AL RAMZ CORPORATION INVESTMENT AND DEVELOPMENT P.J.S.C.

ANNUAL REPORT

2023

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2023

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CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2023

Principal business address:
P.O. Box. 121200
Dubai
United Arab Emirates

Al Ramz Corporation Investment and Development P.J.S.C.

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Dubai, United Arab Emirates

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Al Ramz Corporation PJSC Net Profit Surges by 22% to AED 40 million in 2023

- Total revenues climb to AED 119 million from AED 103 million in 2022
- Al Ramz net profit reach AED 40 million, a 22% increase YoY

Dubai, UAE; 26 February 2024: Al Ramz Corporation PJSC (ALRAMZ:UH), a leading financial services provider in the UAE, today announced its financial results for the fiscal year ended 31 December 2023, reporting a net profit of AED 40 million which marks a 22% increase from the preceding year, with total revenues reaching AED 119 million, up from AED 103 million in 2022.

FINANCIAL HIGHLIGHTS

REVENUES	FINANCE INCOME, NET	NET PROFIT
119mn	**46mn**	**40mn**
YoY +15%	YoY +57%	YoY +22%

Net Profit Surge: Al Ramz recorded a net profit of AED 40 million, representing a 22% increase from the previous fiscal year, a testament to the company's robust performance and strategic success.

Revenue Growth: Total revenues for the fiscal year reached AED 119 million, showcasing a remarkable trajectory in revenue generation and reflecting the company's resilience in navigating dynamic market landscapes.

Finance Income growth: The company's net finance income witnessed growth by 57% to reach AED 46 million, driven by heightened demand in the securities margin market and strategic investment decisions.

STRATEGIC FOCUS

Dhafer Sahmi Al Ahbabi, Chairman of the Board, reflected on the year's results: "As we reflect on the past year and look forward to the future, our commitment to creating value for our shareholders remains steadfast and is at the core of every decision we make. We understand that our success is not just measured by our financial achievements but also by how sustainably and responsibly we operate in the ever-evolving financial landscape.

In alignment with this vision, we have been disciplined in our strategic delivery, carefully navigating through challenges while seizing opportunities that align with our long-term objectives. Our path to developing a sustainable business model is paved with the integration of innovative practices and a forward-looking approach, ensuring that we not only adapt to the changes of today but also anticipate the demands of tomorrow.

STRATEGIC FOCUS (CONTINUE)

A key focus area has been our investment in innovation and development, particularly in enhancing our quantitative capabilities and digital value proposition. The world of finance is increasingly driven by data and technology, and by harnessing the power of quantitative analysis, we aim to stay ahead in the competitive landscape, making more informed decisions that benefit our stakeholders and enhance our market position.

We are excited to announce the upcoming rollout of new features for our proprietary trading platform. These enhancements are designed to provide our clients with a more intuitive, efficient, and powerful tool for managing their investments. By investing in our platform's development, we are not only improving our service offering but also reinforcing our commitment to innovation and excellence in everything we do.

Our journey towards a sustainable business model is ongoing, and we remain dedicated to this cause. The investments we have made in innovation and the development of our quantitative capabilities are crucial steps in this journey. We believe that by continuing to focus on these areas, we will not only create shareholder value but also build a robust foundation for the future.

I express my appreciation to the dedicated management and hardworking employees of Al Ramz for their unwavering commitment and significant contributions to our shared achievements. Furthermore, my deepest gratitude goes to our board members for their strategic guidance and steadfast support, which are pivotal in steering our organization towards its achievements. Following this, I am profoundly honored to express my sincere appreciation to the Royal Highness of the UAE, whose generous support and visionary leadership elevate our mission and inspire us to exceed the expectations set before us, contributing significantly to the nation's prosperity".

Dhafer Sahmi Al Ahbabi
Chairman of the Board

ABOUT AL RAMZ
Founded in 1998, Al Ramz is a UAE domiciled public joint stock company listed on the Dubai Financial Market and regulated by the UAE Securities and Commodities Authority and the Dubai Financial Services Authority. Al Ramz provides a broad spectrum of services including asset management, corporate finance, brokerage, security margins, market making, liquidity providing, public offering management and financial research.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AL RAMZ CORPORATION INVESTMENT AND DEVELOPMENT PJSC

Report on the Audit of the Consolidated Financial Statements

Opinion
We have audited the consolidated financial statements of Al Ramz Corporation Investment and Development PJSC (the "Company") and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the *International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code")* together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AL RAMZ CORPORATION INVESTMENT AND DEVELOPMENT PJSC continued

Report on the Audit of the Consolidated Financial Statements continued

Revenue recognition
The Group's major revenue streams arise from net commission income, finance income from margin receivables, corporate finance, advisory and other income. During the year ended 31 December 2023, the Group recognised revenue of AED 102,168 thousand from these revenue streams.

Revenue recognition is significant to the consolidated financial statements due to the quantitative materiality of the amounts recorded and the related qualitative factors such as high volume of transactions, market trends and its susceptibility of manipulation through manual postings.

How our key audit procedures addressed the area of focus

- We obtained an understanding of the Group's revenue recognition accounting policies to assess its compliance with the relevant accounting standards;
- We obtained an understanding of the design and implementation of key manual controls related to revenue recognition;
- We agreed a sample of transactions to underlying accounting records and supporting documents such as deal confirmations and agreements to test whether revenue for the samples can be appropriately substantiated;
- We performed recalculation of margin income on a sample basis and compared the results with the income recorded by the Group to assess its reasonableness;
- We performed analytical procedures using disaggregated data by matching total value of trading with relevant exchange market reports to assess the reasonability of revenue recognized;
- We made inquiries of trading and marketing personnel for any unusual transactions; and
- We checked appropriateness of disclosures related to revenue in the consolidated financial statements.

Other information
Other information consists of the information included in the report of the Board of Directors and annual report, other than the consolidated financial statements and our auditor's report thereon. We obtained the Board of Directors' report prior to the date of our audit report, and we expect to obtain the annual report after the date of our auditor's opinion. The Board of Directors and management are responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AL RAMZ CORPORATION INVESTMENT AND DEVELOPMENT PJSC continued

Report on the Audit of the Consolidated Financial Statements continued

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs and in compliance with the applicable provisions of the Articles of Association of the Company and the UAE Federal Law No. (32) of 2021, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AL RAMZ CORPORATION INVESTMENT AND DEVELOPMENT PJSC continued

Report on the Audit of the Consolidated Financial Statements continued

Auditor's responsibilities for the audit of the consolidated financial statements continued

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AL RAMZ CORPORATION INVESTMENT AND DEVELOPMENT PJSC continued

Report on Other Legal and Regulatory Requirements

As required by the UAE Federal Law No. (32) of 2021, we report that for the year ended 31 December 2023:

i) the Group has maintained proper books of account;

ii) we have obtained all the information and explanations we considered necessary for the purposes of our audit;

iii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Articles of Association of the Company and the UAE Federal Law No. (32) of 2021;

iv) the consolidated financial information included in the Board of Directors' report is consistent with the books of account and records of the Group;

v) investments in shares and stocks are included in note 18 to the consolidated financial statements and include purchases and investments made by the Group during the year ended 31 December 2023;

vi) note 29 reflects the material related party transactions and the terms under which they were conducted;

vii) based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened, during the financial year ended 31 December 2023, any of the applicable provisions of its Articles of Association or of the UAE Federal Law No. (32) of 2021 which would have a material impact on its activities or its consolidated financial position as at 31 December 2023; and

viii) there was no social contribution made during the year by the Group.

Signed by:
Walid Nakfour
Partner
Ernst & Young
Registration No: 5479

26 February 2024
Abu Dhabi

Al Ramz Corporation Investment and Development P.J.S.C.

Consolidated statement of profit or loss and other comprehensive income

Year ended 31 December 2023

	Notes	2023 AED'000	2022 AED'000
Net commission income	*9*	**32,762**	42,810
Finance income from margin receivables		**49,356**	31,292
Finance income from deposits		**8,085**	3,359
Finance costs		**(11,181)**	(5,263)
Net finance income		**46,260**	29,388
Corporate finance, advisory and other income	*10*	**20,050**	37,517
Investment income (loss), net	*11*	**19,612**	(6,299)
General and administrative expenses	*12*	**(78,501)**	(70,553)
Provision for expected credit losses	*15*	**(158)**	(371)
Profit for the year before tax		**40,025**	32,492
Income tax expense	*5*	**(354)**	-
Profit for the year		**39,671**	32,492
Other comprehensive income		**-**	-
Total comprehensive income for the year		**39,671**	32,492
Basic and diluted earnings per share (AED)	*32*	**0.072**	0.065

The notes 1 to 36 form an integral part of these consolidated financial statements.

Al Ramz Corporation Investment and Development P.J.S.C.

Consolidated statement of financial position

As at 31 December 2023

	Notes	2023 AED'000	2022 AED'000
Assets			
Non-current assets			
Property and equipment	14	**32,218**	34,085
Goodwill and intangible assets	13	**33,604**	24,570
Right of use asset		**851**	1,015
		66,673	59,670
Current assets			
Margin and trade receivables	15	**452,296**	280,531
Other assets	16	**7,726**	3,755
Guarantee deposits	17	**19,750**	19,750
Due from securities markets	20	**108,921**	459
Investments at fair value through profit or loss	18	**76,363**	55,276
Bank balances and cash	19	**502,577**	566,929
		1,167,633	926,700
Total assets		**1,234,306**	986,370
Equity and liabilities			
Equity			
Share capital	21	**549,916**	549,916
Share premium	21	**21,958**	21,958
Acquisition reserve	22	**(283,966)**	(283,966)
Statutory reserve	23	**93,250**	89,283
General reserve	24	**6,335**	4,351
Retained earnings		**164,432**	163,707
Total equity		**551,925**	545,249
Non-current liabilities			
Employees' end of service benefits	25	**6,479**	5,183
Lease liability		**828**	943
Deferred tax liability	5	**354**	-
		7,661	6,126
Current liabilities			
Accounts payable and accruals	26	**345,917**	202,755
Short term borrowings	27	**328,648**	205,331
Lease liability		**152**	181
Due to securities markets	20	**3**	26,728
		674,720	434,995
Total liabilities		**682,381**	441,121
Total equity and liabilities		**1,234,306**	986,370

To the best of our knowledge, the consolidated financial statements present fairly, in all material respects, the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group as of and for the periods presented therein.

Chairman | Managing Director | Chief Executive Officer - FS

The notes 1 to 36 form an integral part of these consolidated financial statements.

Al Ramz Corporation Investment and Development P.J.S.C.

Consolidated statement of changes in equity

Year ended 31 December 2023

	Share capital AED'000	*Treasury stock AED'000*	*Share premium AED'000*	*Acquisition reserve AED'000*	*Statutory reserve AED'000*	*General reserve AED'000*	*Retained earnings AED'000*	*Total AED'000*
At 1 January 2022	549,916	(34,882)	-	(283,966)	86,034	2,726	156,013	475,841
Total comprehensive income for the year	-	-	-	-	-	-	32,492	32,492
Transfer to statutory reserve	-	-	-	-	3,249	-	(3,249)	-
Transfer to general reserve (note 24)	-	-	-	-	-	1,625	(1,625)	-
Sale of treasury stock (note 21)	-	34,882	21,958	-	-	-	-	56,840
Dividend distributions (note 33)	-	-	-	-	-	-	(19,924)	(19,924)
At 31 December 2022	549,916	-	21,958	(283,966)	89,283	4,351	163,707	545,249
At 1 January 2023	549,916	-	21,958	(283,966)	89,283	4,351	163,707	545,249
Total comprehensive income for the year	-	-	-	-	-	-	39,671	39,671
Transfer to statutory reserve	-	-	-	-	3,967	-	(3,967)	-
Transfer to general reserve (note 24)	-	-	-	-	-	1,984	(1,984)	-
Dividend distributions (note 33)	-	-	-	-	-	-	(32,995)	(32,995)
At 31 December 2023	**549,916**	**-**	**21,958**	**(283,966)**	**93,250**	**6,335**	**164,432**	**551,925**

The notes 1 to 36 form an integral part of these consolidated financial statements.

Al Ramz Corporation Investment and Development P.J.S.C.

Consolidated statement of cash flows

Year ended 31 December 2023

	Notes	**2023 AED'000**	2022 AED'000
Cash flows from operating activities			
Profit before tax		**40,025**	32,492
Adjustments for:			
Depreciation of property and equipment	*14*	**5,102**	4,522
Depreciation of right of use asset	*12*	**164**	165
Provision for employees' end of service benefits	*25*	**1,978**	1,389
Finance income from deposits		**(8,085)**	(3,359)
Finance costs		**11,181**	5,263
Unrealised (gain) loss on investments at fair value through profit or loss		**(10,681)**	18,020
Dividend income		**(2,027)**	(3,164)
Provision for expected credit losses	*15*	**158**	371
Gain on disposal of property and equipment		**-**	(29)
		37,815	55,670
Changes in working capital:			
Margin and trade receivables		**(171,923)**	37,981
Other assets		**(3,607)**	1,539
Guarantee deposits		**-**	(4,800)
Due from securities markets		**(108,462)**	17,547
Due to securities markets		**(26,725)**	26,728
Accounts payable and accruals		**142,942**	(165,307)
Cash used in operating activities		**(129,960)**	(30,642)
Employees' end of service benefits paid	*25*	**(682)**	(816)
Finance costs paid		**(10,906)**	(5,201)
Net cash flows used in operating activities		**(141,548)**	(36,659)
Cash flows from investing activities			
Purchase of property and equipment	*14*	**(12,269)**	(11,359)
Proceeds from the disposal of property and equipment		**-**	29
(Increase) decrease in clients' deposits		**(508)**	116,166
Interest income received		**7,721**	2,882
Dividend income received		**2,027**	3,164
Purchase of investments at fair value through profit or loss		**(13,266)**	(26,486)
Proceeds from the disposal of investments at fair value through profit or loss		**2,860**	119,898
Decrease in deposits maturing after 3 months		**87,338**	9,747
Sale of treasury stock	*21*	**-**	56,840
Net cash flows from investing activities		**73,903**	270,881
Cash flows from financing activities			
Proceeds from short term borrowings		**140,000**	-
Payment of lease liability		**(199)**	(185)
Dividend distribution	*33*	**(32,995)**	(19,924)
Net cash flows from (used in) financing activities		**106,806**	(20,109)
Net increase in cash and cash equivalents		**39,161**	214,113
Cash and cash equivalents at 1 January		**80,116**	(133,997)
Cash and cash equivalents at 31 December	*19*	**119,277**	80,116

The notes 1 to 36 form an integral part of these consolidated financial statements.

1. Corporate information

Founded in 1998, Al Ramz Corporation Investment and Development P.J.S.C (the "Company") is a UAE domiciled public joint stock company listed on the Dubai Financial Market and regulated by the Securities and Commodities Authority as well as the Dubai Financial Services Authority. Al Ramz is a premier financial institution providing a broad spectrum of services including asset management, corporate finance, brokerage, lending, market making, liquidity providing and research.

The main activities of the Company and its subsidiaries (together referred to as the "Group") are to invest and manage commercial, industrial and agricultural enterprises and to provide brokerage services including brokerage in selling and buying shares, margin trading, market making and liquidity providing and to perform all related transactions and activities. The Company's registered office is P.O. Box 121200, Dubai, United Arab Emirates.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on 26 February 2024.

2. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial assets and liabilities designated at fair value through profit or loss (FVTPL) which are measured at fair value at the reporting date.

The consolidated financial statements are presented in United Arab Emirates Dirhams ("AED"), which is the presentation currency of the Group and functional currency of the Company. All values are rounded to the nearest thousand dirhams (AED' 000), except where otherwise indicated.

3. Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB) and the applicable requirements of laws of the United Arab Emirates.

4. Presentation of consolidated financial statements

The Group presents its consolidated statement of financial position in order of liquidity based on the Group's intention and perceived ability to recover/settle the majority of assets/liabilities of the corresponding financial statement line item.

5. Changes in accounting policies and disclosures

New and amended standards and interpretations

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2023, but do not have an impact on the consolidated financial statements of the Group.

- IFRS 17 Insurance Contracts
- Definition of Accounting Estimates – Amendments to IAS 8
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
- International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12

These amendments had no significant impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

New and amended standards and interpretations

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Amendments to IFRS 16: Lease Liability in a Sale and Lease back
- Amendments to IAS 1: Classification of Liabilities as Current or Non-Current
- Supplier Finance Arrangement – Amendments to IAS 7 and IFRS 17

The Group does not expect that the adoption of these new and amended standards and interpretations will have a material impact on its consolidated financial statements.

UAE Corporate Tax Law

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023.

Decision No. 116 of 2022 (published in December 2022 and considered to be effective from 16 January 2023) specifies that taxable income not exceeding AED 375,000 would be subject to a 0% UAE CT rate, and taxable income exceeding AED 375,000 would be subject to the 9% UAE CT rate. With the publication of this Decision, the UAE CT Law is considered to have been substantively enacted for the purposes of accounting for Income Taxes.

Subsequently, the UAE CT Law has been supplemented by a number of Decisions of the Cabinet of Ministers of the UAE (Decisions). Such Decisions and other interpretive guidance of the UAE Federal Tax Authority provide important details relating to the interpretation of the UAE CT Law and are required to fully evaluate the impact of the UAE CT Law on the Group.

5. Changes in accounting policies and disclosures *(continued)*

UAE Corporate Tax Law *(continued)*
The Group should be subject to the provisions of the UAE CT Law with effect from 1 January 2024, and current taxes shall be accounted for as appropriate in the consolidated financial statements for the period beginning 1 January 2024.

Based on the current provisions of the UAE CT Law (including interpretation based on the Ministerial decisions and related guidance) and in accordance with IAS 12 Income Taxes, the Group has considered related deferred tax accounting impact as at the reporting date, as follows:

The Group considers that taxable temporary differences arise in respect of Purchase Price Allocation (PPA) adjustments carried on the Group's consolidated statement of financial position and relating to business combinations undertaken in UAE prior to 16 January 2023. The Group has recognised deferred tax liabilities of AED 354 thousand relating to such business combinations.

No other potential deferred tax assets or liabilities have been identified as at the reporting date. The Group will continue to monitor the publication of subsequent decisions and related guidance, as well as continuing its more detailed review of its financial matters, to consider any changes to this position at subsequent reporting dates.

6. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2023 including controlled structured entities. The Group consolidates a subsidiary when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that majority of voting rights results in control. However, in individual circumstances, the Group may still exercise control with a less than 50% shareholding or may not be able to exercise control even with ownership over 50% of an entity's shares. When assessing whether it has power over an entity and therefore controls the variability of its returns, the Group considers all relevant facts and circumstances, including:

- The purpose and design of the investee
- The relevant activities and how decisions about those activities are made and whether the Group can direct those activities
- Whether the Group is exposed, or has rights, to variable returns from its involvements with the investee, and has the power to affect the variability of such returns.

6. Basis of consolidation *(continued)*

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, NCI and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date of loss of control.

i. Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in the consolidated statement of profit or loss and other comprehensive income immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in consolidated statement of profit or loss and other comprehensive income.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in consolidated statement of profit or loss and other comprehensive income.

If share-based payment awards are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Reverse acquisition accounting requires calculation of deemed purchase consideration, which requires management to determine the shares exchange ratio and fair value of shares exchanged.

6. Basis of consolidation *(continued)*

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

Details of the Group's material subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	*Location*	*Principal activities*	*Percentage of holding*	
			31 December 2023	*31 December 2022*
Al Ramz Capital LLC	Abu Dhabi	Brokerage services	**100%**	100%
ARC Investment LLC	Abu Dhabi	Investment in enterprises	**100%**	100%
ARC Properties LLC	Abu Dhabi	Trade in real estate	**100%**	100%
ARC Real Estate LLC	Abu Dhabi	Trade in real estate	**100%**	100%
Dubai International Securities One Person Company LLC	Dubai	Brokerage services	**100%**	100%

7. Material accounting policy information

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

7.1 Foreign currency translation

Functional and presentational currency
The consolidated financial statements are presented in in United Arab Emirates Dirhams ("AED"). For each entity in the Group, the Group determines the functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions and balances
Transactions in foreign currencies are initially recorded in the functional currency at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. All foreign exchange differences arising on non-trading activities are taken to other operating income/expense in the consolidated statement of profit and loss and other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

7. Material accounting policy information *(continued)*

7.2 Recognition of interest income

i. The effective interest rate method

Under IFRS 9, interest income is recorded using the EIR method for all financial assets measured at amortised cost. Interest expense is also calculated using the EIR method for all financial liabilities held at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or liability or, when appropriate, a shorter period, to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account transaction costs and any discount or premium on the acquisition of the financial asset, as well as fees and costs that are an integral part of EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the margin exposure. Hence, the EIR calculation also takes into account the effect of potentially different interest rates that may be charged at various stages of the financial asset's expected life, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations of fixed rate financial assets or liabilities' cash flows are revised for reasons other than credit risk, then changes to future contractual cash flows are discounted at the original EIR with a consequential adjustment to the carrying amount. The difference from the previous carrying amount is booked as a positive or negative adjustment to the carrying amount of the financial asset or liability on the consolidated statement of financial position with a corresponding increase or decrease in interest revenue/expense calculated using the effective interest method.

For floating-rate financial instruments, periodic re-estimation of cash flows to reflect the movements in the market rates of interest also alters the effective interest rate, but when instruments were initially recognised at an amount equal to the principal, re-estimating the future interest payments does not significantly affect the carrying amount of the asset or the liability.

ii. Finance and similar income/expense

Net finance income comprises interest income and interest expense calculated using both the effective interest method and other methods. These are disclosed separately on the face of the consolidated statement of profit and loss and other comprehensive income for both finance income and finance expense to provide symmetrical and comparable information.

The Group calculates interest income on financial assets, other than those considered credit-impaired, by applying the EIR to the gross carrying amount of the financial asset.

7. Material accounting policy information *(continued)*

7.3 Fee and commission income

The Group earns fee and commission income from a diverse range of financial services it provides to its customers. Fee and commission income is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for providing the services.

The performance obligations, as well as the timing of their satisfaction, are identified, and determined, at the inception of the contract. The Group's revenue contracts do not include multiple performance obligations, as explained further in note 7.3.i and note 7.3.ii.

When the Group provides a service to its customers, consideration is invoiced, and generally due immediately upon satisfaction of a service provided at a point in time or at the end of the contract period for a service provided over time (unless otherwise specified in note 7.3.i and note 7.3.ii.). The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

i. Fee and commission income from services where performance obligations are satisfied over time

Performance obligations satisfied over time include asset management services where the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

The Group's fee and commission income from services where performance obligations are satisfied over time include the following:

Asset management fees
Management fees are invoiced monthly and determined based on a fixed percentage of the net asset value of the funds under management based on the average net asset value monthly. The fees generally crystallise at the end of each month and are not subject to a clawback. Consequently, revenue from management fees is generally recognised at the end of each month.

Performance fees
Performance fees are based on returns in excess of a specified benchmark market return, over the contract period. Performance fees are typically received at the end of the performance period specified in the contract. The Group recognises revenue from performance fees over the contract period, but only to the extent that it is highly probable that a significant reversal of revenue will not occur in subsequent periods.

7. Material accounting policy information *(continued)*

7.3 Fee and commission income *(continued)*

ii. Fee and commission income from services where performance obligations are satisfied at a point in time

Services provided where the Group's performance obligations are satisfied at a point in time are recognised once control of the services is transferred to the customer. This is typically on completion of the underlying transaction or service or, for fees or components of fees that are linked to a certain performance, after fulfilling the corresponding performance criteria. These include fees and commissions arising from negotiating or participating in the negotiation of a transaction for a third party, such as the arrangement/participation or negotiation of the acquisition of shares or other securities, or the purchase or sale of businesses, and brokerage fees. The Group has a single performance obligation with respect to these services, which is to successfully complete the transaction specified in the contract.

Corporate finance fees
Corporate finance services are related to mergers and acquisitions support, where the Group provides financial, legal and transaction advisory services. The fees earned in exchange for these services are recognised at the point in time the transaction is completed because the customer only receives the benefits of the Group's performance upon successful completion of the underlying transaction. The Group is only entitled to the fee on the completion of the transaction.

Corporate finance fees are a variable consideration. The Group estimates the amount which it will be entitled to but constrains that amount until it is highly probable that including the estimated fee in the transaction price will not result in a significant revenue reversal, which generally occurs upon successful completion of the underlying transaction.

Brokerage fees
The Group buys and sells securities on behalf of its customers and receives a fixed commission, for each transaction. The Group's performance obligation is to execute the trade on behalf of the customer and revenue is recognised once each trade has been executed (i.e., on the trade date). Payment of the commission is typically due on the trade date.

iii. Contract balances

As at 31 December 2023, the Group did not have any contract assets or liabilities related to brokerage services provided.

7.4 Net gain / (loss) on financial assets and liabilities designated at fair value through profit and loss

Net gain / (loss) on financial instruments at FVTPL represents fair value changes, interest, dividends and foreign exchange differences relating to non-trading derivatives held for risk management purposes used in economic hedge relationship but not qualifying for hedge accounting relationships, financial assets and financial liabilities designated as at FVTPL and also non-trading assets measured at FVTPL, as required by or elected under IFRS 9.

7. Material accounting policy information *(continued)*

7.5 Financial instruments – initial recognition

i. Date of recognition

Financial assets and liabilities are initially recognised on the trade date, i.e., the date on which the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades, i.e., purchases or sales of financial assets that require delivery of assets within the times frame generally established by regulation or convention in the marketplace. Margins to customers are recognized when the securities are bought and funds are charged against the customers' accounts.

ii. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments in notes 7.7.1.i and 7.7.1.ii. Financial instruments are initially measured at their fair value (as defined in note 7.7), except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, subtracted from, this amount.

Trade receivables without significant financing component are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Group accounts for the Day 1 profit or loss, as described below.

iii. Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognises the difference between the transaction price and fair value in net trading income. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in the consolidated statement of profit or loss and other comprehensive income when the inputs become observable, or when the instrument is derecognised.

iv. Measurement categories of financial assets and liabilities

The Group classified all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost, as explained in note 7.7.1
- FVTPL, as set out note 7.7.5

The Group classifies and measures its trading portfolio at FVTPL, as explained in note 7.7.5. The Group may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies, as explained in note 7.7.5.

Financial liabilities, other than financial guarantees, are measured at amortised cost or FVTPL when they are held for trading and derivative instruments.

7. Material accounting policy information *(continued)*

7.6 Determination of fair value

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- Level 1 financial instruments − Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the consolidated statement of financial position date.

- Level 2 financial instruments − Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.

- Level 3 financial instruments − Those that include one or more unobservable input that is significant to the measurement as whole.

The Group evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments, when necessary, based on the facts at the end of the reporting period.

7.7 Financial assets and financial liabilities

7.7.1 Margin receivables and trade receivables at amortized cost

The Group measures margin receivables and trade receivables at amortized cost only if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below.

7. Material accounting policy information *(continued)*

7.7 Financial assets and financial liabilities *(continued)*

7.7.1 Margin receivables and trade receivables at amortized cost *(continued)*

i. Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective:

- The risks that affect the performance of the business model (and how the financial assets held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

The expected frequency, value and timing of sales are also important aspects of the Group's assessment. The business model assessment is based on reasonably expected scenarios without taking; worst case; or stress case; scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

ii. The SPPI test

As a second step of its classification process, the Group assesses the contractual terms of the financial asset to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

7. Material accounting policy information *(continued)*

7.7 Financial assets and financial liabilities *(continued)*

7.7.2 Derivatives recorded at fair value through profit or loss

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').

- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.

- It is settled at a future date.

7.7.3 Financial assets or financial liabilities held for trading

The Group classifies financial assets or financial liabilities as held for trading when they have been purchased or issued primarily for short-term profit-making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit taking. Held-for-trading assets and liabilities are recorded and measured in the consolidated statement of financial position at fair value. Changes in fair value are recognised in the consolidated statement of profit or loss and other comprehensive income. Interest income is recorded in investment income according to the terms of the contract, or when the right to payment has been established.

7.7.4 Borrowed funds

After initial measurement, borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

7. Material accounting policy information *(continued)*

7.7 Financial assets and financial liabilities *(continued)*

7.7.5 Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis

Or

- The liabilities are part of a group of financial liabilities, which are managed, and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy

Or

- The liabilities contain one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited

Financial assets and financial liabilities at FVTPL are recorded in the consolidated statement of financial position at fair value. Changes in fair value are recorded in the consolidated statement of profit and loss and other comprehensive income with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Group's own credit risk. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or interest expense, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using the contractual interest rate, as explained in note 7.2. Dividend income from equity instruments measured at FVTPL is recorded in consolidated statement of profit or loss and other comprehensive income as investment income when the right to the payment has been established.

7.8 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

7. Material accounting policy information *(continued)*

7.9 Derecognition of financial assets and liabilities

Derecognition due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

When assessing whether to derecognise a margin extended to a customer, amongst others, the Group considers the following factors:

- Change in currency
- Introduction of an equity feature
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, as set out below, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded. For financial liabilities, the Group considers a modification substantial based on qualitative factors and if it results in a difference between the adjusted discounted present value and the original carrying amount of the financial liability of, or greater than, ten percent.

Derecognition other than substantial modification

i. Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- The Group has transferred its contractual rights to receive cash flows from the financial asset

Or

- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass–through’ arrangement.

7. Material accounting policy information *(continued)*

7.9 Derecognition of financial assets and liabilities *(continued)*

Derecognition other than substantial modification *(continued)*

i. Financial assets *(continued)*

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the original asset), but assumes a contractual obligation to pay those cash flows to one or more entities (the eventual recipients), when all of the following three conditions are met:

- The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates;
- The Group cannot sell or pledge the original asset other than as security to the eventual recipients; and
- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents, including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Group has transferred substantially all the risks and rewards of the asset

Or

- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Group would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

7. Material accounting policy information *(continued)*

7.9 Derecognition of financial assets and liabilities *(continued)*

Derecognition other than substantial modification *(continued)*

ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the consolidated statement of profit and loss and other comprehensive income.

7.10 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Financial assets and financial liabilities are generally reported gross in the consolidated statement of financial position except when IFRS netting criteria are met.

7.11 Impairment of financial assets

Financial assets not classified as at FVTPL are assessed for impairment at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes significant financial difficulty of the borrower, default or delinquency by a borrower, restructuring of an amount due to the Group on terms that the Group would not otherwise consider, indications that a debtor or issuer will enter bankruptcy or adverse changes in the payment status of a borrower.

Financial instruments

The group recognizes loss allowances for ECLs on:
- Margin and trade receivables;
- Guarantee deposits;
- Due from securities markets and bank balances.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:
- Debt instrument that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

7. Material accounting policy information *(continued)*

7.11 Impairment of financial assets *(continued)*

Financial instruments (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as releasing security (if any is held); or
- The financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets
At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable date:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or being more than 90 days past due;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider other wise;
- It is probable that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the consolidated statement of financial position
Loss allowances for financial assets carried at amortised cost are deducted from the gross carrying amount of the assets.

7. Material accounting policy information *(continued)*

7.12 Credit enhancements: collateral valuation and financial guarantees

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as cash and securities collateral, unless repossessed, and is not recorded on the Group's consolidated statement of financial position. Cash flows expected from credit enhancements which are not required to be recognised separately by IFRS standards and which are considered integral to the contractual terms of a debt instrument which is subject to ECL, are included in the measurement of those ECL. On this basis, the fair value of collateral affects the calculation of ECL. Collateral is generally assessed, at a minimum, at inception and re-assessed on a quarterly basis. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

7.13 Collateral repossessed

The Group's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Group's policy.

7.14 Write-offs

Financial assets are written off either partially or in their entirety only when the Group has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries, if any, are credited to other income.

7.15 Cash and cash equivalents

Cash and cash equivalents as referred to in the consolidated statement of cash flows comprises cash on hand, bank balances and short-term deposits with an original maturity of three months or less, net of outstanding bank overdrafts.

7.16 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. ***Group as a lessee***

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

7. Material accounting policy information *(continued)*

7.16 Leases *(continued)*

i. *Group as a lessee* *(continued)*

Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use assets are subject to impairment in line with the Group's policy.

Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (less any lease incentives receivable), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

7.17 Property and equipment

Property and equipment are stated at cost excluding the costs of day–to–day servicing, less accumulated depreciation and accumulated impairment in value. Capital work in progress is stated at cost, net of accumulated impairment losses, if any. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

Depreciation of property and equipment is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Office premises	30 years
Office equipment	5 years
Motor vehicles	4 years
Furniture and fixtures	5 years

An item of property and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognised.

The residual values, useful lives, and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

7. Material accounting policy information *(continued)*

7.18 Intangible assets

Intangible assets that are acquired and internally generated by the Group and have defined period / useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

After assessment of all of the above criteria, the Company has recorded intangible asset being under development phase amounting to AED 9,034 thousand at 31 December 2023 *(2022: AED nil).*

7.19 Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in the consolidated statement of profit or loss and other comprehensive income as a Bargain Purchase Option gain.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

7. Material accounting policy information *(continued)*

7.20 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit or loss and other comprehensive income.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss and other comprehensive income.

7.21 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the consolidated statement of profit or loss and other comprehensive income net of any reimbursement in other operating expenses.

7.22 Fiduciary assets

The Group provides trust and other fiduciary services that result in the holding or investing of assets on behalf of its clients. Assets held in a fiduciary capacity, unless recognition criteria are met, are not reported in the consolidated financial statements, as they are not assets of the Group.

7. Material accounting policy information *(continued)*

7.23 Dividends on ordinary shares

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Group's shareholders.

7.24 Employees' end of service benefits

The Group provides end of service benefits to its expatriate employees in accordance with the provisions of the applicable Labour law of the UAE. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

Pension contributions are made in respect of UAE national employees to the Abu Dhabi Retirement and Pension Benefits Fund, calculated in accordance with Government regulations. Such contributions are charged to the consolidated statement of profit or loss and other comprehensive income during the employees' period of service.

7.25 Income tax expense

The tax expense for the period comprises current and deferred tax. Tax is recognized in the consolidated statement of profit or loss and other comprehensive income except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognised on all temporary differences at the reporting date between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, with the following exceptions:

- Where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and

- Deferred tax assets are recognised only to the extent that it is probable that a taxable profit will be available against which the deductible temporary differences and carried forward tax credits or tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

7. Material accounting policy information *(continued)*

7.25 Income tax expense (continued)

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the reporting date.

Current and deferred tax is charged or credited directly to other comprehensive income or equity if it relates to items that are credited or charged to, respectively, other comprehensive income or equity. Otherwise, income tax is recognised in the consolidated statement of profit or loss and other comprehensive income.

7.26 Taxes

Value added tax ("VAT")
Expenses and assets are recognised net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; or when receivables and payables are stated with the amount of VAT included.

- The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

7.27 Contingencies

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

7.28 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

7. Material accounting policy information *(continued)*

7.29 Fair value measurement *(continued)*

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized 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 (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements 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.

7.30 Current versus non-current classification

The Group presents assets and liabilities in consolidated statement of financial position based on current/non-current classification. An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

8. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Group's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Existing circumstances and assumptions about future developments may change due to circumstances beyond the Group's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognised in the consolidated financial statements with substantial management judgement and/or estimates are collated below with respect to judgements/estimates involved.

8.1 Impairment losses on financial assets

An estimate of the collectible amount of margin and trade receivables is made on an individual basis.

At the consolidated statement of financial position date, gross margin and trade receivables were AED 447,633 thousand *(2022: AED 267,679 thousand)* and AED 17,692 thousand *(2022: AED 25,725 thousand)* respectively. The provision for expected credit losses was AED 7,745 thousand *(2022: AED 7,745 thousand)* and AED 5,284 thousand *(2022: AED 5,128 thousand)* respectively. Any difference between the amounts actually collected in future periods and the amounts expected to be received will be recognized in the consolidated statement of profit or loss and other comprehensive income.

8.2 Going concern

The Group's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on the going concern basis.

8.3 Determination of the lease term for lease contracts with renewal and termination options (Group as a lessee)

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

8. Significant accounting judgements, estimates and assumptions *(continued)*

8.3 Determination of the lease term for lease contracts with renewal and termination options (Group as a lessee) *(continued)*

The Group has a lease contract that includes an extension and termination option. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation of the leased asset).

8.4 Useful lives of property and equipment and intangible assets

The Group's management determines the estimated useful lives of its property and equipment and intangible assets for calculating depreciation / amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual values and useful lives annually and the future depreciation/amortisation charge is adjusted where management believes that the useful lives differ from previous estimates. Where management determines that the useful life or residual value of an asset requires amendment, the net book amount in excess of the residual value is depreciated/amortised over the revised remaining useful life.

8.5 Impairment of property and equipment and intangible assets

The Group determines whether property and equipment, and intangible assets are impaired when events or conditions indicate that the carrying amount may not be recoverable. In assessing whether there is any indication that the property and equipment, right-of-use-assets and intangible assets at the end of the reporting period may be impaired, the Group considered the following:

- Changes in the technological, market, economic or legal environment in which the Group operates that had or would have an adverse effect on the Group;
- Physical damage of assets under construction;
- Plans to discontinue or restructure the operation to which the assets under construction belong; and
- Evidence from internal reporting and external factors that indicates a potential decline in budgeted net cash flows flowing from the asset.

Estimation of the recoverable amount of the property and equipment, right-of-use-assets and intangibles assets where indicators of impairment were present, is made on the reporting date. Estimation of the recoverable amount requires a determination of the property and equipment's, right-of-use-assets and intangible assets value in use and their fair value less costs to sell. Calculation of value in use requires the Group to make an estimate of the expected future cash flows from individual cash-generating units and determination of a suitable discount rate to calculate the present value of those cash flows. Fair value less costs to sell is determined by obtaining reports from third parties.

8. Significant accounting judgements, estimates and assumptions *(continued)*

8.5 Impairment of property and equipment and intangible assets *(continued)*

The net carrying amount of property and equipment subject to impairment assessment at 31 December 2023 was AED 32,218 thousand (*2022: AED 34,085 thousand*) with no provision for impairment *(2022: AED nil).* The net carrying amount of intangible assets subject to impairment assessment at 31 December 2023 was AED 9,034 thousand (*2022: AED nil*) with no provision for impairment (*2022: AED nil*).

8.6 Investment in asset management activities

The Group acts as fund manager to Sky One Money Market Fund. Determining whether the Group controls such a money market fund usually focuses on the assessment of the aggregate economic interests of the Group in the fund (comprising any carried interests and expected management fees) and the investors' rights to remove the fund manager.

For that fund that is managed by the Group, the Group's aggregate economic interest in the fund is zero . As a result, the Group has concluded that it acts as agent for the investors, and therefore has not consolidated this fund.

8.7 Impairment of goodwill

Goodwill is tested at least annually for impairment.

Determining whether goodwill is impaired requires an estimation of the value in use of the business being tested for impairment and of the cash-generating units to which these assets have been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit, taking into account the achievability of long-term business plans and macroeconomic assumptions underlying the valuation process, and a suitable discount rate in order to calculate present value. As of 31 December 2023, no impairment has been recorded against goodwill *(2022: AED nil).*

8.8 Capitalisation of development costs

The Product development assets represent direct costs incurred in the development of an online platform. These costs are recognised as intangible assets where the platform will generate probable future economic benefits and costs can be measured reliably. The platform is amortised over estimated economic lives of 10 years being an estimate of the expected operating lifecycle of the product development asset. The assessment of the useful economic life and the recoverability of product development assets involves judgement and is based on historical trends and management estimation of future potential sales. Product development assets are assessed for impairment triggers on an annual basis or when triggering events occur.

9. Net commission income

	2023 AED'000	2022 AED'000
Abu Dhabi Exchange Market	**17,731**	27,860
Dubai Financial Market	**15,515**	14,615
Fixed income	**416**	343
The Saudi Stock Exchange (TADAWUL)	**4**	-
NASDAQ	**1**	31
Over the counter and others	**-**	87
Rebates and discounts	**(905)**	(126)
	32,762	42,810

a. *Disaggregation of net commission income*

In the following table, commission income from contracts with customers in the scope of IFRS 15 is disaggregated by major type of services. The table also includes a reconciliation of the disaggregated net commission income with the Group's reportable segments:

	2023 AED'000	2022 AED'000
Major service lines		
Brokerage – Primary markets	**32,346**	42,380
Brokerage – Over the counter and others	**416**	430
	32,762	42,810

b. *Contract balances*

As at 31 December 2023, the Group did not have any contract assets or liabilities related to brokerage services provided.

c. *Timing of revenue recognition*

	2023 AED'000	2022 AED'000
Services transferred at a point in time	**32,762**	42,810

10. Corporate finance, advisory and other income

	2023 AED'000	2022 AED'000
Corporate finance income	**10,669**	24,042
Liquidity providing fees	**5,943**	4,018
Management and performance fees	**3,013**	8,999
Other income	**425**	458
	20,050	37,517

a. Disaggregation of corporate finance and advisory income, management and performance fees and liquidity providing fees

In the following table, corporate finance and advisory income, management and performance fees, and liquidity providing fees from contracts with customers in the scope of IFRS 15 is disaggregated by major type of services. The table also includes a reconciliation of the these disaggregated revenue streams with the Group's reportable segments:

	2023 AED'000	2022 AED'000
Major service lines		
Transaction, advisory and restructuring services	**10,669**	24,042
Fees from liquidity providing	**5,943**	4,018
Management and performance fees on assets under management	**3,013**	8,999
	19,625	37,059

Corporate finance income includes income earned by the Group on services including transaction, advisory and restructuring services.

Management and performance fees include fees earned by the Group on trust and fiduciary activities in which the Group holds or invests assets on behalf of its customers.

b. Contract balances

The following table provides information about receivables and contract liabilities from contracts with customers.

	2023 AED'000	2022 AED'000
Contract assets which are included in 'Trade receivables'	**11,772**	13,256
Contract liabilities, which are included in 'Trade payables'	**8,055**	22,332

10. Corporate finance, advisory and other income *(continued)*

c. Timing of revenue recognition

	2023 AED'000	2022 AED'000
Services transferred over the period of time	**19,625**	37,059

11. Investment income (loss), net

	2023 AED'000	2022 AED'000
Proprietary activities		
Net change in investments at fair value through profit of loss	**14,799**	(15,583)
Dividend income	**2,002**	3,003
Custody and other fees	**-**	(400)
Liquidity and trading portfolio		
Net change in investments at fair value through profit of loss	**(4,118)**	(2,437)
Realised gain on derivatives	**489**	2,866
Rebate income	**6,415**	6,091
Dividend income	**25**	161
	19,612	(6,299)

12. General and administrative expenses

	2023 AED'000	2022 AED'000
Staff costs	**56,990**	53,644
Subscription and membership	**5,181**	4,275
Depreciation of property and equipment *(note 14)*	**5,102**	4,522
Consultancy fees	**3,719**	1,678
IT expenses	**2,002**	879
Legal expenses	**1,231**	1,336
Properties service charges	**744**	682
Communication expense	**601**	510
Advertisements and marketing	**579**	477
Depreciation of right of use asset	**164**	165
Rent expense	**63**	79
Other expenses	**2,125**	2,306
	78,501	70,553

13. Goodwill and intangible assets

	2023 AED'000	2022 AED'000
Goodwill *(note 13.1)*	**24,570**	24,570
Intangible assets *(note 13.2)*	**9,034**	-
	33,604	24,570

13.1 Goodwill

Goodwill of AED 20,642 thousand represents goodwill that arose on acquisition of National Finance Brokerage Company LLC (NFBC), acquired in 2010. NFBC was merged with Al Ramz Capital LLC effective from 2010 and the goodwill of AED 3,928 thousand that was acquired through the business combination was allocated to the Group (CGU) for impairment testing purposes. Goodwill is not amortised but is reviewed annually for assessment of impairment in accordance with IAS 36. The Group performed its annual goodwill impairment test as at 31 December 2023.

The recoverable amount for CGU is based on the value in use and has been calculated using the discounted cash flows approach.

Key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

	Percentage
Discount rate	15.0%
Terminal value growth rate	2.7%

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITA growth rate. As a result of the analysis, there is sufficient headroom in CGU and no impairment has been identified. Reasonable sensitivities have been applied to CGU earnings and the discount rate used and in all cases the value in use continues to exceed the carrying amount of the CGU goodwill.

13.2 Intangible assets

Intangible assets include costs incurred for the in-house development of an online platform for its customers through both a web and mobile application that allow the Group to provide a variety of fund management solution services to its customers.

During the year, the Group has capitalized AED 9,034 thousand *(2022: AED nil),* which include capitalized employee costs amounting to AED 3,141 thousand *(2022: AED nil)*.

14. Property and equipment

	Office premises AED'000	*Office equipment AED'000*	*Motor vehicles AED'000*	*Furniture and fixtures AED'000*	*Work in progress AED'000*	*Total AED'000*
Cost						
At 1 January 2023	27,843	28,064	359	19,518	3,593	79,377
Additions	-	2,980	-	2,117	7,172	12,269
Disposals	-	-	(73)	-	-	(73)
Transfer to intangible assets	-	-	-	-	(9,034)	(9,034)
At 31 December 2023	**27,843**	**31,044**	**286**	**21,635**	**1,731**	**82,539**
Accumulated depreciation						
At 1 January 2023	7,068	22,392	359	15,473	-	45,292
Charge for the year *(note 12)*	928	2,337	-	1,837	-	5,102
Disposals	-	-	(73)	-	-	(73)
At 31 December 2023	**7,996**	**24,729**	**286**	**17,310**	**-**	**50,321**
Cost						
At 1 January 2022	22,172	25,880	433	19,386	221	68,092
Additions	5,671	2,184	-	132	3,372	11,359
Disposals	-	-	(74)	-	-	(74)
At 31 December 2022	27,843	28,064	359	19,518	3,593	79,377
Accumulated depreciation						
At 1 January 2022	6,250	20,333	433	13,828	-	40,844
Charge for the year (note 12)	818	2,059	-	1,645	-	4,522
Relating to disposals	-	-	(74)	-	-	(74)
At 31 December 2022	7,068	22,392	359	15,473	-	45,292
Carrying value						
At 31 December 2023	**19,847**	**6,315**	**-**	**4,325**	**1,731**	**32,218**
At 31 December 2022	20,775	5,672	-	4,045	3,593	34,085

15. Margin and trade receivables

	2023 AED'000	2022 AED'000
Margin receivables, net	**439,888**	259,934
Trade receivables, net	**12,408**	20,597
	452,296	280,531

	2023 AED'000	2022 AED'000
Margin receivables	**447,633**	267,679
Provision for expected credit losses	**(7,745)**	(7,745)
Margin receivables, net	**439,888**	259,934

	2023 AED'000	2022 AED'000
Trade receivables	**17,692**	25,725
Provision for expected credit losses	**(5,284)**	(5,128)
Trade receivables, net	**12,408**	20,597

The movement in the expected credit losses during the year was as follows:

	2023 AED'000	2022 AED'000
At 1 January	**12,873**	12,860
Charge for the year	**158**	371
Reversal during the year	**(2)**	(358)
At 31 December	**13,029**	12,873

The Group is licensed to provide financing to its clients as a percentage of the market value of pledged securities. The Group charges interest on amounts due. Customers are required to provide additional cash or securities if the price of pledged securities drops against the minimum eligibility of 125% *(2022: 125%)*. If minimum eligibility is breached, the Group commences liquidation of the pledged securities. The fair value of pledged securities held as collateral against margin receivables amounted to AED 1,962,876 thousand as at 31 December 2023 *(2022: AED 1,075,904 thousand)*.

There are no significant changes to the overall commitments to extend margins during the period. Such commitments are revocable in nature.

16. Other assets

	2023	2022
	AED'000	AED'000
Prepayments and others	**7,314**	3,553
Derivative financial instruments	**412**	202
	7,726	3,755

Information relating to derivative financial instruments as of the reporting date are as follows:

	2023 Notional value AED' 000	**2023 Fair value AED' 000**	2022 Notional value AED' 000	2022 Fair value AED' 000
Equity futures contract	**6,743**	**412**	1,634	202

17. Guarantee deposits

Guarantee deposits are held with commercial banks in the UAE as collateral against letters of guarantee issued by the banks *(note 28)*. These are denominated in UAE Dirhams, with an effective interest rate of 4.5% *(2022:* 2.35%*)* per annum.

18. Investments at fair value through profit and loss

These represent investments in quoted bonds, quoted and unquoted equity investments and are held for trading purpose.

	2023	2022
	AED'000	AED'000
Quoted equity investments	**67,484**	44,487
Quoted bonds	**8,419**	7,005
Unquoted equity investments	**460**	3,784
	76,363	55,276

18. Investments at fair value through profit and loss *(continued)*

Movements in the investments at fair value through profit or loss are as follows:

Quoted equity investments	**2023 AED'000**	2022 AED'000
At 1 January	**44,487**	153,329
Additions during the year	**10,100**	10,512
Disposals during the year	**(943)**	(104,331)
Net changes in fair value	**13,840**	(15,023)
At 31 December	**67,484**	44,487

Quoted bonds	**2023 AED'000**	2022 AED'000
At 1 January	**7,005**	7,495
Additions during the year	**3,166**	15,974
Disposals during the year	**(1,917)**	(15,567)
Net changes in fair value	**165**	(897)
At 31 December	**8,419**	7,005

Unquoted equity investments	**2023 AED'000**	2022 AED'000
At 1 January	**3,784**	5,884
Net changes in fair value	**(3,324)**	(2,100)
At 31 December	**460**	3,784

During the year, as part of its Market Making activities, the Group carried out buy and sell activities for listed equity securities amounting to AED 5,889 million *(2022: AED 8,144 million)* and AED 5,883 million *(2022: AED 8,166 million)* respectively. These transactions do not form part of the Group's investment activities.

19. Bank balances and cash

	2023 AED'000	2022 AED'000
Current account balances with banks	**88,698**	59,345
Group's bank accounts for client's deposits*	**210,288**	209,780
Deposit account balances with banks	**203,532**	297,753
Cash in hand	**49**	51
Cash in money market fund	**10**	-
	502,577	566,929

Bank balances are placed with local banks in the United Arab Emirates. Bank deposits carry interest at prevailing market rates.

Bank balances include an annual deposit amounting to AED 115,147 thousand *(2022: AED* 114,852 *thousand)* held as security against an overdraft facility and AED 81,592 thousand (*2022: AED nil*) held as security against a short-term loan. *(note 27).*

Cash and cash equivalents for the purpose of consolidated statement of cash flows comprise of the following:

	2023 AED'000	2022 AED'000
Bank balances and cash	**502,577**	566,929
Less: Deposits with original maturities greater than three months	**(1,264)**	(88,602)
Less: Group's bank accounts for clients' deposits	**(210,288)**	(209,780)
Less: Bank overdrafts *(note 27)*	**(171,748)**	(188,431)
	119,277	80,116

*In accordance with the regulations issued by the Securities and Commodities Authority ("SCA") the Group maintains separate bank accounts for advances received from its customers ("clients' deposits"). The clients' deposits are not available to the Group other than to settle transactions executed on behalf of the customers. Although the use of the clients' deposits by the Group is restricted, they have been presented on balance sheet as notified by SCA.

20. Due from / due to securities markets

	2023 AED'000	2022 AED'000
Due from securities markets		
Abu Dhabi Securities Exchange	**102,976**	-
Dubai Financial Market	**5,826**	-
The Saudi Stock Exchange (TADAWUL)	**-**	340
NASDAQ Dubai Limited	**119**	119
	108,921	459
Due to securities markets		
Bahrain Bourse	**3**	-
Abu Dhabi Securities Exchange	-	3,104
Dubai Financial Market	-	23,624
	3	26,728

Due from / due to securities markets represent net clearing balance due from / to Abu Dhabi Securities Exchange, Dubai Financial Market, NASDAQ Dubai Limited, TADAWUL and Bahrain Bourse. This balance is unimpaired and due within 1-2 days of the reporting date.

21. Share capital

	2023 AED'000	2022 AED'000
Authorised, issued and fully paid share capital:		
549,915,858 shares of AED 1 each	**549,916**	549,916

In the Annual General Meeting held on 23 March 2020, the Shareholders of the Group approved a shares-buy back up to 10% of the outstanding shares. In 2021, the Group purchased 51,821 thousand shares at an average price of AED 0.67 per share, for a total consideration of AED 34,882 thousand.

In 2022, the Group sold 51,821 thousand shares at an average price of AED 1.10 per share, for a total net consideration of AED 56,840 thousand. The sale resulted in additional share premium amounting to AED 21,958 thousand.

22. Acquisition reserve

An addition was made to share capital of AED 399,916 thousand in 2016, which represents an adjustment made to bring the share capital equal to share capital of Al Ramz Corporation Investment and Development PJSC with corresponding debit to acquisition reserve bringing the acquisition reserve to a total debit balance of AED 283,966 thousand.

23. Statutory reserve

As required by the UAE Federal Law No. (32) of 2021 and the Company's articles of association, 10% of the Group's profit for the year should be transferred to the statutory reserve. The Group may resolve to discontinue such annual transfers when the reserve totals 50% of the paid up share capital. The reserve is not available for distribution.

24. General reserve

Transfers to and from and the use of the general reserve are made at the discretion of the Board of Directors. During the year, the Group transferred AED 1,984 thousand *(2022: AED 1,625 thousand)* to the general reserve.

25. Employees' end of service benefits

	2023	2022
	AED'000	AED'000
At 1 January	**5,183**	4,610
Charge for the year	**1,978**	1,389
Payments during the year	**(682)**	(816)
At 31 December	**6,479**	5,183

26. Accounts payable and accruals

	2023	2022
	AED'000	AED'000
Payable to customers	**322,543**	183,511
Accrued expenses	**14,201**	15,255
Other payables	**9,173**	3,989
	345,917	202,755

27. Short term borrowings

	2023 AED'000	2022 AED'000
Bank overdrafts *(note 19)*	**171,748**	188,431
Facility 1	**140,000**	-
Facility 2	**16,900**	16,900
	328,648	205,331

Bank overdrafts
These carry interest at prevailing market rates. Bank overdrafts are secured against promissory note, personal guarantee of a related party, security cheques and fixed deposits with banks. (refer to note 19).

Facility 1
This represents short term loans / revolving facilities obtained from the bank. They carry interest monthly at prevailing market rates. The term of the agreement is 120 days, and the facilities/loans are secured against fixed deposits with the bank.

Facility 2
This represents a loan obtained from a previous shareholder. It carries a fixed interest rate. The term of the agreement is one month, renewed automatically.

28. Commitments and contingencies

The Group's bankers have issued in the normal course of business, the following letters of guarantee:

	2023 AED'000	2022 AED'000
Dubai Financial Market	**25,000**	25,000
Abu Dhabi securities exchange	**25,000**	25,000
NASDAQ Dubai Limited	**1,000**	1,000
Market making (ADX and DFM)	**8,000**	8,000
Securities and Commodities Authority	**1,000**	1,000
	60,000	60,000

At 31 December 2023, the guarantees were secured by a cash deposit of AED 19,750 thousand *(2022: AED 19,750 thousand)* refer to note 17.

The Group had no capital commitments and contingencies during the year *(2022: AED nil)*.

The Group had no financial commitments at the reporting date. *(2022: AED nil)*.

29. Related party balances and transactions

Related parties represent associated companies, major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's Board of Directors.

Balances with related parties included in the consolidated statement of financial position are as follows:

	2023 **AED'000**	2022 AED'000
Margin and trade receivables	**146,991**	58,033
Trade accounts payable	**34,671**	951

Transactions with related parties included in the consolidated statement of profit or loss and other comprehensive income are as follows:

	2023 **AED'000**	2022 AED'000
Commission income	**4,731**	5,867
Margin income	**12,445**	5,263

Terms and conditions of transactions with related parties
Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2023, the Group has not recorded any impairment of receivables relating to amounts owed by related parties *(2022: AED nil*). Pricing policies and terms of transactions are approved by the Group's management.

29. Related party balances transactions *(continued)*

Compensation of key management personnel
The remuneration of members of key management during the year was as follows:

	2023	2022
	AED'000	AED'000
Short-term benefits (excluding bonus)	**6,218**	5,551
Bonus	**3,820**	5,111
Number of key management personnel	4	3

30. Risk management

The Group's principal financial liabilities consist of trade payables, lease liability, short-term borrowings and certain other liabilities. The main purpose of the financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as margin and trade receivables, bank balances, guarantee deposits, derivative financial instruments, investments carried at fair value through profit or loss and certain other assets which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, credit risk and equity prices risk. The members of management of the Group review and agree policies for managing each of these risks which are summarised below.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is not exposed to interest rate risk on its interest-bearing guarantees with banks and certain short-term borrowings which carry fixed interest rate.

The following table demonstrates the sensitivity of the consolidated statement of profit or loss and other comprehensive income to reasonably possible changes in floating interest rates, with all other variables held constant, of the Group's result for the year. There is no impact on the Group's equity.

	2023	2022
	AED'000	AED'000
Effect on net profit		
+100 increase in basis point	**3,118**	1,884
-100 increase in basis point	**(3,118)**	(1,884)

30. Risk management *(continued)*

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivable from customers and investment in debt securities.

The Group's maximum exposure to credit risk (not taking into account the value of any collateral or other security held) in the event the counterparties fail to perform their obligations as of 31 December in relation to each class of recognized financial assets is the carrying amount of those assets as indicated below:

	2023	2022
	AED'000	AED'000
Assets		
Balances with banks	**502,577**	566,929
Margin and trade receivables	**452,296**	280,531
Due from securities markets	**108,921**	459
Guarantee deposits	**19,750**	19,750
	1,083,544	867,669

The Group seeks to limit its credit risk with respect to customers by setting credit limits for individual customers and monitoring outstanding receivables. Five largest customers account for 56.4% *(2022:* 47.0%*)* of margin receivables. The Group's margin receivables are secured by traded securities that are generally at the loan to value of 50% on sanctioning date. The Group forecloses on exposures near or at the 75% loan to value range.

Liquidity risk
The Group limits its liquidity risk by ensuring bank facilities and adequate cash from operations are available. The Group's terms of brokerage contracts require the amounts to be received and settled in accordance with the settlement terms of the securities market. Outstanding receivables are monitored on a continuous basis.

30. Risk management *(continued)*

Liquidity risk *(continued)*
The table below summarises the maturities of the Group's undiscounted consolidated financial liabilities at 31 December 2023 and 31 December 2022, based on contractual payments.

	Less than 3 months AED'000	*3 to 6 Months AED'000*	*6 to 12 months AED'000*	*More than 12 months AED'000*	*Total AED'000*
31 December 2023					
Short term borrowings	**188,648**	**144,575**	**-**	**-**	**333,223**
Trade payables	**322,543**	**-**	**-**	**-**	**322,543**
Due to securities market	**3**	**-**	**-**	**-**	**3**
Lease liability	**50**	**50**	**100**	**921**	**1,121**
	511,244	**144,625**	**100**	**921**	**656,890**
31 December 2022					
Short term borrowings	205,331	-	-	-	205,331
Trade payables	183,511	-	-	-	183,511
Due to securities market	26,728	-	-	-	26,728
Lease liability	50	50	100	1,121	1,321
	415,620	50	100	1,121	416,891

Changes in liabilities arising from financing activities

	1 January 2023 AED'000	*Cash flows AED'000*	*Others AED'000*	*31 December 2023 AED'000*
At 31 December 2023				
Short borrowings (facility 1 and 2)	16,900	140,000	-	156,900
Lease liabilities	1,124	(199)	55	980
Total	**18,024**	**139,801**	**55**	**157,880**

	1 January 2022 AED'000	*Cash flows AED'000*	*Others AED'000*	*31 December 2022 AED'000*
At 31 December 2022				
Short borrowings (facility 1 and 2)	16,900	-	-	16,900
Lease liabilities	1,247	(185)	62	1,124
Total	18,147	(185)	62	18,024

30. Risk management *(continued)*

Equity price risk
The Group is exposed to equity price risk, which arises from equity securities at FVTPL. Management of the group monitors the proportion of equity securities in its investment portfolio based on market indices. Investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by senior management and the Board of Directors in accordance with their respective approved limits.

Capital management
The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the years ended 31 December 2023 and 31 December 2022. Capital includes share capital, share premium, acquisition reserve, statutory reserve, general reserve and retained earnings and is measured at AED 551,925 thousand as at 31 December 2023 *(2022: AED 545,249 thousand)*.

31. Fair value measurement of financial instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets consist of margin and trade receivables, bank balances, guarantee deposits, derivative financial instruments and certain other assets carried at amortized cost and investments carried at fair value through profit or loss. Financial liabilities consist of trade payables, lease liability, short-term borrowings and certain other liabilities carried at amortised cost.

The fair values of the Group’s financial instruments are not materially different from their carrying values at the reporting date. 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.

	Level 1 AED’000	*Level 2 AED’000*	*Level 3 AED’000*	*Total AED’000*
31 December 2023				
Derivative financial instruments	**-**	**412**	**-**	**412**
Investments at fair value through profit or loss	**75,903**	**-**	**460**	**76,363**
	75,903	**412**	**460**	**76,775**
31 December 2022				
Derivative financial instruments	-	202	-	202
Investments at fair value through profit or loss	51,492	-	3,784	55,276
	51,492	202	3,784	55,478

31. Fair value measurement of financial instruments *(continued)*

The basis for classifying assets under level 3 are disclosed above.

Reconciliation of fair value measurement of assets at level 3 is as follows:

	2023	2022
	AED'000	AED'000
At 1 January	**3,784**	5,884
Fair value change	**(3,324)**	(2,100)
At 31 December	**460**	3,784

During the year, 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 (*2022: none*).

32. Basic and diluted earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to the equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit for the year attributable to the equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year, adjusted for the effects of any financial instruments with dilutive effects.

	2023	2022
Profit attributable to the year (AED'000)	**39,671**	32,492
Weighted average number of shares (thousand)	**549,916**	502,299
Basic earnings and diluted earnings per share (AED)	**0.072**	0.065

33. Dividend

In the Annual General Meeting (AGM) held on 28 March 2023, the shareholders of the Group have resolved to distribute an amount of AED 32,995 thousand on basis of AED 0.06 per share, *(2022: AED 19,924 thousand on basis of AED 0.04 per share)* as dividends for the financial year ended 31 December 2022 which was paid on 24 April 2023.

34. Fiduciary activities

The Group held assets under management net of cash margins in a fiduciary capacity for its customers at 31 December 2023 amounting to AED 1,454,987 thousand *(2022: AED 338,978 thousand)*. These assets held in a fiduciary capacity are excluded from these consolidated financial statements of the Group.

35. Reporting segments

The business activities of the Group are performed on an integrated basis. Therefore, any segmentation of operating income, expenses, assets and liabilities is not relevant and is not performed for internal management reporting purposes.

For internal management purpose, the Group is organized as one business unit based on the products and services and has only one reportable segment. The Group is managed as a single business unit and the financial performance is reported in the internal reporting provided to the Chief Operating Decision-maker ("CODM"). The Executive Committee, which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CODM that makes strategic decisions. The financial information reviewed by the CODM is based on the IFRS compliant financial information for the Group. The CODM monitors the operating results of its business unit separately for the purpose of making decisions about resource allocation and performance assessment.

The CODM regularly reviews the consolidated statement of profit or loss and other comprehensive income. The CODM function is to allocate resources to and assess the performance of the operating segments of the Group. Based on the review and assessment of the CODM, the Group has a single operating segment, which is 'Asset Management and Brokerage Business'.

There are no other economic characteristics within the Group that will lead to determination of other operating segments. This analysis requires significant judgement as to the circumstances of the Group.

The Group does not have any operating segments that are aggregated. The CODM has considered the following criteria in determining the operating segments of the Group:

- the nature of products and services;
- the nature of the production processes;
- the type or class of customer for their products and services; and
- the methods used to distribute their products or provide their services;

Based on the criteria and evaluation above, the CODM has determined that the Group has only one operating segment, which is consistent with the internal reporting and performance measurement.

36. Comparative information

The comparative figures have been reclassified to conform to the current period presentation. Such reclassifications have no effect on the previously reported profit or retained earnings of the Group.

CORPORATE GOVERNANCE REPORT

2023

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1 | PROCEDURES TO ADOPT AND IMPLEMENT CORPORATE GOVERNANCE IN 2023

The corporate governance guidelines applied by Al Ramz Corporation Investment and Development PJSC and its subsidiaries (the "Company" or the "Corporation") provide a basis for promoting and maintaining the highest standards of corporate governance at the Company, through creating and protecting shareholder value as well as other stakeholders.

The Board of Directors (the "BOD") strives to provide the right leadership, strategic oversight and control environment to produce and sustain the delivery of value to all the Company's shareholders.

The Company's corporate governance framework, represented in the BOD's charter, consists of the following:

Internal Controls

The Company's Internal Controls system consists of several frameworks, policies and procedures established by the Board of Directors to enhance the Company's objectives and performance. The Company has adopted the "three lines of defense" principle in relation to corporate governance and risk management as follows:

PROCESSES

1st Line of Defense

- Internal controls and compliance processes
- Embedded operational controls
- Resolving issues detected by above

MANAGEMENT ASSURANCE

2nd Line of Defense

- Identifying internal controls and compliance processes
- Monitoring above controls and processes
- Generate reports analyzing breaches in above

MANAGEMENT AND INDEPENDENT ASSURANCE

3rd Line of Defense

- Independent assessment of internal controls and compliance processes
- Raise reports analyzing breaches in above

Board of Directors

The role of the BOD is to govern the Company and is directly committed to comply with all corporate governance guidelines and rules issued by the Securities and Commodities Authority. Its role includes overseeing and directing executive management as well as implementing the Company's strategies and objectives.

Board Committees

The BOD shall delegate oversight of key areas of responsibility to specific committees who will report to the BOD with their analysis and recommendations. Such committees shall be formed in accordance with the Chairman of the Securities and Commodities Authority's Board of Directors' Resolution No. (3 R.M) of 2020 and its amendments concerning approval of joint stock companies' governance guide; and shall consist of the audit committee, nomination and remuneration committee and the risk and investment committee.

Audit Committee

The Audit Committee is committed to review the Company's financial statements, internal controls and risk management processes as well as represent the Company with the external auditor. Its duties include the obligations set out in SCA Resolution (3 R.M) of 2020 and its amendments concerning approval of joint stock companies' governance guide.

Investment and Risk Committee

The Investment and Risk Committee has overall responsibility for the review of the Company's risk evaluation and mitigation initiatives as well as investment initiatives. Its duties include the guidance set out in SCA Resolution (3 R.M) of 2020 and its amendments concerning approval of joint stock companies' governance guide.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee primarily oversees the Company's organization structure, the development of the succession plan, evaluating the recruitment process and remuneration policies as well as the independence of the Board's independent directors in accordance with its obligations set out in SCA Resolution (3 R.M) of 2020 and its amendments concerning approval of joint stock companies' governance guide.

2 | BOARD OF DIRECTORS, THEIR SPOUSES, AND THEIR CHILDREN'S TRANSACTIONS IN THE CORPORATIONS' FINANCIAL INSTRUMENTS IN 2023

Mr. Dhafer Al-Ahbabi

Position	:	Board Member
Category	:	Independent non-executive
Total shares owned on 31 December 2023	:	22,000,000
Total Sale Transactions	:	-
Total Purchase Transactions	:	22,000,000
Share capital of the Corporation	:	549,915,858
Ownership percentage of the Corporation's total share capital	:	4.0006%

FAA Capital Investment

Position	:	Board Member company
Category	:	Sole proprietorship company
Total shares owned on 31 December 2023	:	-
Total Sale Transactions	:	20,000,000
Total Purchase Transactions	:	6,632,051
Share capital of the Corporation	:	549,915,858
Ownership percentage of the Corporation's total share capital	:	0.0000%

Note: The majority of the shares owned by FAA Capital Investment have been transferred to the beneficial owner of the company, Mr. Dhafer Al-Ahbabi

Mr. Ahmed Ali Khalfan Al Dhaheri

Position	:	Board Member
Category	:	Independent non-executive
Total shares owned on 31 December 2023	:	8,200,000
Total Sale Transactions	:	7,000,000
Total Purchase Transactions	:	-
Share capital of the Corporation	:	549,915,858
Ownership percentage of the Corporation's total share capital	:	1.4911%

Sameer Kamal Ibrahim Al Ansari

Position	:	Board Member
Category	:	Independent non-executive
Total shares owned on 31 December 2023	:	1,299,886
Total Sale Transactions	:	1,000,000
Total Purchase Transactions	:	-
Share capital of the Corporation	:	549,915,858
Ownership percentage of the Corporation's total share capital	:	0.2364%

MMD Investments Holding LTD

Position	:	Managing Director owned company
Category	:	Owned company
Total shares owned on 31 December 2023	:	-
Total Sale Transactions	:	82,487,379
Total Purchase Transactions	:	1,487,379
Share capital of the Corporation	:	549,915,858
Ownership percentage of the Corporation's total share capital	:	0.0000%

Mohammad Al Mortada Al Dandashi

Position	:	Managing Director
Category	:	Executive
Total shares owned on 31 December 2023	:	84,487,379
Total Sale Transactions	:	-
Total Purchase Transactions	:	84,487,379
Share capital of the Corporation	:	549,915,858
Ownership percentage of the Corporation's total share capital	:	15.36370%

Note: All of the shares owned by MMD Investment Holding Ltd have been transferred to the ultimate beneficial owner of the company, Mr. Mohammad Al Mortada Al Dandashi.

3 | BOARD OF DIRECTORS COMPOSITION

A. Statement of the current Board formation

The Board of Directors was formed on 11 April 2021 by the Corporation's Annual General Meeting. The Board consists of Seven (7) members whose term is until 11 April 2024.

BOARD MEMBERS

NAME	CATEGORY	EXPERIENCE	CREDENTIALS	STARTING FROM
Mr. Dhafer Al-Ahbabi	Independent non-executive	Investments	Bachelor's in Economics	11/04/2021
HE Hamad Rashid Al Nuaimi	Non-executive	Investments	Bachelor's in Accounting	11/04/2021
Dr. Ali Saeed Bin Harmel Al Dhaheri	Independent non-executive	Investments	Bachelor of Business Administration Masters of Business Administration PhD in Management	11/04/2021
Mr. Abdullah Saeed Al Ghafli	Independent non-executive	Investments Investments	Bachelor of Business Administration in Accounting Master of Science in International Business and Finance Chartered Financial Analyst (CFA)	11/04/2021
Mr. Ahmed Ali Khalfan Al Dhaheri	Independent non-executive	Investments	Bachelor's in Accounting and Certified Public Accountant (CPA) certificate	11/04/2021
Mr. Mohammad Al Mortada Al Dandashi	Executive	Investments	Bachelor's in Economics	11/04/2021
Dr. Sameer Kamal Ibrahim Al Ansari	Independent non-executive	Investments	Fellow of the Institute of Chartered Accountants in England & Wales (FCA) Doctorate from Loughborough University, UK	11/04/2021

MEMBERSHIP AND POSITIONS AT ANY OTHER JOINT- STOCK COMPANIES

NAME	MEMBERSHIP AND POSITION
Mr. Dhafer Al-Ahbabi	Board member – Amanat Holding PJSC
HE Hamad Rashid Al Nuaimi	Board member – Amanat Holding PJSC **(until 20 November 2023)**
Dr. Ali Saeed Bin Harmel Al Dhaheri	Chairman of the Board– Watania International Holding PJSC
Mr. Ahmed Ali Khalfan Al Dhaheri	Chairman – Hily Holding PJSC Vice Chairman – Al Waha Capital PJSC Board Member – Al Wathba Insurance Company PJSC
Mr. Abdullah Saeed Al Ghafli	Board Member – Emirates Building PJSC Board Member – Abu Dhabi Ship Building

POSITIONS IN ANY OTHER IMPORTANT REGULATORY, GOVERNMENT OR COMMERCIAL ENTITIES

NAME	ROLE IN OTHER SUPERVISORY, GOVERNMENTAL, OR COMMERCIAL ENTITIES
HE Hamad Rashid Al Nuaimi	Financial affairs deputy - Ministry of Presidential Affairs
Dr. Sameer Kamal Ibrahim Al Ansari	CEO - RAK ICC

B. Female representation in the Board of Directors in 2023

There was no female representation in the Board of Directors in 2023.

C. Statement of the reason for the absence of any female candidate for the Board membership

No elections of Board membership took place in 2023.

D. Statement of the followings:

1. Total Board of Directors Remuneration in 2023

The Company's general assembly, held on March 28, 2023, approved the disbursement of an amount of AED 2.3 million (2,300,000) for the Board of Directors due to the exceptional efforts made by them during the year 2022.

MEMBERS	AMOUNT PER MEMBER	NUMBER OF MEMBERS	TOTAL AMOUNT
Chairman	445,161.29	1	445,161.29
Vice-Chairman	370,967.74	1	370,967.74
Five members (each)	296,774.19	5	1,483,870.95
Total			2,300,000

2. Proposed Board of Directors Remunerations in 2023

The Board of Directors shall propose for approval in the next General Assembly Meeting, average remuneration of an amount of AED three hundred seventy-two thousand (372,000) to each member of the Board of Directors for 2023, for a total sum of AED two million six hundred thousand (2,600,000) for the year 2023. It is important to note that the remuneration is based on their effective leadership of the Corporation and its profits and financial position and not on their attendance of the Board meetings. This is in line with the resolution No. (3 R.M) of 2020 and its amendments concerning approval of joint stock companies' governance guide.

3. Board Committees attendance allowances in 2023

The following attendance allowances were paid to the Board members:

Audit Committee

NAME	POSITION IN THE COMMITTEE	FEES (AED)	NO. OF MEETINGS	TOTAL (AED)
Mr. Ahmed Ali Al Dhaheri	Audit Committee Chairman	8,000	5	40,000
Mr. Abdullah Saeed Al Ghafli	Audit Committee member	8,000	5	40,000
Dr. Sameer Kamal Ibrahim Al Ansari	Audit Committee member	8,000	4	32,000

Nomination and Remuneration Committee

NAME	POSITION IN THE COMMITTEE	FEES (AED)	NO. OF MEETINGS	TOTAL (AED)
Dr. Ali Saeed Bin Harmel Al Dhaheri	Nomination and Remuneration Committee Chairman	8,000	5	40,000
Mr. Abdullah Saeed Al Ghafli	Nomination and Remuneration Committee member	8,000	5	40,000
Mr. Ahmed Ali Al Dhaheri	Nomination and Remuneration Committee member	8,000	4	32,000

Risk and Investment Committee

NAME	POSITION IN THE COMMITTEE	FEES (AED)	NO. OF MEETINGS	TOTAL (AED)
Mr. Dhafer Al-Ahbabi	Risk and Investment Committee Chairman	8,000	4	32,000
HE Hamad Rashid Nuhail Al Nuaimi	Risk and Investment Committee member	8,000	1	8,000
Mr. Mohammad Al Mortada Al Dandashi	Risk and Investment Committee member	8,000	4	32,000

4. Board Committees attendance allowances in 2023

The board members did not receive any additional allowances, salaries, or fees during 2023.

E. Number of Board of Directors meetings held in 2023

The Board of Directors held seven (7) meetings in 2023 as detailed below. The Board of Directors accepted the absences shown.

Board Member	27 February	8 May	18 May	7 August	24 August	6 November	6 December
Mr. Dhafer Al Ahbabi	Attended	Attended	Attended	Attended	Attended	Attended	Attended
HE Hamad Rashid Al Nuaimi	Absent	Attended	Absent	Absent	Absent	By proxy	Absent
Dr. Ali Saeed Bin Harmel Al Dhaheri	Attended	Absent	Attended	Attended	Attended	Attended	Attended
Mr. Ahmed Ali Khalfan Al Dhaheri	Absent	Attended	Absent	Absent	Attended	Absent	Absent
Mr. Abdullah Saeed Al Ghafli	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Mr. Mohammad Al Mortada Al Dandashi	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Dr. Sameer Kamal Ibrahim Al Ansari	Attended	Attended	Attended	Attended	Attended	Attended	Attended

F. Number of Board resolution passed during the 2023 fiscal year

The Board of Directors passed two resolutions by circulation during 2023.

G. Statement by the Board: duties and power exercised by Board members or the executive management members during 2023 based on the authorization from the Board

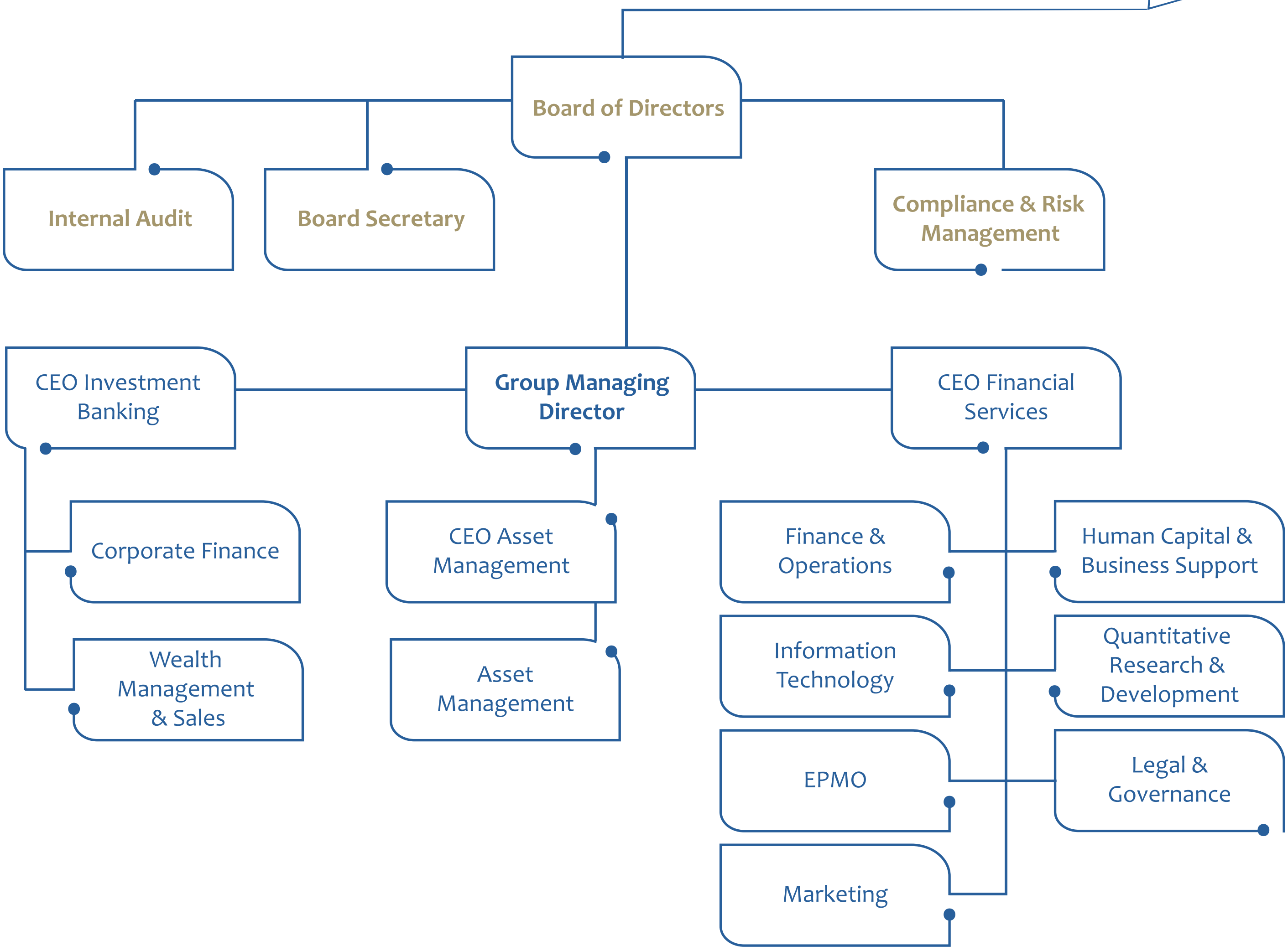
Name of the authorized person	Mr. Mohammad Al Mortada Al Dandashi
Power of authorization	POA
Duration of authorization	3 years

H. Transactions with related parties

The Corporation adopts the related parties' transactions regulations as stated in the resolution No. (3 R.M) of 2020 concerning approval of joint stock companies' governance guide in relation to the Executive Management, the key shareholders and any associated persons and entities. Following are the related parties' transactions related to the Corporation's income during 2023:

STATEMENT OF RELATED PARTIES	CLARIFYING THE NATURE OF RELATIONSHIP	TYPE OF TRANSACTION	VALUE OF TRANSACTION(AED)
H.H. Sheikh Nahyan Bin Zayed Al Nahyan	Major shareholder	Brokerage fees & income from margin	4,408,354
Mohammad Ahmad Saeed Al Qassimi	Major shareholder	Brokerage fees & income from margin	1,821,655
Ahmed Ali Khalfan Al Dhaheri	Directors and key management personnel	Brokerage fees & income from margin	1,339,594
H.E Hamad Rashid Al Nuaimi	Directors and key management personnel	Brokerage fees	1,207,200
Foodco Holding	Subsidiary company for one of the directors	Brokerage fees & income from margin	1,179,639
Al Wathba National Insurance Company	Major shareholder	Brokerage fees & income from margin	849,952
Saood Al Hajiri	Major shareholder	Interest Expense	676,000
Summit Investment Holdings - Sole Proprietorship L.L.C	Major shareholder	Brokerage fees	217,162
MMD Investments Holding LTD	Major shareholder	Brokerage fees	101,695
Mohammad Al Mortada Al Dandashi	Directors and Major shareholder	Brokerage fees	2,018
Finivesco Financial Investment - L.L.C	Major shareholder	Brokerage fees	1,225

I. The Corporation's organizational structure



J. Key executives' details

The table below states the names, positions, dates of joining and total salaries and bonuses for 2023:

NAME	POSITION	DATE OF JOINING	TOTAL SALARIES	TOTAL BONUSES
Mr. Mohammad Al Mortada Al Dandashi	Managing Director	15/11/2016	2,827,200	2,600,000
Mr. Haisam Odeimeh	GCEO – FS	12/10/2017	1,615,200	700,000
Mr. Karim Schoeib	GCEO – IB	01/10/2020	1,416,000	550,000

4 | EXTERNAL AUDITOR

A. Brief on the external auditor

Ernst & Young is a global organization that employs more than 231,000 professionals in over 150 countries. The MENA practice of EY has been operating in the region since 1923. For over 93 years, EY has evolved to meet the legal and commercial developments of the region. Across MENA, EY has over 6,500 people united across 20 offices and 15 Arab countries, sharing the same values and an unwavering commitment to quality.

The Abu Dhabi office of EY was opened in 1966 and has scaled remarkable heights since then. There are approximately over 480 people, in the Firm's offices in Abu Dhabi. In Abu Dhabi, EY has a strong base of over 190 Assurance professionals qualified from Saudi Arabia, the United Kingdom, Pakistan, India, United States of America and hold relevant degrees from leading universities.

EXTERNAL AUDITOR FEES FOR 2023

Audit firm name	Ernst & Young
Number of years as auditor of Al Ramz	Three (3)
Total audit fess for 2023	AED 425,000
Fees for non-audit services in 2023	None
Details of non-audit services in 2023	None
Details of any professional services provided by other audit firms	None

B. Statement clarifying the reservations that the company auditor included in the interim and annual financial statements for 2023 and in case of any reservations

No reservations have been stated in the interim and annual financial statements for 2023.

5 | AUDIT COMMITTEE REPORT

A. Audit Committee Chairman acknowledgement of his responsibilities

Mr. Ahmed Ali Khalfan Al Dhaheri, Audit Committee Chairman, acknowledges reviewing the committee's duties and ensuring its effectiveness and fulfillment of its obligations.

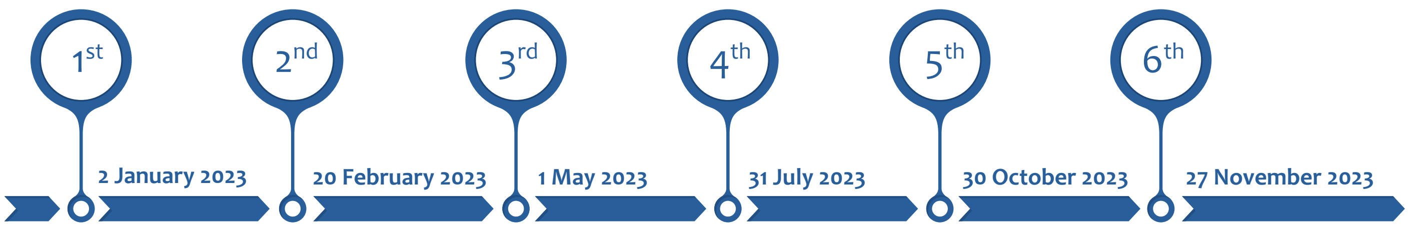
B. Audit Committee members, roles and responsibilities

The audit committee performs a number of duties including supervising the propriety of the financial statements, related reports and accounting processes, audits on the financial, internal control and risk management processes as well as compliance with the Corporation's Code of Ethics. The audit committee also develops and implements the policy dealing with appointing, contracting, supervising the independence, performance and scope of the external auditor.

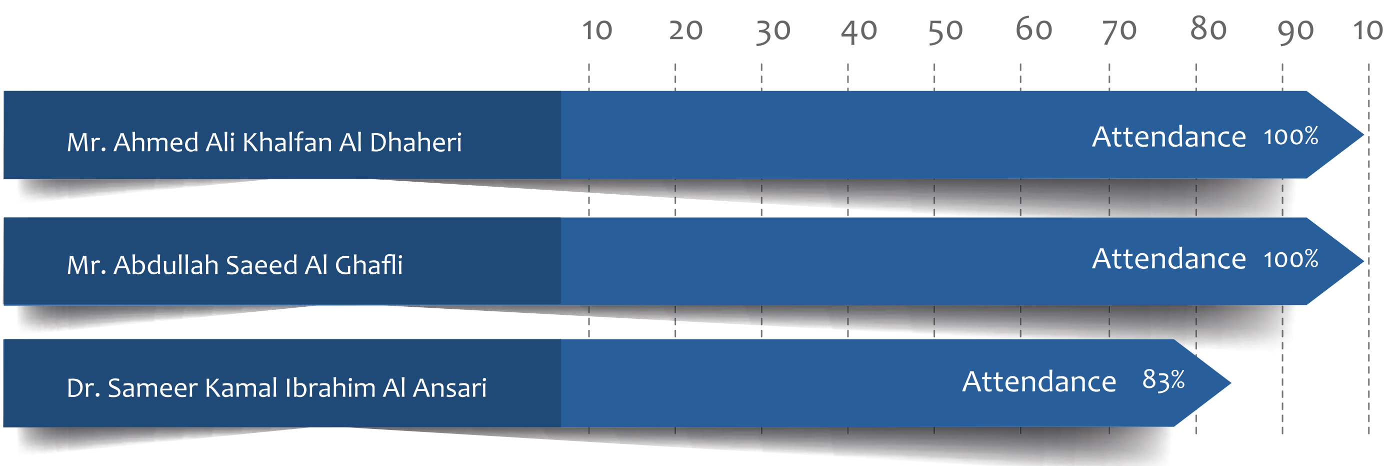
NAME	CATEGORY IN BOD	POSITION IN THE COMMITTEE
Mr. Ahmed Ali Khalfan Al Dhaheri	Independent non-executive	Chairman
Mr. Abdullah Saeed Al Ghafli	Independent non-executive	Member
Dr. Sameer Kamal Ibrahim Al Ansari	Independent non-executive	Member

C. Audit Committee meetings held in 2023

The audit committee held six (6) meetings in 2023 summarized as follows



Below are the attendance details of the audit committee members:



D. Activities and areas discussed and approved by the Audit Committee

- Recommended the approval of the board of the quarterly and year-end financial statements.
- Quarterly discussed key financial matters and its accounting treatment with the external auditors and acknowledged the auditor conclusion regarding these areas, examples of these areas are impairment of goodwill and revenue recognition.
- Quarterly discussed and acknowledged the external auditor independence including consideration to other services provided by the external auditor. All other services provided by the external auditor are agreed upon procedures engagements with no impact on their independence.
- Recommended the reappointment of the external auditor to the board of directors based on external auditor performance evaluation process. The reappointment considered the rotation regulations to change the auditor every six years. The appointment of the current external auditor can be renewed for 2 more years based on this regulation.
- Approved 2023 internal audit plan and its associated risk assessment.
- Discussed and acknowledged all the significant regulation and compliance matters.
- Discussed and acknowledged all the significant matters identified in the internal audit reports related to deficiencies in the controls.
- Approved the action plans included in all internal audit reports to introduce controls to mitigate identified risks. The audit committee monitors the progress of the implementation of these action plans on quarterly basis in coordination with the Head of Internal Audit Department.
- Quarterly discussed related party transactions and ensure its compliance with laws, regulations, and accounting standards requirements.

Signature of the Chairman of the Audit Committee

Date: 27 / 03 / 2024

6 | NOMINATION AND REMUNERATION COMMITTEE

A. Nomination and Remuneration Committee Chairman acknowledgement of his responsibilities

Dr. Ali Saeed Bin Harmel Al Dhaheri, Nomination and Remuneration Committee Chairman, acknowledges reviewing the committee's duties and ensuring its effectiveness and fulfillment of its obligations.

B. Nomination and Remuneration Committee members, roles, and responsibilities

The Nomination and Remuneration committee primarily oversees the independence of the Board's independent directors, the development of the remuneration policies for the Board, management and employees, the Corporation's recruiting needs, the development of HR policies, in addition to the Board of Directors nomination process.

NAME	CATEGORY IN BOD	POSITION IN THE COMMITTEE
Dr. Ali Saeed Bin Harmel Al Dhaheri	Independent non-executive	Chairman
Mr. Abdullah Saeed Al Ghafli	Independent non-executive	Member
Mr. Ahmed Ali Khalfan Al Dhaheri	Independent non-executive	Member

C. Annual board evaluation

BNRC has performed the annual board evaluation for year 2023 using 3 criteria's, governance, board culture and board operations and nothing significant issues came to the attention of the BNRC that need remedial actions and most of the evaluation items have been ranked as 'very satisfied'.

D. Nomination and Remuneration Committee meetings held in 2023

Five (5) meetings were held by the nomination and remuneration committee in 2023 summarized as follows:

Meeting	Date
1st	23 February 2023
2nd	2 March 2023
3rd	4 April 2023
4th	20 June 2023
5th	2 October 2023

Below are the attendance details of the nomination and remuneration committee members:

Member	Attendance
Dr. Ali Saeed Bin Harmel Al Dhaheri	100%
Mr. Abdullah Saeed Al Ghafli	100%
Mr. Ahmed Ali Khalfan Al Dhaheri	80%

7 | INSIDER SUPERVISORY COMMITTEE

A. Insider Committee Chairman acknowledgement of his responsibilities

Mr. Rizwan Qureshi acknowledges reviewing the committee’s duties and ensuring its effectiveness and fulfillment of its obligations.

B. Insider Committee members, roles, and responsibilities

NAME	POSITION IN THE COMMITTEE
Mr. Rizwan Qureshi	Chairman
Mr. Haitham Hariri	Vice Chairman
Mr. Mottaz Alaneed	Member and Committee Secretary

C. Insider Committee meetings held in 2023

Four (4) meetings were held by the Insider committee in 2023 summarized as follows:

1st	2nd	3rd	4th
28 February 2023	10 April 2023	10 July 2023	18 October 2023

D. Summary of Insider Committee work report during 2023

- Making recommendations to the Board of Directors regarding the implementation of the Corporation policies and procedures for the Board members and employees’ transactions in the Corporation’s shares.
- Prepare a special and comprehensive register for all insiders.
- Manage, monitor and supervise the transactions of insiders as well as reviewing the disclosures and transactions request.
- Ensure to comply with the disclosures and transparency regulations.
- Reporting to the financial markets of the insiders list and their trades.

8 | INVESTMENT AND RISK COMMITTEE

A. Investment and Risk Committee Chairman acknowledgement of his responsibilities

Mr. Dhafer Al-Ahbabi acknowledges his responsibility for reviewing the committee's duties and ensuring its effectiveness and fulfillment of its obligations.

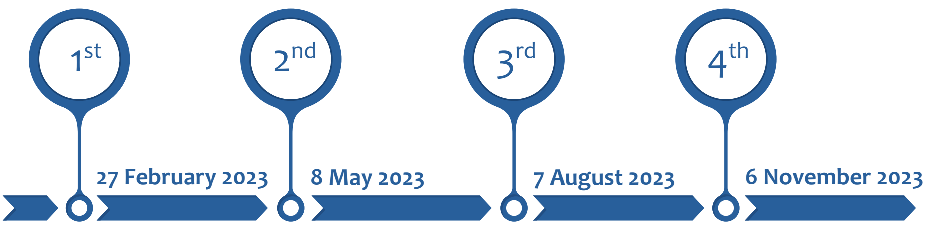
B. Investment and Risk Committee members, roles, and responsibilities

The investment and risk committee oversees the investment initiatives and related risks, the Corporation's investment portfolio management, the investment strategy and performance, in addition to compliance to investment related laws and regulations.

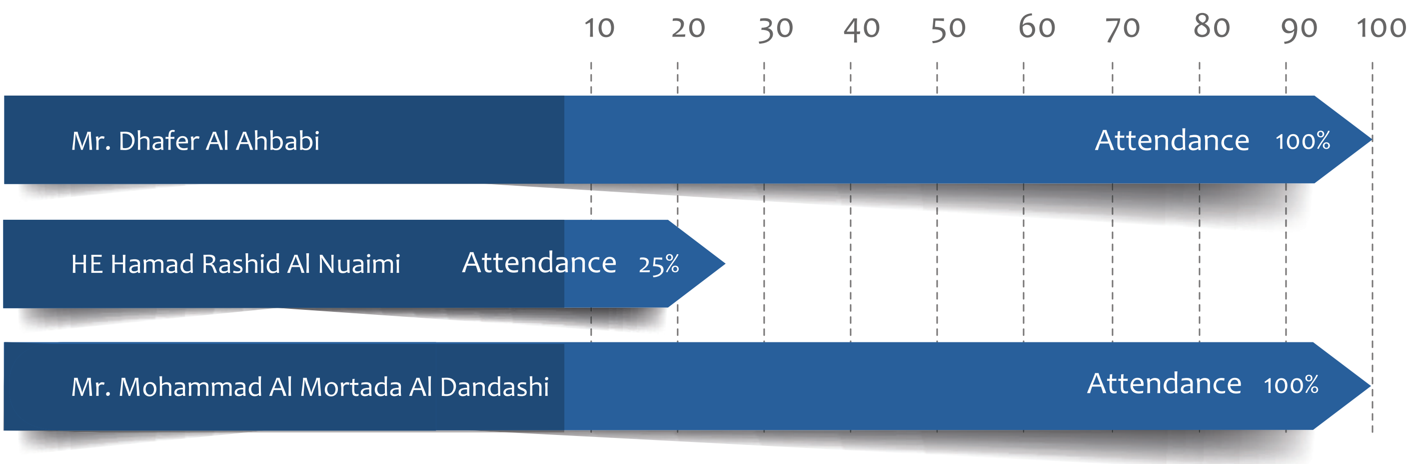
NAME	CATEGORY IN BOD	POSITION IN THE COMMITTEE
Mr. Dhafer Al-Ahbabi	Independent non-executive	Chairman
HE Hamad Rashid Al Nuaimi	Independent non-executive	Member
Mr. Mohammad Al Mortada Al Dandashi	Executive	Member

C. Investment and Risk Committee meetings held in 2023

Four (4) meetings were held by the investment and risk committee in 2023 summarized as follows:



Below are the attendance details of the investment and risk committee members:



9 | INTERNAL CONTROL FRAMEWORK

A. Board of Directors acknowledgement of his responsibilities

Board of Directors bears the responsibility of the internal control framework and oversees its implementation and effectiveness through the audit committee.

C. Head of Internal Audit brief

Mr. Haitham El Hariri joined the Company in January 2021 as Head of Internal Audit and holds the following qualifications:

- Bachelor’s degree in accounting from the Cairo University.
- CPA certification from the American Institute of Public Accountants.
- CIA certification from the Institute of Internal Auditors.
- COSO Internal framework certificate.
- CISI certifications from the Chartered Institute for Securities & Investment.
- CFE certification from the Association of Certified Fraud Examiners.

B. Head of Internal Control - Risk and Compliance brief

Mr. Rizwan Qureshi joined the Company in March 2021 as Head of Risk and Compliance and holds the following qualifications:

- Bachelor’s degree in electrical and electronic engineering from King’s College, London
- Master’s degree in satellite communications from University College, London.
- CA certification from the Institute of Chartered Accountants in England and Wales.
- CISI certifications from the Chartered Institute for Securities & Investment.

D. How Internal Control Department dealt with major problems

The Corporation has adopted the “three lines of defense” principle in relation to corporate governance and risk management:

PROCESSES

1st Line of Defense

- Internal controls and compliance processes
- Embedded operational controls
- Resolving issues detected by above

MANAGEMENT ASSURANCE

2nd Line of Defense

- Identifying internal controls and compliance processes
- Monitoring above controls and processes
- Generate reports analyzing breaches in above

MANAGEMENT AND INDEPENDENT ASSURANCE

3rd Line of Defense

- Independent assessment of internal controls and compliance processes
- Raise reports analyzing breaches in above

The below diagram illustrates how the above was implemented in the Corporation:

AUDIT COMMITTEE

Internal Audit
Compliance
Governance

NOMINATION AND REMUNERATION COMMITTEE

Insider Supervisory committee (Internal Audit and Legal)

INVESTMENT AND RISK COMMITTEE

Executive Committee (Managing Director, CFO and CIO)

PROCESSES, PROCEDURES, POLICIES AND CONTROL

The Audit Committee oversees the audit process, the internal control system and the compliance with laws and regulations through technical supervision of the internal audit department, and reviewing the results of the internal audit reports, evaluating the adequacy of the internal control systems applied within the company and ensuring the company's compliance with laws, policies, regulations and instructions.

E. Number of reports issued by the Internal Audit Department

The Internal Audit submitted fourteen reports to the Board of Directors during 2023.

10 | VIOLATIONS COMMITTED DURING 2023

During 2023, a subsidiary of Al Ramz Corporation Investment and Development PJSC was fined for matters pertaining to 2022 and earlier.

11 | CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENTAL PROTECTION

Upon return to the office, we have focused our efforts on preserving paper. This was done by implementing a central printer that requires employee ID for access. The amount of paper printed is also tracked per session. As for corporate social responsibility, we have not yet begun this process.

12 | **GENERAL** INFORMATION

A. The Corporation shares' end of month prices in 2023v

This data is courtesy of Thomson Reuters EIKON (AVG 2,028,721)

LOWEST PRICE	:	1.10
HIGHEST PRICE	:	1.19
CLOSING PRICE	:	1.10
TRADE VOLUME (No. of shares)	:	113,950
PERCENTAGE CHANGE	:	-4.35%

JANUARY 2023

LOWEST PRICE	:	1.04
HIGHEST PRICE	:	1.13
CLOSING PRICE	:	1.04
TRADE VOLUME (No. of shares)	:	1,410,000
PERCENTAGE CHANGE	:	-7.96%

FEBRUARY 2023

LOWEST PRICE	:	1.04
HIGHEST PRICE	:	1.24
CLOSING PRICE	:	1.24
TRADE VOLUME (No. of shares)	:	1,530,000
PERCENTAGE CHANGE	:	+10.7%

MARCH 2023

LOWEST PRICE	:	1.10
HIGHEST PRICE	:	1.24
CLOSING PRICE	:	1.24
TRADE VOLUME (No. of shares)	:	3,280,000
PERCENTAGE CHANGE	:	+10.7%

APRIL 2023

LOWEST PRICE	:	1.24
HIGHEST PRICE	:	1.49
CLOSING PRICE	:	1.30
TRADE VOLUME (No. of shares)	:	2,460,000
PERCENTAGE CHANGE	:	-8.45%

MAY 2023

LOWEST PRICE	:	1.08
HIGHEST PRICE	:	1.30
CLOSING PRICE	:	1.30
TRADE VOLUME (No. of shares)	:	5,800,000
PERCENTAGE CHANGE	:	0.00%

JUNE 2023

LOWEST PRICE	:	1.25
HIGHEST PRICE	:	1.43
CLOSING PRICE	:	1.42
TRADE VOLUME (No. of shares)	:	2,180,000
PERCENTAGE CHANGE	:	+13.6%

JULY 2023

LOWEST PRICE	:	1.28
HIGHEST PRICE	:	1.50
CLOSING PRICE	:	1.47
TRADE VOLUME (No. of shares)	:	450,600
PERCENTAGE CHANGE	:	+3.52%

AUGUST 2023

LOWEST PRICE	:	1.38
HIGHEST PRICE	:	1.55
CLOSING PRICE	:	1.55
TRADE VOLUME (No. of shares)	:	2,110,000
PERCENTAGE CHANGE	:	+3.33%

SEPTEMBER 2023

LOWEST PRICE	:	1.52
HIGHEST PRICE	:	1.52
CLOSING PRICE	:	1.52
TRADE VOLUME (No. of shares)	:	10,000
PERCENTAGE CHANGE	:	0.00%

OCTOBER 2023

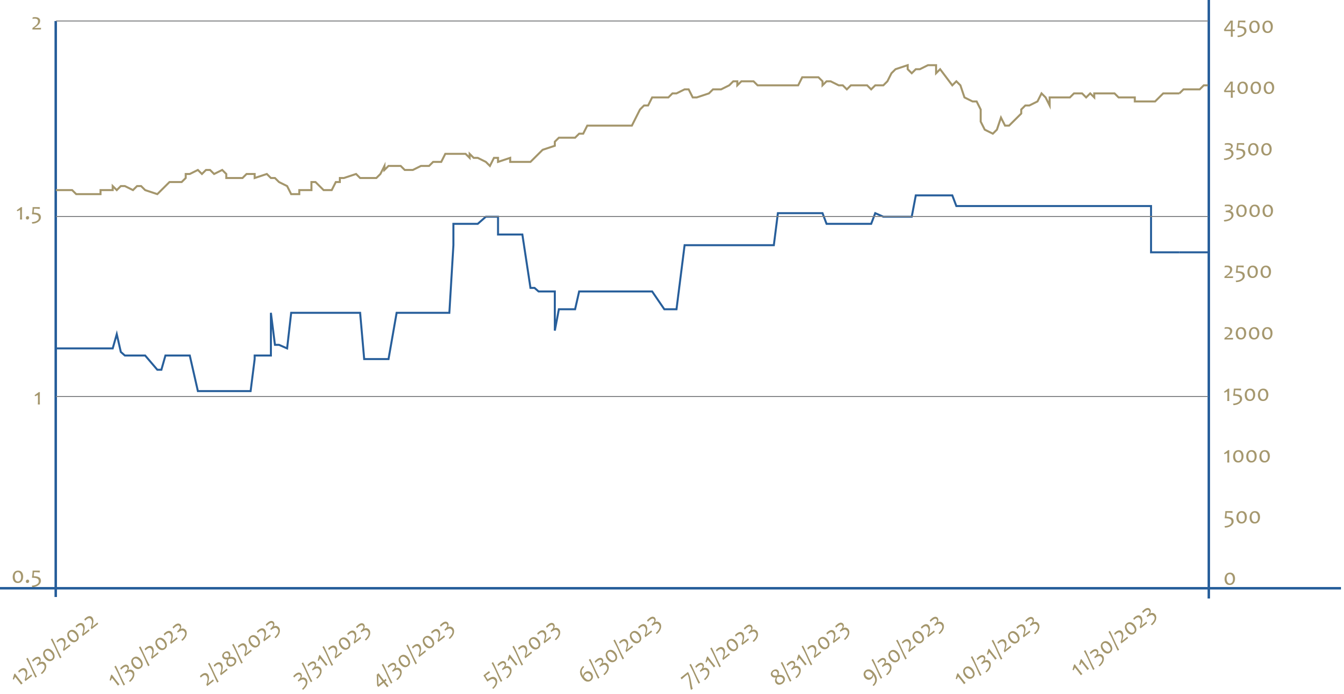
LOWEST PRICE	:	1.52
HIGHEST PRICE	:	1.52
CLOSING PRICE	:	1.52
TRADE VOLUME (No. of shares)	:	100
PERCENTAGE CHANGE	:	0.00%

NOVEMBER 2023

LOWEST PRICE	:	1.40
HIGHEST PRICE	:	1.40
CLOSING PRICE	:	1.40
TRADE VOLUME (No. of shares)	:	5,000,000
PERCENTAGE CHANGE	:	0.00%

DECEMBER 2023

B. The Corporation shares' performance against the market index in 2023



This data is courtesy of Thomson Reuters EIKON

C. Shareholders dividends as of 31 December 2023

Shareholder category	Individual	Corporate	Bank	Other	
Local	45.3611%	37.1686%	0.1081%	-	82.6378%
GCC	0.0029%	0.0673%		-	0.0702%
Arab world	16.9140%			-	16.9140%
Rest of the world	0.3780%			-	0.3780%
Total	62.656%	37.2359%	0.1081%	-	100.00%

D. Shareholders owning 5% or more of the Corporation shares as of 31 December 2023

NAME	SHARES OWNED	PERCENTAGE OF SHARES OWNED TO THE TOTAL SHARE CAPITAL
H.H. Sheikh Nahyan Bin Zayed Al Nahyan	96,492,949	17.5469%
Summit Investment Holdings	84,900,000	15.4387%
Mohammad Almortada Mohammad Aldandashi	84,487,379	15.3637%
Saeed Eid Saeed Alghafli	48,270,275	8.7778%
Al Wathba National Insurance Company	43,629,685	7.9339%
Mohammad Bin Ahmad Bin Saeed Alqassimi	36,459,161	6.6300%

E. Shareholders according to shares owned as of 31 December 2023

OWNERSHIP (SHARE)	NO. OF SHAREHOLDERS	SHARES OWNED	PERCENTAGE OF SHARES OWNED TO THE TOTAL SHARE CAPITAL
Less than 50,000	129	1,542,474	0.2786
From 50,000 to 500,000	24	3,201,853	0.5823
From 500,000 to 5 million	14	23,369,713	4.2497
More than 5 million	15	521,801,818	94.8894
	182	549,915,858	100%

F. Process related to the investors relations

Mr. Anas Salameh has been appointed as the Investor Relations Officer on 12 December 2021 and can be contacted via the following methods. The Investor Relations Website is currently under development and shall be announced upon completion.

- Email: IR@ALRAMZ.AE
- Landline: 02-6118855
- Fax: 02-6262444

G. Special resolutions submitted to the 2023 General Meeting

There was no special resolutions during the year of 2023 General Meeting.

H. Board Secretary

Name	Appointment Date	Qualifications
Mr. Haitham El Hariri	From 1 August 2022 Acting Board Secretary	• Bachelor's degree in accounting from the Cairo University • CPA certification from the American Institute of Certified Public Accountants • CIA certification from the Institute of Internal Auditors • CISI certifications from the Chartered Institute for Securities & Investment. • COSO internal framework certificate • CFE certificate from Association of Certified Fraud Examiners

Statement of the Board secretary duties during the year:

- Contacting all members to make sure they attend the meeting either in person or through this mechanism.
- Prepare meeting agenda, taking in consideration the followings:

1. Specifying the date of invitation to all members of the Board of Directors to the meeting, the method of summoning, the place of meeting, and the start and end time of the meeting.
2. Confirming the attendance of the present members.
3. Confirming the delegation for the absent member, in case of delegation by one of the Board of Directors members to another member.
4. Recording the absent members and justifications for non-attendance, "if any."

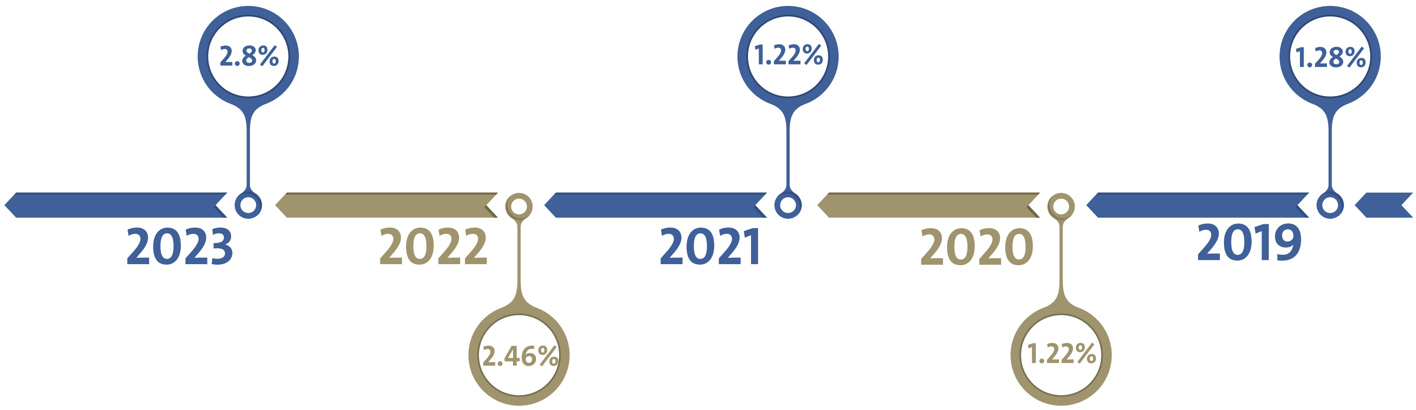
I. Key events during 2023

- In February 2023, Al Ramz has launched its proprietary end to end platform, offering digital onboarding, EIPO and access to UAE, Bahrain and Oman stock markets.
- In 2023, Al Ramz partnered with DFM to offer complete digital onboarding of clients through DFM application.
- From Jan to March 2023, Al Ramz provided trading to its market making partner in Oman, Ubhar Capital team on market making and liquidity providing activities.
- On 10 February 2023, United Arab Bank PJSC, United Arab Bank appointed Al Ramz Capital as a liquidity provider for its shares.
- On 28 March 2023, Al Ramz AGM approved distributing cash dividends of 6 fils. On 16 March 2023, Shuaa Capital appointed Al Ramz Capital as a liquidity provider on its share.
- In May 2023, Al Ramz and ADX partnered to facilitate instant access to IPO subscription.
- During 2023, Amanat Holding and RAKCE renewed the appointment of Al Ramz Capital as liquidity provider on their shares.
- On 12 May 2023, Al Ramz announced the appointment of two new Group CEOs, as part of its ongoing efforts to strengthen its leadership team. Haisam Odeimeh has been appointed as the new Group CEO for Financial Services, while Karim Schoeib will serve as the Group CEO for Investment Banking.
- In November 2023, Al Ramz appointed Yazan Abdeen, as the Chief Executive Officer of Asset Management.
- In December 2023, Al Ramz participated in DFM initiative for testing carbon credit trading.
- Al Ramz approved the long term strategy that was developed in collaboration with BCG.
- Al Ramz approved the plan created by AON Maclagen in relation to benchmarking of compensation.

J. A statement of deals that the company made with related parties during the year 2023, which are equal to 5% or more of the company's capital

There are no deals with related parties during the year 2023 equal to 5% or more of the company's capital.

K. Emiratization percentage as of end of 2023



L. Creative and leading projects initiated by the Corporation

- Al Ramz has achieved a significant milestone by launching its new proprietary end-to-end platform, offering clients a fully integrated journey from onboarding to transaction execution, all within a seamless digital experience accessible through Web and Mobile (iOS and Android) channels. The platform boasts tailor-made features such as full digital onboarding, manual login & face ID, watchlist management, local and international equities trading, portfolio management, market insights, tutorials, a community feed exclusive for posts from AL Ramz technical trading and research team, a single cash pool account concept, and EIPO access. Additional features are slated for release in Q1-24 and Q2-24.

- Al Ramz has successfully automated the creation of NIN and Trading Accounts by integrating with DFM and ADX markets, streamlining the onboarding process for new users on its proprietary platform.

- The completion of Phase 1 of the Robo Advisory feature by Al Ramz marks a significant advancement, allowing customers to create discretionary or non-discretionary portfolios tailored to their risk appetite, investment horizon, and investment strategy. Phase 2 development is underway, enabling users to invest in generated portfolios, leveraging AI and machine learning algorithms, with an expected launch in Q2-24.

- Al Ramz has initiated the development of Social Trading and Copy Book features, enhancing the trading experience by enabling users to follow and replicate the strategies of successful traders, fostering a collaborative environment.

- Al Ramz has launched the Funds Supermart initiative, granting customers access to global mutual funds via the new proprietary platform.

- In preparation for future growth and scalability, Al Ramz has upgraded its IP Telephony to the latest available technology.

- The implementation of an outsourced NOC (Network Operations Center) and SOC (Security Operations Center) by Al Ramz is nearing completion, aimed at enhancing IT operations processes and ensuring network and systems availability.

- Al Ramz has commenced the Oracle 19C upgrade project, aimed at modernizing the database infrastructure to support future growth, provide scalability, redundancy, and migrate non-critical applications to the cloud.

- Al Ramz is actively pursuing various AI generative initiatives, which will be integrated into the new proprietary platform through the Robo Advisory feature. Additionally, internal initiatives are underway, focusing on revenue generation, increased efficiency, productivity, and enhancing customer experience.

- Al Ramz has collaborated with NAFIS with the purpose of attracting fresh UAE national graduates to join Al Ramz and successfully onboarded 3 UAE nationals to date.

- The partnership with American University of Sharjah proved to be a very successful initiative that has resulted in onboarding Fresh graduates in 2023 in different departments.

- Al Ramz is actively working with DFM and ADX to automate the onboarding process of customers using state of the art technology.

- Al Ramz created Robots division.

- BCG was engaged to develop the Al Ramz Group Strategy 2027, which aimed at identifying new growth areas, defending brokerage & solidifying business models in AM & Advisory, and stabilizing income & maintaining financial performance. The project was completed in May-23.

Signature of the Chairman of the Board	Signature of the Audit Committee Chairman	Signature of the Nomination and Remuneration Committee Chairman	Signature of the Internal Control Department Director
Date: 27 / 03 / 2024	Date: 27 / 03 / 2024	Date: 27 / 03 / 2024	Date: 27 / 03 / 2024

SUSTAINABILITY
REPORT

2023

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01

A NOTE FROM OUR CHAIRMAN

A PLEDGE TO SUSTAINABLE EXCELLENCE

It gives me great pleasure to unveil the Al Ramz Sustainability Report, a comprehensive document that reflects our dedication to integrating sustainable practices into the very fabric of our operations. This report encapsulates our endeavors to enhance sustainability not only within our business practices and amongst our valued employees but also in our interactions with the wider environment. As a pioneering financial institution with a global vision, we are fully aware of our role in leading these initiatives and maintaining transparency with all our stakeholders.

At Al Ramz, our journey is marked by a resolute commitment to uphold a culture that understands the importance of compliance, ethical integrity, and meticulous risk management. This steadfast commitment is the cornerstone of our efforts to establish robust corporate governance, nurture a diverse and equitable workplace, and conserve the environment for the benefit of future generations.

Our pursuit of sustainability is an evolving journey, seamlessly woven into the strategic tapestry of our business. We are resolved to broaden our sustainability efforts and foster an ethos of enduring responsibility. As we move forward, we will continue to monitor our progress meticulously and endorse initiatives that propel us towards being a fully sustainable organization.

I extend my heartfelt gratitude for your engagement with our 2023 Sustainability Report. Leading Al Ramz in its mission to cultivate workplaces and communities that are not only thriving but also deeply conscious of their footprint is a privilege. I eagerly anticipate sharing our continued strides in sustainability with you in the reports to come.

With sincere regards,

Mr. Dhafer Sahmi Al Ahbabi
Chairman of the Board of Directors

02
AL RAMZ
AT A GLANCE

FOUNDED IN
1998

Al Ramz is a UAE domiciled public joint stock company listed on the Dubai Financial Market and regulated by the UAE Securities and Commodities Authority as well as the Dubai Financial Services Authority.

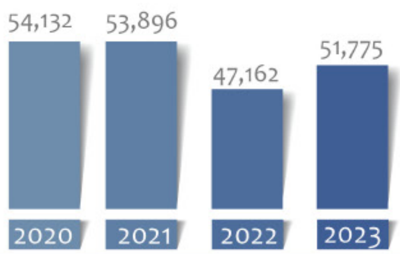
Al Ramz plays a prominent role in shaping the UAE's financial markets and has earned multiple awards.

REVERSE AQUISITION

2016 YEAR

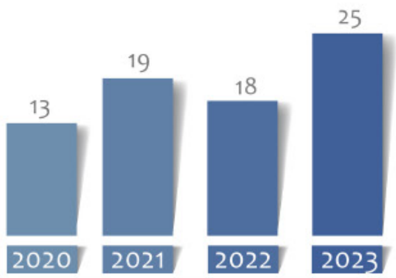
CUSTOMER BASE

52K CUSTOMERS



CUSTOMER ASSETS

AED 25 BN



MULTIPLE PEER AQUISITIONS

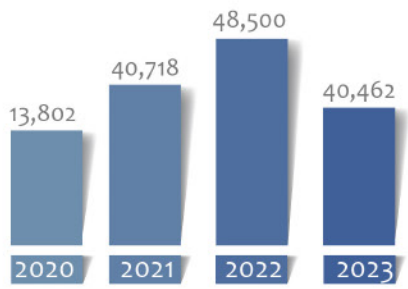
2010, 2019, 2022 YEAR

DERIVATIVES MARKET MAKER

2016 YEAR

CAPITAL MARKETS

40.5BN FLOWS



AL RAMZ
OFFERING

Al Ramz offers a wide range of financial products including asset management, market making and liquidity providing, corporate finance, securities brokerage, IPO management and research.

The company continues to grow its offering with the purpose of providing all investment banking services to our current and future clients.

A BRIEF OVERVIEW OF AL RAMZ BUSINESS LINES AND REVENUE CONTRIBUTION

PRIME BROKERAGE

- Reaching 52K customer accounts
- Market share of ~3.3% in the UAE
- Equities, fixed income and derivatives

SINCE 2001

CORPORATE FINANCE

- Leader in mergers, acquisitions, valuations, restructuring, public and private offerings and underwriting

SINCE 2010

COLLATERALIZED MARGINS

- A leading margin provider in the UAE by value
- Asset-based financing

SINCE 2012

MARKET MAKING

- A leading UAE market maker and liquidity provider
- Nasdaq derivatives

SINCE 2016

ASSET AND FUND MANAGEMENT

- Managed assets of AED 1.5 bn
- UAE's sole Dirham based Money Market Fund

SINCE 2016

PROPRIETARY PORTFOLIO

- Non-trading portfolio
- Strategic holdings promoting revenue growth of business lines within Al Ramz

OUR VISION, MISSION
AND VALUES

Our clients' successes and the firm's growth and recognition are fundamentally attributable to the quality of our people — their intellect, their drive, and their vision.

VISION

To consistently set standards as a progressive, financially successful organization of the highest integrity, respected by our clients, by our colleagues and by the community.

MISSION

To contribute to national growth by creating and unlocking stakeholder value and building long-lasting partnerships with our customers by:

- Cutting through complexities paving the way for responsible investing.
- Offering uncompromising service to our clients.
- Creating a positive economic impact in our community.

VALUES

Value Creation

We create and unlock value for our customers and stakeholders.

Collaboration

We work together to bring out the best in each other and create successful working relationships.

Integrity

We uphold the highest standards and rigorously maintain our independence.

Ingenuity

We are creative, resourceful and perceptive in our duties.

03

OUR COMMITMENT TO SUSTAINABLE TRANSFORMATION

Since 2019, Al Ramz has been on a transformative multi-year journey to redefine our industry standing, expand our service offerings, and fortify sustainable growth with a unique corporate identity. Throughout this journey, we've pinpointed three core areas to ensure Al Ramz's enduring sustainability.

These main areas include:

Social Responsibility: Investing in Our People

Fostering a workplace culture that prioritizes personal and professional development.

Governance and Risk Management: Upholding Integrity

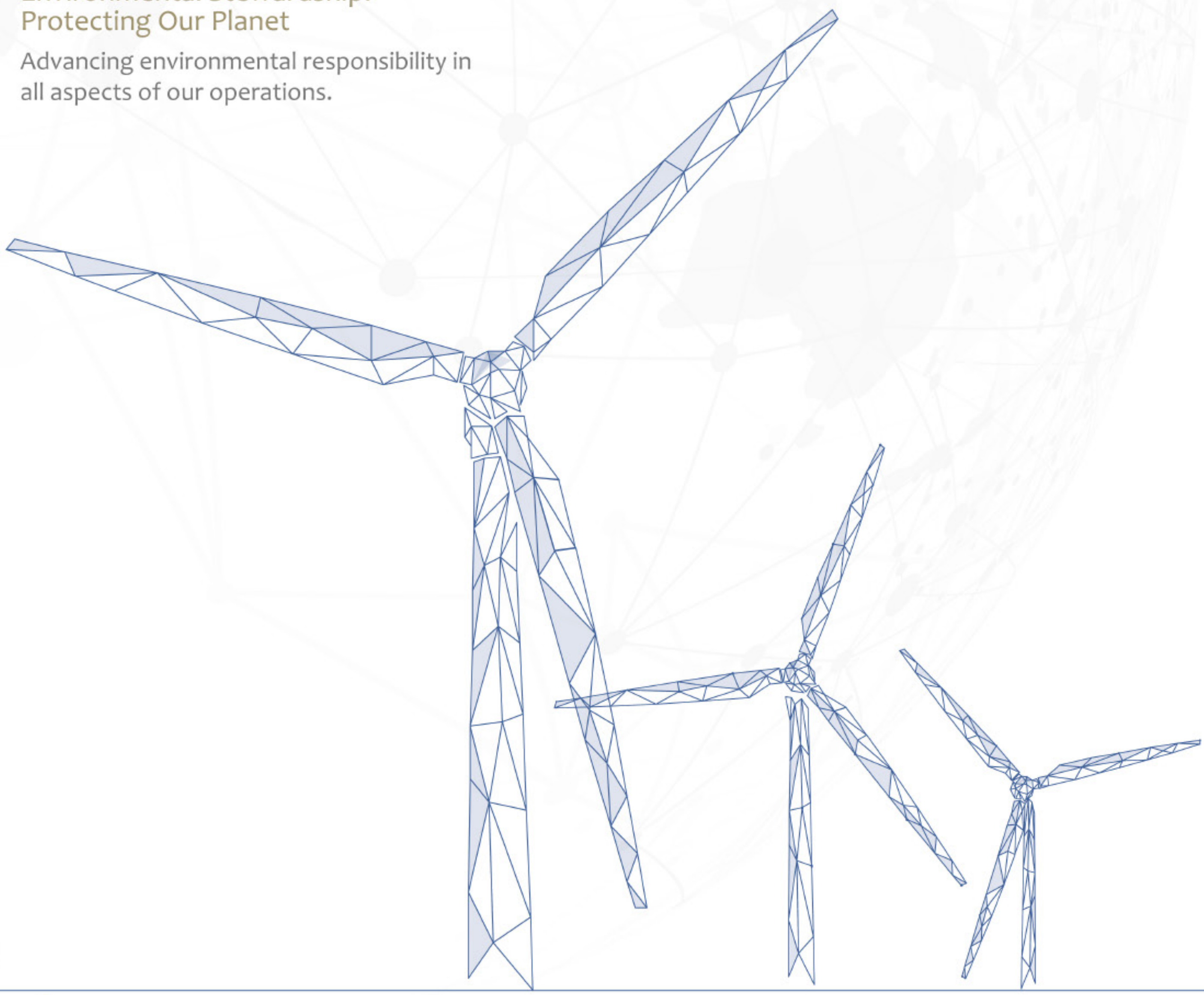
Implementing robust governance frameworks to navigate risks and opportunities.

Environmental Stewardship: Protecting Our Planet

Advancing environmental responsibility in all aspects of our operations.

WE BELIEVE

At Al Ramz, we are steadfast in our conviction that mindful stewardship of Environmental, Social, and Governance (ESG) responsibilities is foundational to our enduring success, the prosperity of our stakeholders, and the welfare of the communities we serve.



Progress Through Insight:

Our ESG initiatives are continuously refined by assimilating insights from comprehensive ESG diagnostics and stakeholder feedback.

01 Human Capital Management Strategy

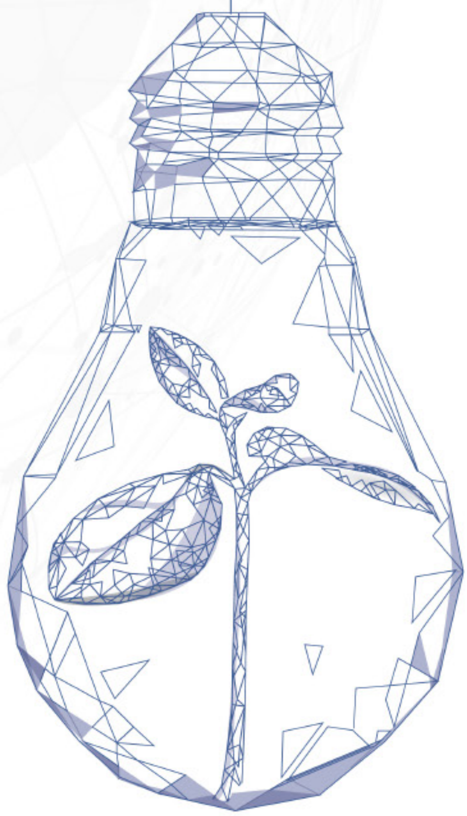
02 Talent Lifecycle:
- Acquisition
- Empowerment through Learning and Development

03 Diversity, Equity, and Inclusion:
- Emiratization Initiative

04 Employee Recognition Programs

05 Governance Frameworks and Risk Management

06 Proactive Environmental Engagement



04

OUR APPROACH TO HUMAN CAPITAL MANAGEMENT

HUMAN CAPITAL:
THE CORNERSTONE OF OUR SUCCESS

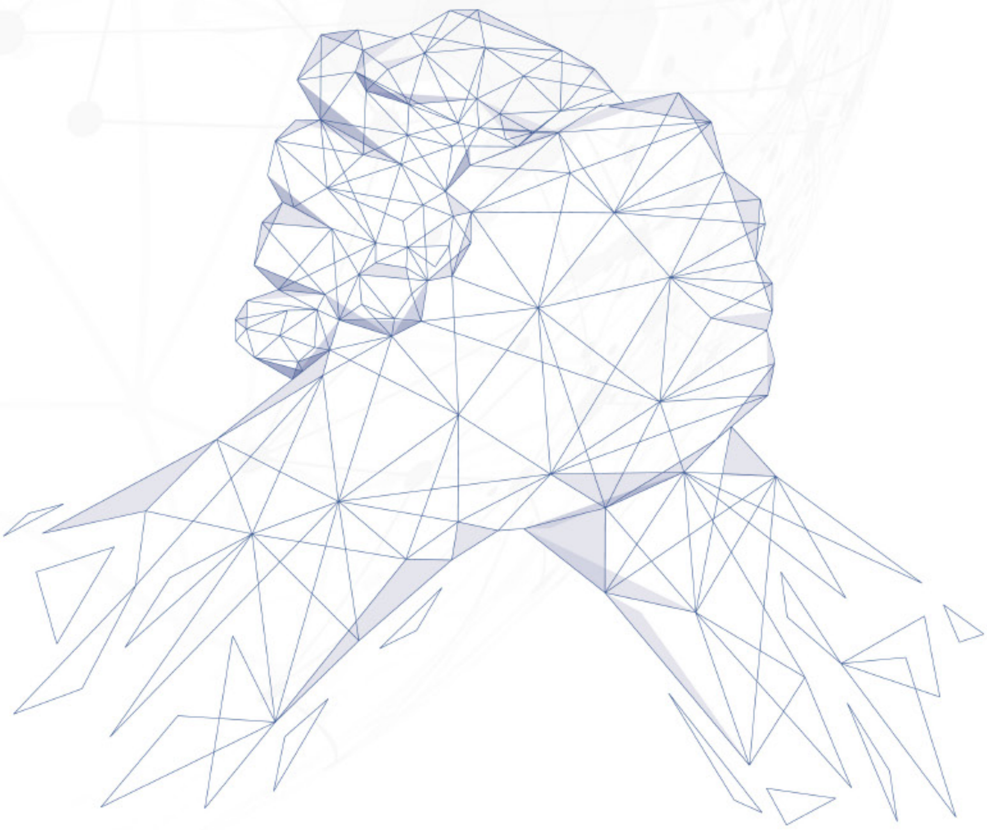
In 2023, Al Ramz's Human Capital department expanded its capabilities to align with the evolving needs of our dynamic business landscape. This department is pivotal, influencing every facet of our organization by spearheading initiatives in recruitment, talent development, performance management, and compensation strategies.

It further nurtures growth through career advancement opportunities, mentorship programs, and a culture that celebrates achievement and innovation.

We've refined our onboarding experience, equipping new team members with the tools, insights, and support essential for success. Our investment in our people is evident through our commitment to professional development, encompassing certification sponsorships and comprehensive training programs designed to cultivate the next generation of leadership.

All Human Capital initiatives in 2023 were meticulously aligned with the UAE Labour Law, our internal policy framework, and a robust code of ethics, reflecting our dedication to operational excellence and ethical business practices.

We meticulously select talent based on a holistic evaluation of educational background, prior experience, ethical conduct, and alignment with our core values, ensuring that each new member is poised to contribute meaningfully to our collective goals.



STRATEGIC
EMPLOYEE RECRUITMENT

At Al Ramz, we are committed to cultivating leadership by hiring individuals who are not only qualified and experienced but also resonate with our core values and demonstrate a strong sense of accountability.

Our recruitment strategy is built on a foundation of diversity and equality, ensuring all candidates have fair access to opportunities. In 2023, we leveraged a broad spectrum of sources, including LinkedIn, recruitment agencies, career fairs, academic partnerships, and proactive outreach, to identify and attract exceptional talent.

Our ongoing Trainee Development Program, now in its fifth consecutive year, has been pivotal in shaping aspiring financial professionals. The program encompasses a 5-month departmental rotation, offering participants comprehensive training, mentorship, and support towards professional certifications. Performance evaluations guide mutual decisions on departmental placements, facilitating the alignment of talents and corporate goals.

We believe in a balanced approach to talent acquisition, valuing both technical excellence and cultural compatibility. Our objective is not just to hire for the present but to strategically invest in individuals who bring international perspectives and can contribute to our evolving global business narrative.

We target and onboard candidates of distinction, acknowledging that a diverse workforce enriches our corporate culture and enhances client service.

Our acquisition strategy is inclusive, recognizing the intrinsic value of varied backgrounds and experiences which fuels innovation and broadens our business perspective.

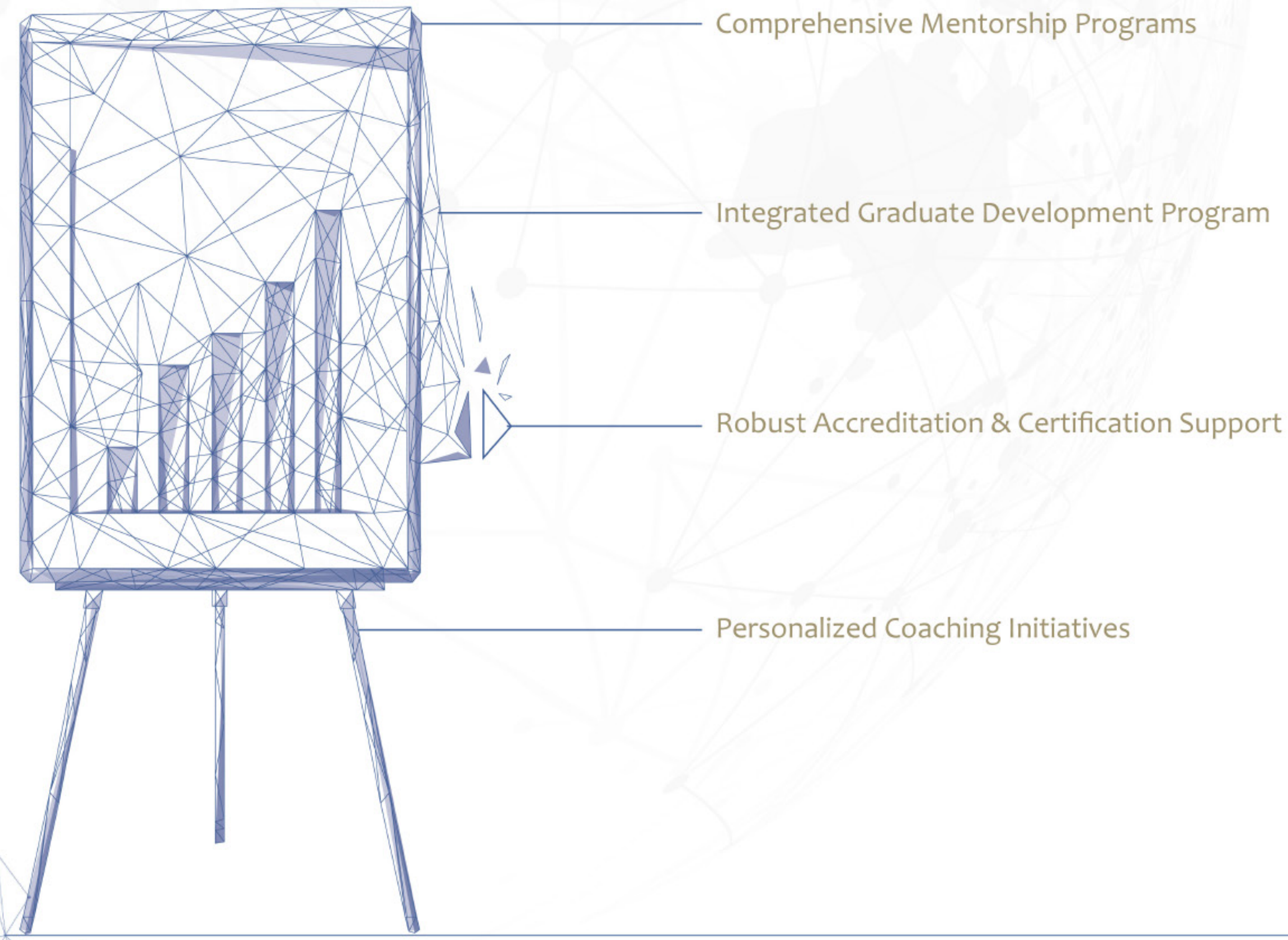
CULTIVATING EMPLOYEE EMPOWERMENT
THROUGH LEARNING AND DEVELOPMENT

In 2023, we prioritized the upskilling and professional growth of our staff to align with our strategic objectives, ensuring that each member is equipped for their role and engaged in continuous learning. We celebrated a milestone with all employees fulfilling their Continuing Professional Development (CPD) requirements and successfully completing mandatory training, including anti-money laundering measures.

Our commitment to certification was exemplified by 25 employees who met the Chartered Institute for Securities & Investment (CISI) exam criteria, with ten receiving direct accreditation from the Securities and Commodities Authority (SCA) and relevant markets.

We also concentrated on enhancing career progression through strategic initiatives such as structured departmental rotations, promoting internal mobility, and providing robust mentorship and coaching programs. These efforts are designed to forge leaders who are transformative, adaptive, and well-prepared to meet future challenges.

Our goal is to instill a transformative leadership ethos that empowers our employees to embrace growth and change, underpinned by a culture of accountability, ownership, and workplace autonomy. We're committed to fostering an environment that encourages continual development and innovation, ensuring our teams are consistently evolving and contributing to our collective progress.



COMMITMENT TO DIVERSITY, EQUITY, AND INCLUSION

Al Ramz is dedicated to cultivating a diverse and inclusive culture, recognizing that our strength lies in our collective differences. Our commitment to this cause is deep-rooted; we understand that diversity is not just about representation but about creating an environment where every employee feels valued and at home.

To actualize this, we maintain a rigorous review of our workforce composition, setting strategic diversity goals and employing a Human Resource Management System (HRMS) to track our progress. Our efforts have paid off, as evidenced by our workforce diversity, which encompassed 26 different nationalities by the end of 2023, including three newly represented nationalities.

EMIRATIZATION

Aligned with national objectives, our Emiratization strategy is designed to empower, develop, and elevate UAE nationals within our organization, fostering a diverse leadership pipeline that reflects our commitment to the local community and cultural integration.

Our drive for gender equity has also seen significant strides, with women now making up 33% of our workforce. Upholding gender equity and ensuring equal pay remain paramount in our policy-making.

In alignment with the UAE's Emiratization initiative, we've launched a dedicated program focused on the professional advancement of UAE nationals within Al Ramz. Our aim is to nurture their potential, equipping them with the skills to become influential leaders in the financial sector. To date, we have made considerable progress in this endeavor

As we move forward, we will continue to embrace diversity and expand our inclusion initiatives, confident in the belief that these values are integral to our long-term prosperity and the retention of a talented, dynamic workforce.

RECOGNITION

Our employees' performance objectives are aligned with the Group's strategy and business plan. We have a structured and robust performance appraisal process that measures our employees' performance based on their contribution to the achievement of goals and against behavioral expectations. At the beginning of the year, all employees' score cards are developed outlining key performance indicators that will be assessed at the end of the year and the weight that each component carries.

This allows employees to keep track of their targets and remedy where needed. This performance assessment process allows us to identify the potential of our employees and recognize outstanding individuals that deserve to be rewarded through promotions, salary increments and variable remuneration/ incentive schemes.

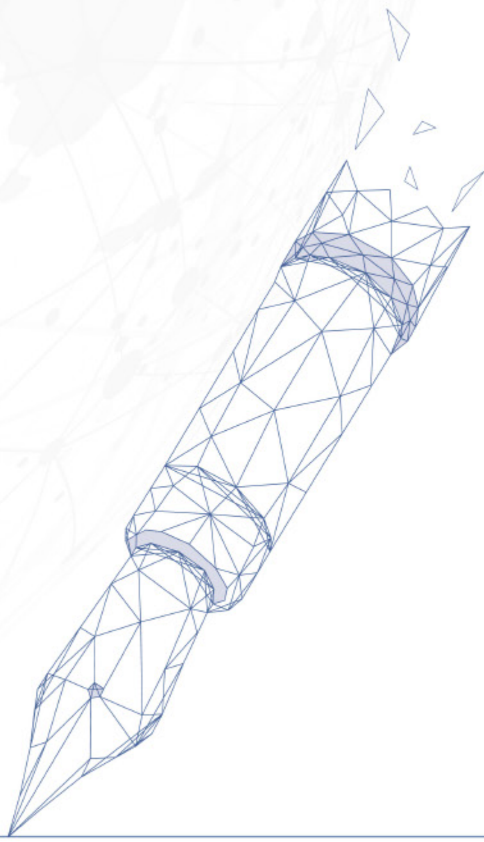
The company successfully completed a compensation benchmarking exercise to benchmark its current pay levels against a select group of peer firms and assess the gap to market on actual annual payouts across Revenue and Infrastructure departments. The results thereof will inform its reward strategy of 2024 onward based on best market practices.

A policy for spot awards has been established and granted to employees providing immediate recognition for exceptional effort through small monetary rewards.

HEALTH & WELL-BEING

At Al Ramz, we prioritize our employees' health and well-being which is why we offer a variety of benefits aside from vacation days.

Some of these benefits include medical and life insurance benefits, work from home policies, sick leave, parental leave, and compassionate leave in unfortunate incidents. We also provide our employees with study leave and sabbatical leave to allow them to pursue accreditation and higher education.



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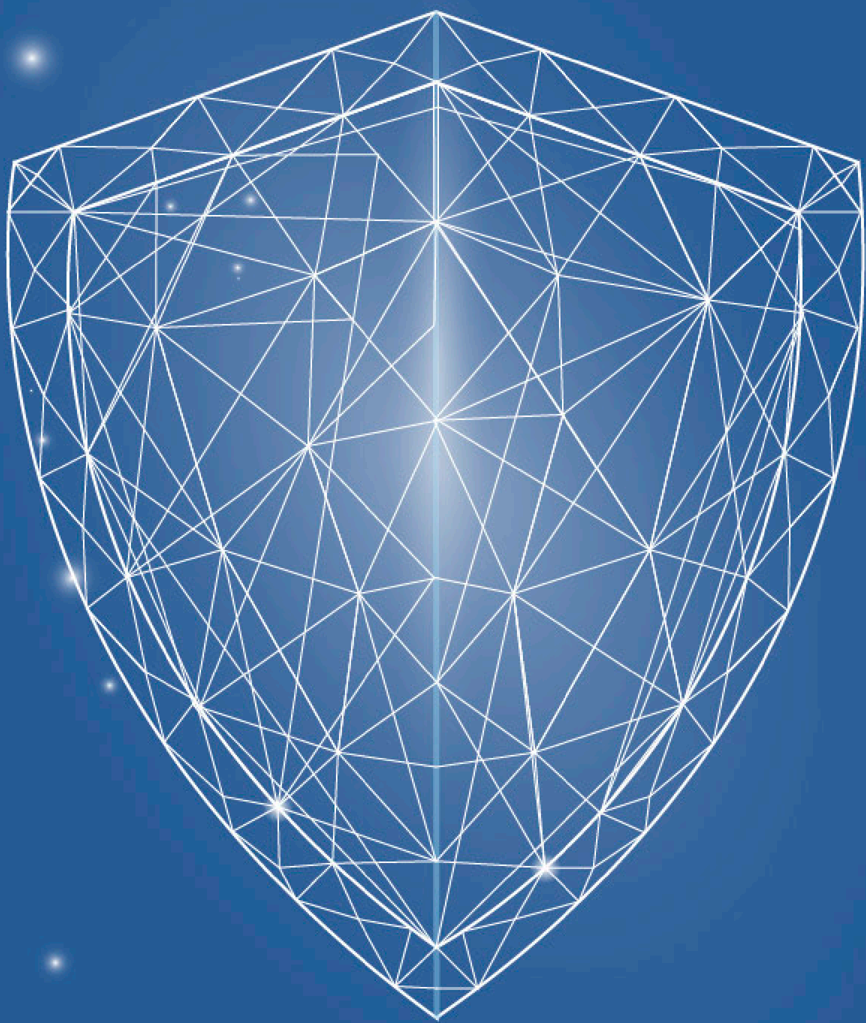
GOVERNANCE AND RISK MANAGEMENT



OUR SUCCESS REMAINS DEPENDENT ON AL RAMZ EMPLOYEES CONSISTENTLY WORKING TO ADVANCE OUR MISSION.

These efforts are enhanced by our organizational structures, risk management strategies, and consistent dialogue across our teams and with our senior leadership.

COMMITMENT TO GOOD GOVERNANCE

Strong commitment to upholding the principles of good corporate governance including transparency, accountability, responsibility, independence, and fairness throughout our business is paramount for the delivery of sustainable value for our stakeholders and the achievement of long-term growth.

Al Ramz corporate governance framework is comprised of policies, procedures, and systems that standardize all activities. This framework establishes clear and distinct separation of responsibilities for decision making. The framework is underpinned by our code of ethics and business conduct and overseen by management and board oversight committees as well as a clearly defined escalation framework.

Our Corporate Governance Framework includes the following components

Management Committees

- EXCO
- Initiatives
- Investment
- ALCO
- Risk
- Fund management
- Procurement
- Insider
- IT SteerCo
- Asset management

Group Board

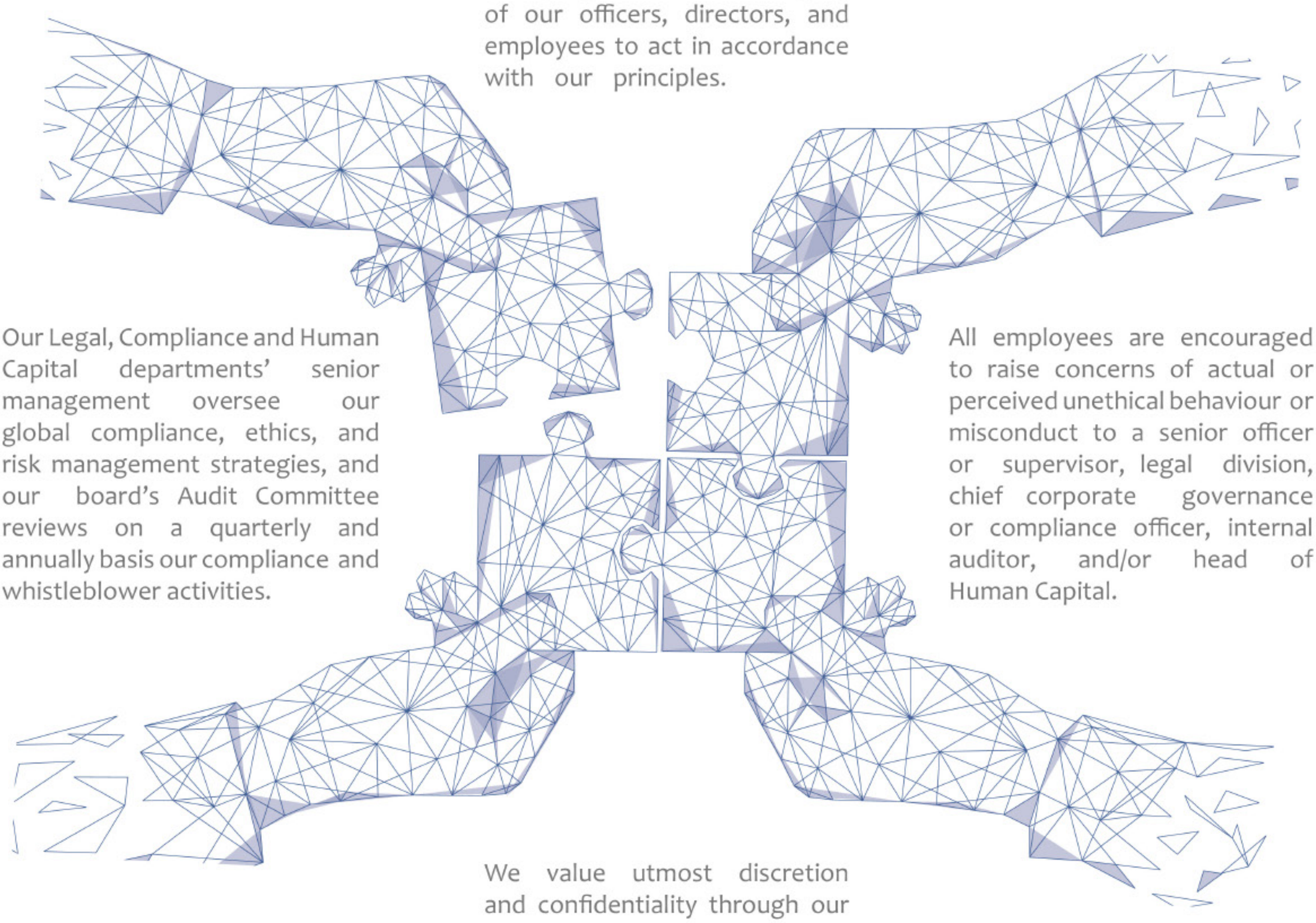
- Audit Committee
- Nomination and Renumeration Committee
- Investment and Risk Committee

PROFESSIONAL INTEGRITY
AND BUSINESS ETHICS

Our Code of Ethics and Business Conduct is the essential guide for all employees. It details our expectations for employee behavior, conduct, and compliance and is supplemented with specific policies for certain lines of business.

Annually, we conduct compliance training and certification programs to ensure that all our employees are familiar with the policies and procedures.

Our reputation depends on the judgement and integrity of our officers, directors, and employees to act in accordance with our principles.



Our Legal, Compliance and Human Capital departments' senior management oversee our global compliance, ethics, and risk management strategies, and our board's Audit Committee reviews on a quarterly and annually basis our compliance and whistleblower activities.

All employees are encouraged to raise concerns of actual or perceived unethical behaviour or misconduct to a senior officer or supervisor, legal division, chief corporate governance or compliance officer, internal auditor, and/or head of Human Capital.

We value utmost discretion and confidentiality through our whistleblowing policy.

AL RAMZ
CORE POLICIES

- PERSONAL / PRIVATE INVESTMENTS
- ANTI-MONEY LAUNDERING
- OUTSIDE BUSINESS ACTIVITIES
- CLIENT DUE DILIGENCE AND BACKGROUND CHECKS
- GIFTS AND ENTERTAINMENT
- COMPLIANCE MANUAL
- CONFLICTS OF INTEREST
- CODE OF ETHICS AND BUSINESS CONDUCT
- DATA PRIVACY / CONFIDENTIALITY / CYBERSECURITY
- COMMUNICATIONS AND PUBLIC / SOCIAL MEDIA
- ARCHIVING POLICIES AND PROCEDURES
- RESTRICTED LIST/ INSIDER TRADING
- RISK MANAGEMENT MANUAL

OPERATIONAL FRAMEWORK

Al Ramz employs the 3 Lines of Defense model. Within this model, the Board sets the direction of the group by defining the vision, mission, values, and risk appetite. It then delegates responsibility for the achievement of the organization's objectives to management. The governing body receives reports from management on planned, actual, and expected outcomes, as well as reports on risk and the management of risk.

Regulator

External Audit

Senior Management

1st LINE OF DEFENSE

- Business Lines
- Internal Control Measures

Business lines (process owners) have the primary responsibility to own and manage risks associated with day-to-day operational activities including design, operation, and implementation of controls.

Senior Management

2nd LINE OF DEFENSE

- Financial Control
- Legal
- Risk Management
- Information Technology
- Compliance

Identifies emerging risks in daily operation of the business by providing compliance and oversight in the form of frameworks, policies, tools, and techniques to support risk and compliance management such as delegation of authority and risk registers.

Governing Body/ Board/ Audit Committee

3rd LINE OF DEFENSE

- Internal Audit

Provides objective and independent assurance on whether the first-line and second-line functions are operating effectively and is charged with the duty of reporting to the board and audit committee, in addition to providing assurance to regulators and external auditors that the control culture across the organization is effective in its design and operation.

POLICIES
AND PROCEDURES

Our reputation depends on the judgement and integrity of our officers, directors, and employees to act in accordance with our principles.

The Code of Ethics and Business Conduct outlines the responsibility of each employee including compliance requirements, and to conduct themselves in accordance with the relevant laws, guidelines, policies and processes that apply to them.

The company, in turn, provides employees with necessary training and imposes certification requirements to ensure regulatory compliance.

To ensure that we are continuously informed of the latest regulations and industry standards, our employees are required to participate in targeted and tailored training programs that includes, but is not limited to, developments in the finance industry and internal ideal practices for continued compliant growth. We have also established an Ethics & Business conduct board whose duties include:

- Overseeing the implementation of the Code
- Providing regular training and educational materials to the employees
- Reporting any violations to the concerned management

A set of guiding principles and rules that indicate how we conduct business

- Group Delegation of Authority Framework
- Defines and governs the Group’s delegations of authority across subsidiaries and department financial and non-financial matters, powers of attorney and authorized signatories.
- Governance Monitoring / Audit
- Monitors whether employees are compliant with internal and external rules, regulations, policies and procedures.
- Our Code of Ethics & Business Conduct was officially launched in 2020 to be fully aligned with our new purpose and cultural values.

06

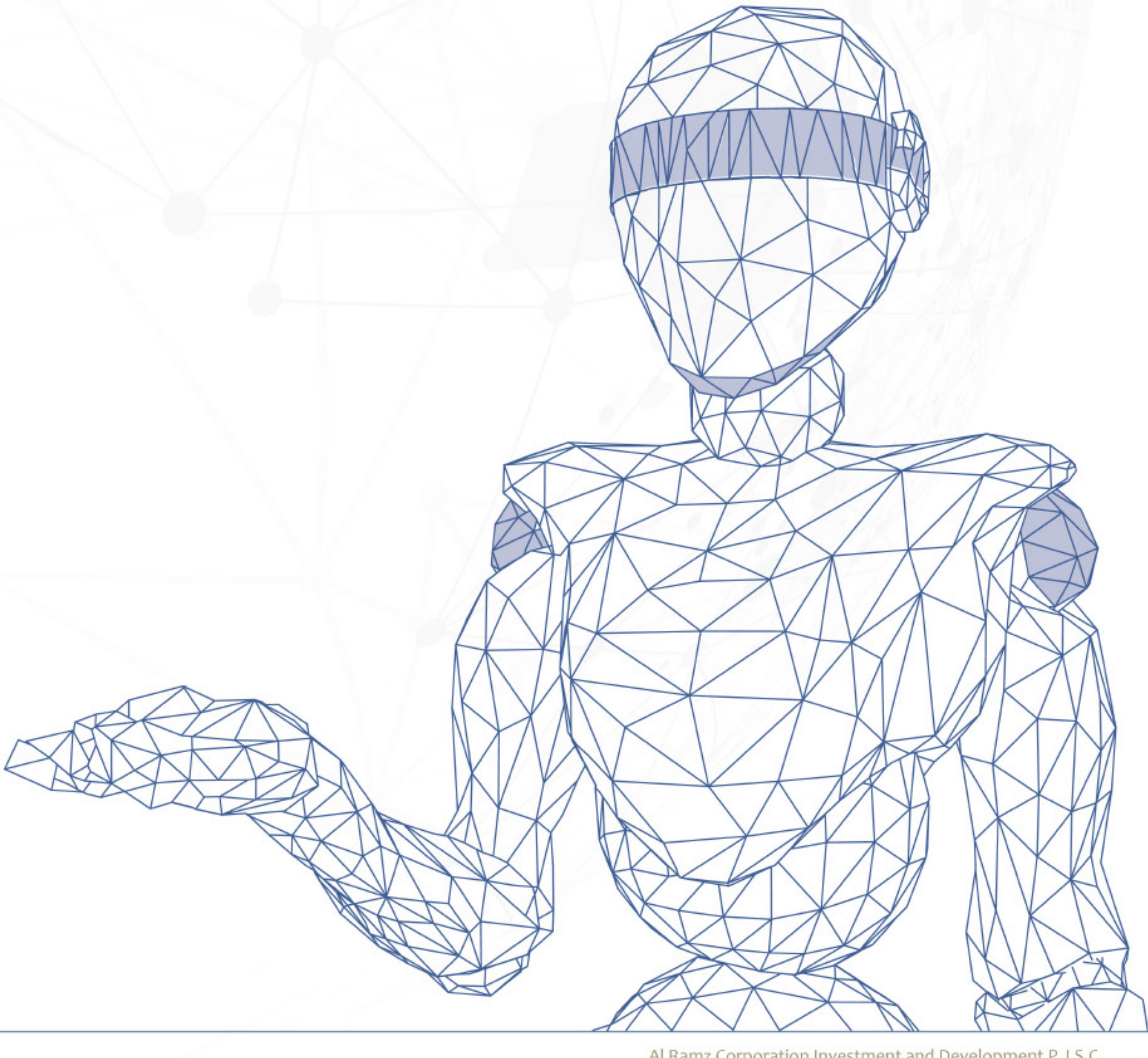
ENVIRONMENTAL ACTION

NAVIGATING THE FUTURE:
DIGITALIZATION AND TRANSFORMATION

Al Ramz's journey towards digitalization and automation has marked a significant leap forward in operational efficiency, drastically reducing manual tasks and minimizing errors. This shift has empowered our employees to pivot towards higher-value analytical work, optimizing our internal processes and enhancing our service offerings.

Our strategic overhaul of securities brokerage services, was launched in 2021. This advancement promises to extend our market reach and enrich the customer experience, signifying a pivotal step in our digital evolution.

In 2023, our Robo & Algo division made remarkable strides by deploying 10 advanced robots designed to streamline operations. These robots are adept at handling repetitive tasks, thus liberating valuable human resources for strategic endeavors, mitigating risk, and bolstering profitability. Poised for continued innovation, we plan to expand our robotic workforce in 2024, underscoring our commitment to leading through technology.



COMMITMENT TO
ENVIRONMENTAL STEWARDSHIP

In 2023, we embarked on an ambitious mission to lessen our carbon footprint globally. This journey continues, with several key initiatives poised for launch soon, pending approval at our General Assembly. As part of our pledge, we're allocating a percentage of our annual profits to Corporate Social Responsibility (CSR) efforts aimed at environmental sustainability.

Al Ramz has adopted a paperless meeting policy across all levels, ensuring that meeting materials, especially at the Board level, are securely distributed and presented digitally. This policy applies to both virtual and in-person settings, significantly reducing our paper usage.

We've also implemented centralized printing solutions with monitored usage. This system allows our support divisions to receive detailed reports on printing, enabling us to track, analyze, and enhance our paper consumption practices.

Our commitment extends to documenting and assessing our environmental impact, continuously seeking ways to refine our operations to minimize our ecological footprint.

Furthermore, we support flexible work arrangements, including work-from-home policies, which not only contribute to employee wellbeing but also reduce our overall environmental impact.

Moving forward, the allocated CSR budget for 2024 will support a range of initiatives, all designed to further our commitment to environmental responsibility and sustainable practices.

DISCLAIMER

Al Ramz Corporation Investment and Development PJSC and its subsidiaries (collectively referred to as the "Company") are delighted to issue the 2023 sustainability report (the "Report"), to report progress for the year. The Report is in accordance with securities and commodities authority (the "SCA") requirements.
The Report provided has been prepared without taking account of your objectives, financial situation or needs. You should, therefore, before acting upon the Report, consider the appropriateness of the Report having regards to these matters and, if appropriate, seek professional financial and investment advice.

The Report, including but not limited to forward-looking statements, applies only as of the date of this sustainability report, and is not intended to give any assurances as to future results.

The Report has been obtained from sources the Company believes to be reliable. However, the Company does not warrant the accuracy, completeness or currency of, and will not be liable for any inaccuracies, omissions or errors in, or any loss or damage (including any consequential loss) arising from reliance on the information in this Report.

The Company is under no obligation to update or keep current the information contained herein. Accordingly, no representation or warranty or undertaking, express or implied, is given by or on behalf of the Company as to, and no reliance should be placed on, the accuracy, completeness or fairness of the Report or opinions contained herein and the Company disclaims all liability arising from or in connection with this Report. This Report has not been audited.

In this Report, the Company may express an expectation or belief as to future events, results or returns generally or in respect of particular investments. The Company makes such statement in good faith and believes them to have a reasonable basis. However, such forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from such forward-looking statements. No guarantee of future returns is given or implied by the Company.

AL RAMZ CORPORATION INVESTMENT
AND DEVELOPMENT P.J.S.C.

www.alramz.ae