS

	Goodwill	Trademark	Customer Relationships	Trade Licenses	Total
Cost					
Balance at beginning of the period	877,080	7,993	34,249	7,607	926,929
Impact of foreign currency translation	8,923				8,923
Balance at end of the period	886,003	7,993	34,249	7,607	935,852
Accumulated amortisation					
Balance at beginning of the period	-	1,524	23,164	7	24,695
Charge for the period		121	308	-	429
Impairment	-	-	-	-	-
Balance at end of the period	-	1,645	23,472	7	25,124
Net book value					
Net book value at 31 March 2023 (Unaudited)	886,003	6,348	10,777	7,600	910,728
Net book value at 31 December 2022 (Audited)	877,080	6,469	11,085	7,600	902,234

During the three months period to 31 March 2023 the Group did not identify any significant changes in the estimation, assumptions (excluding cashflows of cash generating units) or the sensitivities used for the impairment assessment performed at 31 December 2022 and which were disclosed in the financial statements for the year ended 31 December 2022 (31 December 2022: the Group did not identify any significant changes in the estimation and assumptions used for the impairment assessment performed).

SHUAA CAPITAL PSC

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

13. PAYABLES AND OTHER CREDIT BALANCES

	31 March 2023 Unaudited	31 December 2022 Audited
Payable to clients	4,062	3,505
Customer deposits	10,291	14,546
Accruals	52,004	69,423
Lease liabilities	33,178	33,408
Payables against acquisition	176,098	172,876
Unclaimed dividends payable	33,457	33,457
FVTPL liabilities	11,742	142
Realised carried interest payable to employees	13,776	10,501
End of service benefits	12,070	13,265
Provisions	366	366
Deferred revenue	11,230	6,174
Other payables	110,740	130,806
	<u>469,014</u>	<u>488,469</u>

The maturity profile of payables and other credit balances at the end of the reporting period is as follows:

	31 March 2023 Unaudited	31 December 2022 Audited
Repayable within twelve months	241,581	243,888
Repayable after twelve months	227,433	244,581
	<u>469,014</u>	<u>488,469</u>

14. BORROWINGS

	31 March 2023 Unaudited	31 December 2022 Audited
Secured		
Due to banks	349,192	347,547
Due to other financial institutions (Note 14.1)	86,776	29,879
Others	274,984	280,314
	<u>710,952</u>	<u>657,740</u>
Unsecured		
Bonds payable	548,918	548,466
	<u>548,918</u>	<u>548,466</u>
	<u>1,259,870</u>	<u>1,206,206</u>

14.1 These include borrowings amounting to 29,875 (31 December 2022: 29,879) due to related parties with an interest rate of 7.3% to 8% p.a. (2022: 7.3% to 8% p.a.).

14.2 Finance cost includes interest of 10,330 (31 March 2022: 10,330) on the Bonds payable.

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Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

14. BORROWINGS (continued)

The maturity profile of borrowings at the end of the reporting period is as follows:

	31 March 2023 Unaudited	31 December 2022 Audited
Secured		
Repayable within twelve months	479,391	426,179
Repayable after twelve months	231,561	231,561
	<u>710,952</u>	<u>657,740</u>
Unsecured		
Repayable within twelve months	548,918	548,466
Repayable after twelve months	-	-
	<u>1,259,870</u>	<u>1,206,206</u>

15. SHARE CAPITAL

	Number of shares	Value
31 March 2023 (Unaudited)	<u>2,535,720</u>	<u>2,535,720</u>
31 December 2022 (Audited)	<u>2,535,720</u>	<u>2,535,720</u>

Authorised, issued and fully paid share capital comprises 2,535,720,000 shares (31 December 2022: 2,535,720,000 shares) of AED 1 (31 December 2022: AED 1 per share). Each share carries one vote and the right to receive dividends.

16. OTHER RESERVES

	Merger reserve (16.1)	Investment revaluation reserve	Cash flow hedge reserve (B)	Translation reserve	Total
At 1 January 2023	(1,410,720)	(65,190)	15,474	(7,040)	(1,467,476)
Remeasurement of equity investments carried at FVTOCI	-	-	-	-	-
Cash flow hedge	-	-	(1,386)	-	(1,386)
Translation of operations of foreign subsidiaries	-	-	-	10,522	10,522
NCI share	-	-	-	(5,684)	(5,684)
At 31 March 2023 (Unaudited)	<u>(1,410,720)</u>	<u>(65,190)</u>	<u>14,088</u>	<u>(2,202)</u>	<u>(1,464,024)</u>
At 31 December 2022 (Audited)	<u>(1,410,720)</u>	<u>(65,190)</u>	<u>15,474</u>	<u>(7,040)</u>	<u>(1,467,476)</u>

16.1 Merger reserve represents the excess value of the consideration paid by the legal acquirer (SHUAA) over the nominal value of the pre-merger share capital of the legal acquiree (ADFG).

SHUAA CAPITAL PSC

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

17. EARNINGS PER SHARE

Basic earnings per share has been computed by dividing the net profit attributable to the Owners with the weighted average number of ordinary shares outstanding.

	3 months to 31 March 2023 Unaudited	3 months to 31 March 2022 Unaudited
Profit attributable to the Owners from continuing operations	14,713	5,689
Profit attributable to the Owners	14,713	5,617
Weighted average number of ordinary shares (thousands)	2,535,720	2,535,720
Earnings per share attributable to the Owners from continuing operations (in AED)	0.01	0.002
Earnings per share attributable to the Owners (in AED)	0.01	0.002

Diluted earnings per share as of 31 March 2023 and 31 March 2022 are equivalent to basic earnings per share.

18. RELATED PARTY TRANSACTIONS AND BALANCES

The Group enters into transactions with companies and entities that fall within the definition of a related party. Related parties represent significant shareholders, directors and key management personnel of the Group, their close family members and entities controlled, jointly controlled or significantly influenced by such parties.

The Group conducts its transactions with related parties on arm's length terms, with any exceptions to be specifically approved by the Board. In all cases, transactions with related parties are required to be conducted in compliance with all relevant laws and regulations. Where a Board member has an actual or perceived conflict of interest over an issue to be considered by the Board, the interested member may not vote on any relevant resolutions and can also be asked by the Chairman not to participate in the relevant Board discussions.

The nature of significant related party transactions and the amounts due to/from related parties were as follows:

	31 March 2023 Unaudited	31 December 2022 Audited
Loan, advances and finance leases		
Associates	75,905	77,279
Receivables and other debit balances		
Associates	470	470
Borrowings		
Associates	29,875	29,879
Other financial liabilities		
Associates	11,418	53,122

During the period, the Group sold a portion of shares of one of its associates (Note 11).

SHUAA CAPITAL PSC

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

19. FINANCIAL INSTRUMENTS

19.1 Fair value of financial instruments

Fair value measurement of financial assets at FVTPL and FVTOCI

Fair values for the Group's financial assets at FVTPL and FVTOCI (level 3) are measured using market or income approaches.

Considerable judgment may be required in developing estimates of fair value, particularly for financial instruments classified as Level 3 in the fair value hierarchy as such estimates incorporate market unobservable inputs that require management to use its own assumptions. While the Group's valuation techniques for Level 3 financial instruments remained unchanged during the three months ended 31 March 2023, the development of market unobservable inputs included added estimation uncertainty due to the global economic and social disruption caused by the ongoing and developing COVID-19 pandemic. Estimates of the amount and timing of future cash flows, discount rates, growth rates and other inputs incorporated into fair value measurements of Level 3 financial instruments are inherently more difficult to determine due to the unpredictable duration and impacts of the COVID-19 pandemic.

The uncertainty in those assumptions have been incorporated into the Group's valuations of Level 3 financial instruments primarily through updated cash flows and discount rates, as applicable. Additional volatility in the fair values of Level 3 financial instruments may arise in future periods if actual results differ materially from the Group's estimates.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows an analysis of financial assets and liabilities recorded at fair value by level of the fair value hierarchy:

	31 March 2023 (Unaudited)			
Financial Assets	Level 1	Level 2	Level 3	Total
FVTPL				
Equity investments	1,098	45,143	25,376	71,617
Fixed income investments	11,784	10,611	-	22,395
Fund investments	-	9,968	583,082	593,050
FVTOCI				
Equity investments	-	-	-	-
Fund investments	-	-	562	562
	<u>12,882</u>	<u>65,722</u>	<u>609,020</u>	<u>687,624</u>
Financial Liabilities				
FVTPL	11,742	-	-	11,742
Lease liability	-	-	33,178	33,178
Payable to unit holders	-	29,290	-	29,290
	<u>11,742</u>	<u>29,290</u>	<u>33,178</u>	<u>74,210</u>

SHUAA CAPITAL PSC

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

19. FINANCIAL INSTRUMENTS (continued)

19.1 Fair value of financial instruments (continued)

	31 December 2022 (Audited)			Total
	Level 1	Level 2	Level 3	
Financial Assets				
FVTPL				
-Equity investments	899	45,143	25,376	71,418
-Fixed income investments	9,075	7,226	-	16,301
-Fund investments	-	10,591	569,730	580,321
FVTOCI				
-Equity investments			562	562
-Fund investments				
	<u>9,974</u>	<u>62,960</u>	<u>595,668</u>	<u>668,602</u>
Financial Liabilities				
FVTPL	142	-	-	142
Lease liability	-	-	33,457	33,457
Payable to unit holders	-	29,290	-	29,290
	<u>142</u>	<u>29,290</u>	<u>33,457</u>	<u>62,889</u>

Financial assets recorded at fair value

The following is a description of the determination of fair value for financial instruments which are recorded at fair value using valuation techniques. These incorporate the Group's estimate of assumptions that a market participant would make when valuing the instruments.

At fair value through profit or loss:

Investments carried at FVTPL are valued using market prices in active markets or valuation techniques which incorporate data which is both observable and non-observable. This category includes quoted and unquoted securities and funds which invest in underlying assets which are in turn valued based on both observable and non-observable data. Observable inputs include market prices (from active markets), foreign exchange rates and movements in stock market indices. Unobservable inputs include assumptions regarding expected future financial performance, discount rates, net asset values and market liquidity discounts. Investments classified as FVTPL falling under level 2 category have been valued using Net Asset Value and adjusted quoted prices in respect of investments under inactive markets.

At fair value through other comprehensive income:

Financial assets carried at FVTOCI are valued using quoted prices in active markets, valuation techniques or pricing models and consist of quoted equities, and unquoted funds. These assets are valued using quoted prices or models which incorporate data which is both observable and non-observable. The non-observable inputs to the models include assumptions regarding the future financial performance of the investee, its risk profile and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates.

19. FINANCIAL INSTRUMENTS (continued)

19.1 Fair value of financial instruments (continued)

The following table shows the impact on the fair value of level 3 instruments reflecting change in underlying assumptions used in the valuation by class of instrument.

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and Key input(s)	Significant unobservable input(s)	Effect of changes in underlying assumptions	Effect of changes in underlying assumptions	Sensitivity analysis	Relationship of unobservable inputs to fair value
	31/3/23	31/12/22				2023	2022		
<u>FVTPL</u>									
Equity investments	25,376	25,376	3	NAV ²	Net asset value	+/- 1,278	+/- 1,278	± 5% change in NAV, impacts fair value	The higher the discount rate, the lower the fair value
Fixed Income		-	3	Discounted cash flow ¹	Discount rate		-	± 1% change in discount rate, impacts fair value	The higher the discount rate, the lower the fair value
Fund investments	583,082	569,730	3	Discounted cash flow ¹ and NAV ²	Net asset value adjusted with market risk	+/- 28,929	+/- 28,469	± 5% change in NAV and 1% change in discount rate, impacts fair value	The higher the market risk, the lower the fair value and the higher the discount rate, the lower the fair value
<u>FVTOCI</u>									
Fund investments	562	562	3	NAV ²	Net asset value	+/- 28	+/- 28	± 5% change in NAV, impacts fair value	The higher the market risk, the lower the fair value

Significant unobservable inputs in Level 3 instruments valuations

¹Discounted cash flow models are used to fair value fund investments. A significant portion of the fund investments relates to a UK based real estate development fund that uses market comparable and discounted cashflow model to determine its fair value, of which the key assumptions relate to timing of future cash inflows/outflows and discount rate. For the remaining assets recognized under fund investments, the cash flow model includes assumptions related to future cash inflows/outflows, discount rate and growth rate. The extent of the adjustment varied according to the characteristics of each investment.

²Net asset value represents the estimated value of a security based on valuations received from the investment or fund manager. The NAV is based on the fair value of the underlying investments and other assets and liabilities. The valuation of certain private equity securities is based on the economic benefit we derive from our investment.

19. FINANCIAL INSTRUMENTS (continued)

19.1 Fair value of financial instruments (continued)

Movements in level 3 financial assets measured at fair value

During the period, there were no transfers between levels.

The following table shows a reconciliation of the opening and closing balance of level 3 financial assets which are recorded at fair value:

31 March 2023 (Unaudited)								
	Balance at 1 January 2023	Acquired on business combination	Additions	Disposal	Gain/(loss) through P&L	Gain/(loss) through OCI	Transfers from/(to) levels 1 & 2	Balance at 31 March 2023
FVTPL								
Equity Investments	25,376	-	-	-	-	-	-	25,376
Fund Investment	569,730	-	-	-	13,352	-	-	583,082
FVOCI								
Fund Investment	562	-	-	-	-	-	-	562
	<u>595,668</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,352</u>	<u>-</u>	<u>-</u>	<u>609,020</u>
31 December 2022 (Audited)								
	Balance at 1 January 2022	Acquired on business combination	Additions	Disposal	Gain/(loss) through P&L	Gain/(loss) through OCI	Transfers from/(to) levels 1 & 2	Balance at 31 December 2022
FVTPL								
Equity Investment	2,236	-	23,140	-	-	-	-	25,376
Fixed Income	-	-	-	-	-	-	-	-
Fund Investment	571,481	3,746	-	(6,846)	(5,410)	-	6,759	569,730
FVOCI								
Fund Investment	23,366	-	-	-	-	(22,804)	-	562
	<u>597,083</u>	<u>3,746</u>	<u>23,140</u>	<u>(6,846)</u>	<u>(5,410)</u>	<u>(22,804)</u>	<u>6,759</u>	<u>595,668</u>

Gains and losses on level 3 financial assets included in the consolidated statement of profit or loss for the year are detailed as follows:

	31 March 2023	31 December 2022
Realised and unrealised (losses)/gains	<u>13,352</u>	<u>(5,410)</u>

**Notes to the condensed consolidated interim financial information
for the three months ended 31 March 2023 (continued)***(Currency - Thousands of U.A.E. Dirhams)***20. FINANCIAL RISK MANAGEMENT****Introduction**

The inherent risk relating to the Group's activities is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The Group is exposed to credit risk, liquidity risk, market risk (comprising, interest rate risk, foreign exchange risk and equity price risk) and operational risk.

Risk management structure

The Board of Directors is ultimately responsible for identifying and controlling risk relating to the Group's activities and recognises the importance of managing risk in line with shareholder risk appetite.

Authority to set Group-wide rules to manage credit, liquidity and market risk are delegated to the Governance Committees of the Group and to each subsidiary. However, enterprise-wide risk is monitored by the Group Management Committees which ensures that Group rules are adhered to.

Liquidity risk & risk management

Liquidity risk is the risk that it will be unable to meet its funding requirements and arises principally on the Group's borrowings, payables and other credit balances and other financial liabilities. To limit this risk, management has arranged diversified funding sources, managed assets with liquidity in mind and monitored liquidity daily.

In addition, the Group has strengthened its liquidity buffer through working capital management and fund-raising initiatives. The Group believes that the current cash and cash equivalents provide sufficient level of liquidity and stability during this time of uncertainty.

The Group's approach aims to always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses and without materially affecting the return on capital. The Risk Committee of the Board ("RCB") and Asset Liabilities Committee ("ALCO") set minimum liquidity ratios and cash balance requirements which are then approved by the Board. The Group collates the projected cash flow and liquidity profiles of its financial assets and financial liabilities. It maintains a portfolio of short-term liquid assets to cover requirements, largely consisting of short-term liquid placements with financial institutions.

The various liquidity monitoring metrics are monitored by both the RCB and ALCO against internally set limits which have been approved by the Board. The primary measures of liquidity used by the Group are stock of liquid assets, liquidity coverage ratio and net funding requirement. The oversight of the liquidity risk by the Board, RCB and ALCO also includes the monitoring of the Group's compliance with the debt covenants.

As at 31 March 2023, there was a technical breach in the debt covenant relating to a newly consolidated subsidiary arising from gain of control. The principal of the debt affected is AED 77 million and the breach is due to delay in the restructuring of the facility which is expected to be completed by June 2023. The loan continues to be adequately secured by the underlying collateral with sufficient buffer.

The Group's strategic approach to repaying its upcoming debt liabilities includes:

- Refinancing of part of the current borrowings, process which has already commenced and the Group is holding discussions with various banks. It is expected that this conclude in Q2 2023.
- Settlement of part of the debt for non-cash consideration. The Group has started discussions with a number of lenders to settle a portion of the current borrowings through non-cash consideration and it expects to conclude the settlement agreement in Q2 2023.
- The remaining current debt liabilities will be repaid from cash generated from operating activities of the Group.

SHUAA CAPITAL PSC

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

21. COMMITMENTS AND CONTINGENT LIABILITIES

	31 March 2023 Unaudited	31 December 2022 Audited
Contingent liabilities	3,560	3,560

At 31 March 2023, the Group had capital commitments of AED 15,280 (31 December 2022: AED 14,976) with respect to project development.

22. DISCONTINUED OPERATIONS

22.1 Assets of a disposal group classified as held for sale	31 March 2023 Unaudited	31 December 2022 Audited
Assets held for sale	50,488	50,204
Assets of a disposal group classified as held for sale (A)	-	135,926
	<u>50,488</u>	<u>186,130</u>
22.2 Liabilities of a disposal group classified as held for sale (A)	-	68,019
	<u>-</u>	<u>68,019</u>

A – One of the Group subsidiary became a non going concern during 2022 as management does not forecast any future plans for the subsidiary. Therefore, the management has decided to liquidate the subsidiary. As a result, the subsidiary financials were prepared on a realisable basis. The plan to liquidate the entity with the regulator was finalised during the period for two years and as a result the assets and liabilities held for sale of the subsidiary were reclassified to the respective financial statement line items.

Comparative numbers in the profit or loss statement have been restated to reflect the impact of discontinued operations.

23. SUBSEQUENT EVENT

There have been no events subsequent to the statement of financial position date that would significantly affect the amounts reported in the financial statements as at and for the quarter ended 31 March 2023.

24. COMPARATIVE INFORMATION

During the last period, the Group performed an exercise to determine if the presentation of the condensed consolidated interim financial information in accordance with IAS 1 "Presentation of financial statements" and IAS 7 - Statement of Cash Flows ("IAS 7"). Certain comparative figures have been reclassified in order to conform with the presentation for the current period, but these did not have any impact on the previously reported equity and profits.

24.1 Changes in presentation of the condensed consolidated interim statement of profit or loss

As a result of the changes in the business and discontinued operations, management has reassessed the presentation of items in the condensed consolidated interim statement of profit or loss and has re-presented the following:

- There was a reclassification from the prior period's presentation whereby certain income line items are now presented under the Total Income section of the continued operations financial statement and certain financial line items were further disaggregated.
- In terms of note 22, certain businesses met the discontinued operations criteria as per IFRS 5 - Non current assets held for sale ("IFRS 5") and have been presented in the (loss)/profit from discontinued operations financial statement line item on the face of the condensed consolidated interim statement of profit or loss. As a result, the corresponding amounts for these financial statement line items have been re-presented.

SHUAA CAPITAL PSC

Notes to the condensed consolidated interim financial information for the three months ended 31 March 2023 (continued)

(Currency - Thousands of U.A.E. Dirhams)

24. COMPARATIVE INFORMATION (continued)

24.1 Changes in presentation of the condensed consolidated interim statement of profit or loss (continued)

- During the current quarter, the Company has reclassified fee and commission expense which was previously netted off against revenue. Fee and commission expense is now shown as a separate line item in the condensed consolidated interim statement of profit or loss to comply with the requirements of IAS 1. Further, revenue from discontinued operation has been reclassified from revenue to discontinued operations to comply with the requirements of IFRS 5. The following adjustment has been passed to the comparative information in respect of this reclassification to comply with the requirements of IAS 1 and IFRS 5.

	Condensed Consolidated interim statement of profit or loss		
	31 March 2022 Before	Adjustments	31 March 2022 After
Revenue	86,073	4,680*	90,753
Fee and commission expense	-	5,291	5,291

*The adjustment of AED 4,680 is made up of AED 611 and transferred to discontinued operations and AED 5,291 fee and commission expense which was deducted from revenue in the comparative period.

The segmental reporting presentation (see note 5) is consistent with the prior period presentation of the condensed consolidated interim income statement (except for net fee and commission income, advisory income, trading income and other operating income which are presented net on the face of the primary statement and broken down in note 6 of the condensed consolidated interim financial statements.

24.2 Changes to the condensed consolidated interim statement of cash flows

During the quarter, the following were adjusted in the condensed consolidated interim statement of cash flows:

- Distributions from associates amounting to AED 4,990 (previously included under the financial statements line-item "Non-cash distribution from associates" within operating activities) has been reclassified to investment activities in the current year in the condensed consolidated interim statement of cash flows, with a corresponding restatement of the prior year amount.
- Cash and cash equivalents from discontinued operations amounting to AED 53,027 and cash and cash equivalents acquired in business combination were reclassified to investment activities in the condensed consolidated interim statement of cash flows as required under IAS 7.

	31 March 2022 Before	Adjustment	31 March 2022 After
Non-cash distribution from associates	4,990	(4,990)	-
Net cash used in operating activities	(54,272)	(4,990)	(59,262)
Cash and cash equivalent from discontinued operations	(53,027)	53,027	-
Cash and cash equivalents acquired in business combination	14,332	(14,332)	-
Distribution from associates	-	4,990	4,990
Net cash from discontinued operations	-	(53,027)	(53,027)
Net cash acquired in business combination	-	14,332	14,332
Net cash generated from investing activities	163,659	(33,705)	129,954