

**FIVE Holdings (BVI) Limited and its subsidiaries**

**Interim condensed consolidated financial statements  
for the three-month and six-month periods ended 30 June 2025  
(unaudited)**

## **FIVE Holdings (BVI) Limited and its subsidiaries**

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## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

**The Board of Directors**  
**FIVE Holdings (BVI) Limited and its subsidiaries**  
**P.O. Box 957, Offshore Incorporations Centre**  
**Road Town, Tortola**  
**British Virgin Islands**

### *Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of FIVE Holdings (BVI) Limited (the “Company”) and its subsidiaries (together referred to as the “Group”) as at 30 June 2025 and the related statements of comprehensive income, changes in equity and cash flows for the six-months period then ended, and material accounting policy information and other explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on this interim financial information based on our review.

### *Scope of review*

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

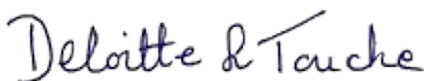
### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

### *Other matter*

The interim financial information of the Group for the six-months period ended 30 June 2024 and the annual consolidated financial statements of the Group for the year ended 31 December 2024 were reviewed and audited respectively by another auditor, who expressed an unmodified conclusion on that information and an unmodified opinion on those statements on 27 August 2024 and 21 February 2025 respectively.

**Deloitte & Touche (M.E.)**



12 August 2025  
Dubai  
United Arab Emirates

# **FIVE Holdings (BVI) Limited and its subsidiaries**

## **Interim condensed consolidated statement of financial position**

		As at	
		30 June 2025	31 December 2024
	Note	AED'000 (Unaudited)	AED'000 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	3	8,593,293	8,462,424
Intangible assets	4	1,000,599	875,449
Right-of-use assets	5	162,459	160,927
		9,756,351	9,498,800
<b>Current assets</b>			
Trade and other receivables	6	725,651	579,589
Prepayments	7	16,249	28,572
Inventories		49,939	52,972
Property held for development and sale	8	60,149	54,078
Bank deposits	9(B)	453,120	345,835
Cash and cash equivalents	9(A)	206,999	182,712
		1,512,107	1,243,758
<b>Total assets</b>		<b>11,268,458</b>	<b>10,742,558</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>Capital and reserves attributable to Owner of FIVE Holdings (BVI) Limited</b>			
Share capital		-	-
Contributed capital		252,913	252,913
Statutory reserve		2,238	2,238
Revaluation reserve		4,885,560	4,880,460
Foreign currency translation reserve		219,887	(11,388)
Stock based compensation reserve	28	55,025	34,186
Retained earnings		1,489,226	1,418,324
		6,904,849	6,576,733
<b>Non-controlling interests</b>		<b>28,718</b>	<b>31,177</b>
<b>Total equity</b>		<b>6,933,567</b>	<b>6,607,910</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities	5	166,633	157,569
Trade and other payables	10	61,159	40,218
Borrowings	11	1,349,355	1,408,120
Retention payables		11,119	9,717
Provision for employees' end of service benefits		22,119	19,449
Deferred tax liabilities	13	249,542	234,055
Finance liabilities	14	951,932	884,329
Deferred gain	15	654,832	645,437
		3,466,691	3,398,894
<b>Current liabilities</b>			
Lease liabilities	5	14,850	17,210
Trade and other payables	10	327,777	324,466
Borrowings	11	145,546	10,025
Retention payables		35,923	30,920
Contract liabilities	12	6,121	42,672
Current tax liabilities		43,088	25,506
Finance liabilities	14	180,132	168,624
Deferred gain	15	114,763	116,331
		868,200	735,754
<b>Total liabilities</b>		<b>4,334,891</b>	<b>4,134,648</b>
<b>Total equity and liabilities</b>		<b>11,268,458</b>	<b>10,742,558</b>

These interim condensed consolidated financial statements were approved by the Board of Directors on **12 August 2025** and signed on behalf of the Board of FIVE Holdings (BVI) Limited by:

Kabir M. Chaudhary  
Chairman

Jaydeep Agarwal  
Director

## FIVE Holdings (BVI) Limited and its subsidiaries

### Interim condensed consolidated statement of comprehensive income

	Note	Three-month period ended 30 June		Six-month period ended 30 June	
		2025	2024	2025	2024
		AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)
Revenue	17	596,816	545,771	1,092,690	900,987
Cost of sales	18	(298,537)	(284,871)	(557,781)	(456,214)
Depreciation and amortisation	3,4 & 5	(78,230)	(76,913)	(155,252)	(137,657)
<b>Gross profit</b>		<b>220,049</b>	<b>183,987</b>	<b>379,657</b>	<b>307,116</b>
General and administrative expenses	19	(65,298)	(61,462)	(109,065)	(132,853)
Selling and marketing expenses	20	(36,889)	(31,509)	(65,530)	(51,705)
Other income	21	3,183	7,202	4,511	15,176
<b>Operating profit</b>		<b>121,045</b>	<b>98,218</b>	<b>209,573</b>	<b>137,734</b>
Finance income	22	7,635	4,275	12,324	9,499
Finance cost	22	(53,068)	(42,577)	(104,148)	(95,381)
Finance cost - net	22	(45,433)	(38,302)	(91,824)	(85,882)
<b>Profit before income tax</b>		<b>75,612</b>	<b>59,916</b>	<b>117,749</b>	<b>51,852</b>
Income tax expense	23	(17,619)	(19,090)	(24,958)	(14,748)
<b>Profit for the period</b>		<b>57,993</b>	<b>40,826</b>	<b>92,791</b>	<b>37,104</b>
<b>Profit for the period attributable to:</b>					
Owner of FIVE Holdings (BVI) Limited		57,103	40,022	90,834	35,100
Non-controlling interests		890	804	1,957	2,004
		<b>57,993</b>	<b>40,826</b>	<b>92,791</b>	<b>37,104</b>

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit for the period	57,993	40,826	92,791	37,104
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified to profit or loss:</i>				
Revaluation gain on property and equipment (Refer note 3)	85,294	49,022	85,294	49,022
Deferred tax liabilities reduction on fair value gain on revaluation of property and equipment (refer note 13)	(6,348)	46,716	(8,288)	38,338
<i>Items that will be reclassified to profit or loss:</i>				
Exchange differences on translation of foreign operations	150,838	(5,360)	231,275	(68,642)
<b>Total comprehensive income for the period</b>	<b>287,777</b>	<b>131,204</b>	<b>401,072</b>	<b>55,822</b>
<b>Total comprehensive income for the period attributable to:</b>				
Owner of FIVE Holdings (BVI) Limited	286,887	130,400	399,115	53,818
Non-controlling interests	890	804	1,957	2,004
	<b>287,777</b>	<b>131,204</b>	<b>401,072</b>	<b>55,822</b>

## FIVE Holdings (BVI) Limited and its subsidiaries

### Interim condensed consolidated statement of changes in equity

	Attributable to Owner of FIVE Holdings (BVI) Limited									
	Share capital AED'000	Contributed capital AED'000	Statutory reserve AED'000	Revaluation reserve AED'000	Foreign currency translation reserve AED'000	Stock based compensation reserve AED'000	Retained earnings AED'000	Total AED'000	Non- controlling interests AED'000	Total AED'000
<b>At 1 January 2025</b>	-	252,913	2,238	4,880,460	(11,388)	34,186	1,418,324	6,576,733	31,177	6,607,910
Profit for the period	-	-	-	-	-	-	90,834	90,834	1,957	92,791
Other comprehensive income	-	-	-	77,006	231,275	-	-	308,281	-	308,281
<b>Total comprehensive income for the period ended 30 June 2025 (unaudited)</b>	-	-	-	77,006	231,275	-	90,834	399,115	1,957	401,072
<i>Transactions with owner in their capacity as owner:</i>										
Dividend (Note 24)	-	-	-	-	-	-	(91,838)	(91,838)	(4,416)	(96,254)
Stock based compensation expense (Note 28)	-	-	-	-	-	20,839	-	20,839	-	20,839
<i>Others:</i>										
Depreciation transfer for property and equipment under revaluation model	-	-	-	(71,906)	-	-	71,906	-	-	-
<b>At 30 June 2025 (unaudited)</b>	-	<b>252,913</b>	<b>2,238</b>	<b>4,885,560</b>	<b>219,887</b>	<b>55,025</b>	<b>1,489,226</b>	<b>6,904,849</b>	<b>28,718</b>	<b>6,933,567</b>

	Attributable to Owner of FIVE Holdings (BVI) Limited									
	Share capital AED'000	Contributed capital AED'000	Statutory reserve AED'000	Revaluation reserve AED'000	Foreign currency translation reserve AED'000	Stock based compensation reserve AED'000	Retained earnings AED'000	Total AED'000	Non- controlling interests AED'000	Total AED'000
<b>At 1 January 2024</b>	-	252,913	2,238	4,855,611	83,678	-	1,166,075	6,360,515	28,848	6,389,363
Loss for the period	-	-	-	-	-	-	35,101	35,101	2,004	37,105
Other comprehensive income	-	-	-	87,360	(68,642)	-	-	18,718	-	18,718
<b>Total comprehensive income for the period ended 30 June 2024 (unaudited)</b>	-	-	-	87,360	(68,642)	-	35,101	53,819	2,004	55,823
<i>Transactions with owner in their capacity as owner:</i>										
Dividend (Note 24)	-	-	-	-	-	-	(55,103)	(55,103)	(1,372)	(56,475)
Stock based compensation expense (Note 28)	-	-	-	-	-	10,012	-	10,012	-	10,012
<i>Others:</i>										
Depreciation transfer for property and equipment under revaluation model	-	-	-	(32,176)	-	-	32,176	-	-	-
<b>At 30 June 2024 (unaudited)</b>	-	<b>252,913</b>	<b>2,238</b>	<b>4,910,795</b>	<b>15,036</b>	<b>10,012</b>	<b>1,178,249</b>	<b>6,369,243</b>	<b>29,480</b>	<b>6,398,723</b>



## FIVE Holdings (BVI) Limited and its subsidiaries

### Interim condensed consolidated statement of cash flows

	Six-month period ended 30 June	
	2025 AED'000 (unaudited)	2024 AED'000 (unaudited)
<b>Cash flows from operating activities</b>		
Profit before income tax	117,749	51,852
<b>Adjustments for:</b>		
Depreciation of property and equipment	140,963	120,030
Amortisation of intangible assets	2,135	2,542
Depreciation of right-of-use assets	12,154	15,084
Interest on lease liabilities	6,205	7,458
Interest cost on finance liabilities	76,533	64,714
Provision for employees' end of service benefits	4,084	6,099
Amortisation of deferred gain	(60,458)	(55,611)
Interest income	(12,324)	(9,499)
Interest cost on borrowings	78,521	77,178
Other finance cost	1,105	1,642
Gain on lease derecognition	-	(2,368)
Profit on disposal of property and equipment	(1,252)	-
Stock based compensation	20,839	10,012
<b>Operating cash flows before changes in operating assets and liabilities</b>	<b>386,254</b>	<b>289,133</b>
Trade and other receivables	(146,062)	110,053
Prepayments	12,323	(2,716)
Inventories	3,033	(13,541)
Property held for development and sale	-	(8,847)
Trade and other payables	4,586	65,411
Retention payables	6,405	2,928
Due to related parties	-	(6,697)
Contract liabilities	(36,551)	(78,991)
Payment for end of service benefits	(1,414)	(2,815)
<b>Cash generated from operations</b>	<b>228,574</b>	<b>353,919</b>
Income taxes paid	-	-
<b>Net cash generated from operating activities</b>	<b>228,574</b>	<b>353,919</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(68,058)	(120,104)
Proceed from sale of property and equipment	4,971	548
Purchase of intangible assets	(8,061)	(2,219)
Increase of bank deposits	(107,285)	(97,385)
Interest income	12,324	9,499
<b>Net cash used in investing activities</b>	<b>(166,109)</b>	<b>(209,661)</b>
<b>Cash flows from financing activities</b>		
Proceeds from financing arrangements	147,396	186,389
Interest payment on finance liabilities	(76,533)	(64,714)
Principal element of lease payments	(7,841)	(7,671)
Interest paid on lease liabilities	(6,205)	(7,458)
Dividends paid	(96,254)	(56,475)
Interest paid on borrowings	(68,196)	(78,820)
Proceed from bank borrowings	66,431	(330,153)
<b>Net cash used in financing activities</b>	<b>(41,202)</b>	<b>(358,902)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>21,263</b>	<b>(214,645)</b>
Cash and cash equivalents, beginning of the period	182,712	613,779
Effects of exchange rate changes on cash and cash equivalents	3,024	(2,831)
<b>Cash and cash equivalents, end of the period</b>	<b>206,999</b>	<b>396,304</b>

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025

#### 1 Legal status and operations

FIVE Holdings (BVI) Limited (the “Company”) is a Company limited by shares registered on 30 August 2013 with Registrar of Corporate Affairs in British Virgin Islands. The registered address of the Company is P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands. Kabir Mulchandani is the ultimate controlling and ultimate beneficial owner (the “Owner”).

The principal activities of the Company, its subsidiaries and joint operations collectively referred as the “Group” are to provide hospitality services primarily in the United Arab Emirates (UAE), Spain and Switzerland. The Group is also engaged in real estate development projects in Dubai, UAE and Spain.

The consolidated financial statements of the Company includes subsidiaries listed in the table below:

The consolidated financial statements of the Company includes subsidiaries listed in the table below.			
Name of entities and country of incorporation	Principal activities	Percentage of ownership/ voting rights on	
		30 June 2025	31 December 2024
<i>United Arab Emirates</i>			
FIVE Holding Limited	Holding Company	100	100
SKAI Holdings Group Limited	Holding Company	100	100
FIVE International Holding Limited	Holding Company	100	100
FIVE JBR Holding (DIFC) limited	Property Holding Company	100	100
Devco Real Estate Development LLC	Real Estate development Company	100	100
FIVE Luxe Hotel LLC	Hotel Operating Company	100	100
Assas Investments Limited	Property Holding Company	100	100
FIVE Hotel Jumeirah Village L.L.C	Hotel Operating Company	100	100
Unlimited 1 Limited	Property Holding Company	100	100
FIVE Holiday Homes Rental LLC	Holiday Homes Rental Company	100	100
Rehan Limited	Property Holding Company	100	100
FIVE Hotel FZE	Hotel Operating Company	100	100
FIVE International Hotel Management L.L.C	Hotel Management Company	100	100
FIVE Beach Club Limited (‘FIVE Beach’)	Property Holding Company	85	85
Praia Restaurant FZE (100% subsidiary of FIVE Beach)	Restaurant Operating Company	85	85
FIVE International Hotel Management Limited	Hotel Management Company	100	100
FIVE Music FZ-LLC	Music Production Company	100	100
Pacha Universe Holding Limited	Holding Company	100	100
Sea FIVE Yacht LLC	Water Sports Company	100	100
FIVE International Real Estate Brokers LLC	Real Estate Brokerage Company	100	100
FIVE Mode FZ – LLC	Garments, Textiles & Gifts E- Trading	100	100
Pacha Events LLC*	Events Organization & Management	100	100
Five Pacha Universe Holding Limited (DIFC)	Holding Company	100	100



## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 1 Legal status and operations (continued)

Name of entities and country of incorporation	Principal activities	Percentage of ownership/ voting rights on	
		30 June 2025	31 December 2024
<b><i>Cayman Islands</i></b>			
Unlimited 1 Development	Holding Company	100	100
Sky's the Limit 1 LLC	Holding Company	100	100
<b><i>Spain</i></b>			
Universo Pacha, S.A.	Holding & Night Club Operating Company	100	100
El Hotel Pacha, S.L.	Hotel Operating Company	100	100
Nube, S.L.	Property and Brand holding Company	100	100
Pacha Merchandise, S.L.	Merchandise Operating Company	100	100
Pacha Franquicias, S.L.	Franchise Operating Company	100	100
Sweet Pacha, S.L.	Events & Productions	100	100
Nomad Suntribe, S.A.	Events & Productions	100	100
Pacha Multimedia, S.L.	Music Production Company	100	100
Chioro ITG, S.L.U.	Property Holding Company	100	100
<b><i>United Kingdom</i></b>			
Toy Room Ltd ('TOY ROOM')	Holding Company and Brand Holding Company	51	51
Toy Room Brand Ltd (100% subsidiary of TOY ROOM)	Franchise Operating Company	51	51
<b><i>Switzerland</i></b>			
5 Atlantis A G	Property Holding and Hotel Operating Company	100	100

The interim condensed consolidated financial statements also includes the result of a 50% joint operation interest in Marisol Pacha Ibiza, A.I.E acquired along with Universo Pacha S.A. It is engaged in merchandise business and accounted for under the proportionate consolidation method.

\* Effective 28 February 2025, the name of the entity was changed from Five Tribe Events LLC to Pacha Events LLC.

## 2 Material accounting policies

### 2.1 Basis of preparation

The interim condensed consolidated financial statements of the Group are prepared in accordance with International Accounting Standard 34: Interim Financial Reporting.

The interim condensed consolidated financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2024. The same accounting policies, methods of computation, significant accounting judgments and estimates and assumptions are followed in these interim condensed consolidated financial statements as compared with the consolidated financial statements for the for the year ended 31 December 2024. These interim condensed consolidated financial statements have been prepared under the historical cost convention unless otherwise stated. These interim condensed consolidated financial statements have been presented in UAE Dirhams (AED) being the presentation currency of the Group and the functional currency of the Company and all values are rounded off to the nearest thousand (AED'000) except when otherwise indicated.

## **FIVE Holdings (BVI) Limited and its subsidiaries**

### **Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)**

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

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

The interim condensed consolidated statement of comprehensive income is presented on the basis of by function. However, depreciation is separately presented within gross profit, this is considered appropriate presentation as the depreciation is a material line item, and IAS 1 “Presentation of Financial Statements”, permits material items to be separately presented.

The Group has prepared the interim condensed consolidated financial statements on the basis that it will continue to operate as a going concern.

#### *Judgements and estimates*

When preparing the Interim Condensed Consolidated Financial Statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the Interim Financial Statements, including the key sources of estimation uncertainty, were the same as those applied in the Group’s last annual financial statements for the year ended 31 December 2024.

#### *Seasonality of operations*

The Group’s interim results may not be indicative of fiscal year performance because of, among other reasons, macroeconomic conditions, including inflationary pressures, and seasonal and short-term variations. The Group’s hospitality segment is seasonal in nature and there are periods during which our properties experience variations in hotel revenue activities and margins that may vary and depend principally upon location and season.

FIVE LUXE commenced operations on 31 March 2024. Accordingly, its financial performance is fully reflected in the three-month and six-month periods ended 30 June 2025, but only partially reflected in the comparative period ended 30 June 2024. The Group’s development business revenue and margins are dependent on the number of new developments and percentage of completion which is prone to natural fluctuations in the real estate market of the region.

#### *New standards, interpretations, and amendments in issue and effective*

The accounting policies adopted in the preparation of the interim condensed 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 2024 except for the new and amended standards as set out below.

#### **(a) The new standards, interpretations, and amendments in issue and effective are mentioned below:**

- Amendments to IAS 21- Lack of exchangeability

#### **(b) New standards, interpretations, and amendments in issue and not yet effective**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group’s interim condensed consolidated financial statements are disclosed below.

- IFRS 18 – Presentation and Disclosure in the Financial Statements
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments, Gain or Loss on Derecognition and Disclosure of Deferred difference between Fair Value and Transaction Price; Introduction and Credit Risk Disclosures; Lessee Derecognition of Lease Liabilities
- IFRS 19 - Subsidiaries without Public Accountability Disclosures
- Amendment to IFRS 10 and IAS 28 - Sale and Contribution of Assets between an Investor and its Associates or Joint Ventures
- IFRS 9 – Disclosure regarding purchase power arrangement
- IFRS 10: Determination of a “De Facto Agent”

## **FIVE Holdings (BVI) Limited and its subsidiaries**

### **Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)**

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

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

*New standards, interpretations, and amendments in issue and effective (continued)*

#### **(b) New standards, interpretations, and amendments in issue and not yet effective (continued)**

Management is currently assessing the impact of aforementioned new accounting standards, amendments and interpretations. However, the management's preliminary view is that these are expected to have no material impact on the Group in the current or future reporting periods.

#### **Alternative performance measures**

The Group has identified certain measures that it believes will assist the understanding of the performance of the business. These alternative performance measures ("APMs") are not defined or specified under the requirements of IFRS Accounting Standards. The Group believes that these APMs, which are not considered to be a substitute for, or superior to, IFRS Accounting Standards, provide stakeholders with an additional useful information on the underlying trends, performance and position of the Group and are consistent with how business performance is measured internally. The APMs are not defined by IFRS Accounting Standards and therefore may not be directly comparable with other companies' alternative performance measures.

The key APMs that the Group uses are earnings before interest, tax, depreciation and amortisation ("EBITDA") and adjusted net income ("Adjusted net income"). These APMs are set out in note 27 including how it is calculated and how it reconciles to a statutory measure where relevant. EBITDA excludes items (i), (ii), (iii) and (iv) referred below and adjusted net income excludes items (iv) and (v) referred below.

##### **i. Exceptional items**

The Group classifies certain one-off charges or credits that have a material impact on the Group's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the Group. Management splits out these costs / incomes for internal purposes when reviewing the business.

##### **ii. Pre-opening costs**

Pre-opening costs can vary significantly depending on the number of new hotels acquired and opened in any period and so do not reflect the costs of the day-to-day operations of the business. These costs are therefore split out in order to aid comparability with prior periods. Hotel pre-opening costs refer to costs incurred in getting new sites operational, and primarily include costs incurred before opening and in preparing for launch.

##### **iii. Acquisition-related costs**

Acquisition-related costs are costs incurred to effect a business combination. Those costs include advisory, legal, accounting, valuation and other professional or consulting fees including employees' bonuses in connection with the successful completion of a transaction. Acquisition-related costs are expensed in the period in which the costs are incurred, and the services are received.

##### **iv. Stock based compensation expense**

Stock-based compensation expense is a non-cash expense arising from the grant of stock-based awards to employees. Excluding the effect of stock-based compensation from EBITDA assists management in making period-to-period comparisons in Group's operating performance because (i) the amount of such expenses in any specific period may not directly correlate to the underlying performance of the business operations and (ii) such expenses can vary significantly between periods as a result of the timing of grants of new stock-based awards, including grants in connection with acquisitions. Additionally, excluding stock-based compensation from EBITDA assists management in making meaningful comparisons between our Group's operating performance and the operating performance of other companies that may use different forms of employee compensation or different valuation methodologies for their stock-based compensation.

##### **v. Depreciation on revaluation of property and equipment**

The depreciation expense on revalued amount of property and equipment is a non-cash adjustment and does not reflect the Group's operating expense. Therefore, adding back this depreciation expense to net income provides a clearer view of the Group's operational performance.

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 3 Property and equipment

	Land & Buildings (*) AED'000	Equipment AED'000	Furniture and fixtures AED'000	Motor vehicles AED'000	Leasehold improvements AED'000	Capital work- in-progress AED'000	Total AED'000
<b>Cost or revaluation</b>							
At 1 January 2024	6,431,961	36,383	105,646	3,554	46,348	2,437,964	9,061,856
Additions	222,809	10,444	14,850	5,120	11,099	88,463	352,785
Disposal	(577)	(9,176)	(1,962)	(908)	-	-	(12,623)
Transfer	2,309,902	25,146	149,781	-	14,399	(2,499,228)	-
Revaluation gain	126,766	-	-	-	-	-	126,766
Exchange difference	(50,949)	(109)	(426)	(56)	-	(1,166)	(52,706)
At 31 December 2024 (Audited)	9,039,912	62,688	267,889	7,710	71,846	26,033	9,476,078
Additions	5,385	7,149	1,958	464	5,332	47,770	68,058
Disposal	-	(2,472)	(111)	(579)	-	(1,417)	(4,579)
Transfer	(9,098)	-	-	-	777	8,321	-
Revaluation gain	85,294	-	-	-	-	-	85,294
Exchange difference	116,261	2,472	689	135	-	4,083	123,640
At 30 June 2025 (Unaudited)	9,237,754	69,837	270,425	7,730	77,955	84,790	9,748,491
<b>Accumulated Depreciation</b>							
At 1 January 2024	649,362	20,710	81,198	1,989	8,612	-	761,871
Charge for the year	216,341	9,668	29,688	776	2,002	-	258,475
Disposal	(577)	(1,348)	(1,217)	(572)	-	-	(3,714)
Exchange difference	(2,425)	(439)	(96)	(18)	-	-	(2,978)
At 31 December 2024 (Audited)	862,701	28,591	109,573	2,175	10,614	-	1,013,654
Charge for the period	112,671	5,357	19,234	611	3,090	-	140,963
Disposal	-	(568)	(64)	(228)	-	-	(860)
Exchange difference	806	580	55	-	-	-	1,441
At 30 June 2025 (Unaudited)	976,178	33,960	128,798	2,558	13,704	-	1,155,198
<b>Net book amount</b>							
As at 30 June 2025 (Unaudited)	8,261,576	35,877	141,627	5,172	64,251	84,790	8,593,293
As at 31 December 2024 (Audited)	8,177,211	34,097	158,316	5,535	61,232	26,033	8,462,424

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 3 Property and equipment (continued)

- i. \*The land and building are fair valued cumulatively by an independent valuer for Dubai, Ibiza and Zurich hotels and includes 20% of this cumulative value is considered as land.
- ii. Out of the total carrying value of property and equipment, the assets amounting to AED 8,261,576 thousand (2024: AED 8,177,211 thousand) are pledged against the Group's borrowings.

#### 3.1 Revaluation of land and building classified as property and equipment

As at 30 June 2025, land and building under property and equipment were revalued and by an external independent and qualified valuer. The revaluation gain/loss was recognised in the interim condensed statement of comprehensive income.

##### 3.1.1 Revaluation of land and building Five Hotel Jumeirah Village

A formal external valuation of the Group's property was performed as at 30 June 2025. The revaluation was supported by the net present value of future cash flows derived from such assets using 10 years cash flow projections which have been discounted at a rate of 10.10% and terminal value rate of 8.10%. Based on such valuation, the fair value of the hotel building as at 30 June 2025 was AED 877,656 thousand (31 December 2024: 854,369 thousand).

Fair Value Reconciliation – Jumeirah Village Hotel

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
<b>Fair Value as per external valuation report</b>	1,119,500	1,117,700
Less: Adjustment of receivables	(10,700)	-
Less: Adjustment of 5-year leases under IFRS 16	(231,144)	(263,331)
<b>Fair Value of Jumeriah Village Hotel</b>	<b>877,656</b>	<b>854,369</b>

Below is a sensitivity analysis in isolation of the key assumptions used to determine the fair value of the investment. The table reflects change in the fair value with change in key assumptions.-

Key assumptions	Change	As at	
		June 2025	December 2024
		AED'000	AED'000
Discount rate	+0.5%	(37,356)	(19,158)
	-0.5%	39,063	38,267
Cap rate	+0.5%	(32,594)	(14,708)
	-0.5%	36,998	35,652

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 3 Property and equipment (continued)

##### 3.1 Revaluation of land and building classified as property and equipment (continued)

##### 3.1.2 Revaluation of land and building FIVE Hotel Palm Jumeirah

A formal external valuation of the Group's property was performed as at 30 June 2025. The revaluation was supported by the net present value of future cash flows derived from such assets using 10 years cash flow projections which have been discounted at a rate of 9.90% and terminal value rate of 7.90%. Based on such valuation, the fair value of the property as at 30 June 2025 was AED 4,091,400 thousand (2024: AED 4,107,700 thousand).

Fair Value Reconciliation – FIVE Hotel Palm Jumeirah

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
<b>Fair Value as per external valuation report</b>	4,120,900	4,144,800
Less: Holiday Home value	(29,500)	(37,100)
<b>Fair Value of Hotel Palm Jumeriah</b>	<b>4,091,400</b>	<b>4,107,700</b>

Below is a sensitivity analysis in isolation of the key assumptions used to determine the fair value of the investment. The table reflects change in the fair value with change in key assumptions.

Key assumptions	Change	As at	
		June 2025	December 2024
		AED'000	AED'000
Discount rate	+0.5%	(137,590)	(109,427)
	-0.5%	143,868	171,784
Cap rate	+0.5%	(119,794)	(91,774)
	-0.5%	135,982	164,046

##### 3.1.3 Revaluation of FIVE Luxe JBR hotel

A formal external valuation of the Group's property was performed as at 30 June 2025. The revaluation was supported by the net present value of future cash flows derived from such assets using 10 years cash flow projections which have been discounted at a rate of 9.90% and terminal value rate of 7.90%. Based on such valuation, the fair value of the property as at 30 June 2025 was AED 2,327,100 thousand (2024: AED 2,374,100 thousand).

Fair Value Reconciliation – FIVE Luxe JBR:

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
<b>Fair Value as per external valuation report</b>	2,397,500	2,836,600
Less: Adjustment of receivables	(70,400)	(462,500)
<b>Fair Value Five Luxe, JBR</b>	<b>2,327,100</b>	<b>2,374,100</b>

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 3 Property and equipment (continued)

##### 3.1 Revaluation of land and building classified as property and equipment (continued)

##### 3.1.3 Revaluation of FIVE Luxe JBR hotel (continued)

Below is a sensitivity analysis in isolation of the key assumptions used to determine the fair value of the investment. The table reflects change in the fair value with change in key assumptions.

Key assumptions	Change	30 June 2025 AED'000	31 December 2024 AED'000
Discount rate	+0.5%	(76,003)	(50,656)
	-0.5%	79,512	109,236
Cap rate	+0.5%	(67,237)	(55,132)
	-0.5%	76,323	121,511

##### 3.1.4 Revaluation of FIVE Zürich Hotel

During the year ended 31 December 2020, the 5 Atlantis AG (the "Subsidiary") acquired new building from Neue Hotel Atlantis AG, the purchase agreement amounted to AED 340,292,529 (CHF 83,985,000).

A formal external valuation of the Group's property was performed as at 30 June 2025. The revaluation was supported by 10 years cash flow projections which have been discounted at a rate of 6.25% and terminal value rate of 5%. Based on such valuation, the fair value of the property as at 30 June 2025 was AED 598,565 thousand (CHF 131,000 thousand) (2024: AED 530,078 thousand (CHF 131,000 thousand)).

Below is a sensitivity analysis in isolation of the key assumptions used to determine the fair value of the investment. The table reflects change in the fair value with change in key assumptions.

Key assumptions	Change	30 June 2025 AED'000	31 December 2024 AED'000
Discount rate	+0.5%	(22,846)	(19,475)
	-0.5%	18,277	23,611
Cap rate	+0.5%	(59,400)	(30,553)
	-0.5%	68,538	40,780

##### 3.1.5 Revaluation of Pacha properties. Ibiza-Spain

##### a) Valuation of Pacha night club

As at 30 June 2025, the estimated fair value of land and buildings were revalued by an external, independent and qualified valuer.

The revaluation was supported by market rent estimation based on the incomes generated by the night club and is subject to CPI indexations to consider the market growth. To the above arrived market rent, property operating costs including recurring capex, management costs and other ancillary cost have been deducted. These have been discounted at an appropriate rate referred below (discounted cash flow method) by an external, independent and qualified valuer to arrive at fair value of AED 244,000 thousand (Euro 57,000 thousand) as at 30 June 2025 (2024: AED 205,661 thousand (Euro 54,100 thousand)).



## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 3 Property and equipment (continued)

##### 3.1 Revaluation of land and building classified as property and equipment (continued)

##### 3.1.5 Revaluation of Pacha properties. Ibiza-Spain (continued)

##### a) Valuation of Pacha night club (continued)

In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of the revalued assets. The key assumptions on which management has based its cash flow projections when determining the recoverable amount of the assets are as follows:

- Terminal value upon exit of the 5 years cash flows projection at the rate of 9%; and
- The discount rate of 11.70% is reflective of the return that an investor would make from a similar investment.

Below is a sensitivity analysis in isolation of the key assumptions used to determine the fair value of the investment. The table reflects change in the fair value with change in key assumptions.

Key assumptions	Change	30 June 2025 AED'000	31 December 2024 AED'000
Discount rate	+0.5%	(3,912)	(3,563)
	-0.5%	4,088	7,651
Cap rate	+0.5%	(3,525)	(914)
	-0.5%	3,840	5,033

##### b) Valuation of El Hotel Pacha

As at 30 June 2025, the estimated fair value of land and buildings were revalued by an external, independent and qualified valuer.

The revaluation was supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate (discounted cash flow method) by an external, independent and qualified valuer to arrive at fair value of AED 122,855 thousand (Euro 28,700 thousand) as at 30 June 2025 (2024: AED 105,302 thousand (Euro 27,700 thousand)).

In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of the revalued assets. The key assumptions on which management has based its cash flow projections when determining the recoverable amount of the assets are as follows:

- Management's projections have been prepared on the basis of strategic plans, knowledge of the market, and management's views on achievable growth in retail market share over the long-term year of ten years;
- Terminal value upon exit of the 10-year cash flows projection at the rate of 5.75%; and
- The discount rate of 7.9% to 8.1% is reflective of the return that an investor would make from a similar investment.

Below is a sensitivity analysis in isolation of the key assumptions used to determine the fair value of the investment. The table reflects change in the fair value with change in key assumptions.

Key assumptions	Change	30 June 2025 AED'000	31 December 2024 AED'000
Discount rate	+0.5%	(2,165)	(2,601)
	-0.5%	2,226	1,684
Cap rate	+0.5%	(7,425)	(6,477)
	-0.5%	8,826	6,592

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 3 Property and equipment (continued)

##### 3.1 Revaluation of land and building classified as property and equipment (continued)

The current use of the properties are at its highest and best use. The valuation technique uses significant unobservable inputs. Accordingly, the fair value was classified to level 3.

At each financial year end the finance department:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation report; and holds discussions with the independent valuer.

#### 4 Intangible assets

	<b>Goodwill</b>	<b>Trademark &amp; Franchise right</b>	<b>Others</b>	<b>Total</b>
	<b>AED'000</b>	<b>AED'000</b>	<b>AED'000</b>	<b>AED'000</b>
<b>Cost</b>				
At 1 January 2024	685,737	206,685	2,095	894,517
Additions	-	-	3,670	3,670
Exchange difference	(3,524)	(12,800)	-	(16,324)
At 31 December 2024 (Audited)	682,213	193,885	5,765	881,863
Additions	-	-	8,061	8,061
Exchange difference	94,629	24,595	-	119,224
At 30 June 2025 (Unaudited)	776,842	218,480	13,826	1,009,148
<b>Accumulated amortisation</b>				
At 1 January 2024	-	799	1,352	2,151
Charge for the year	-	3,003	1,260	4,263
At 31 December 2024 (Audited)	-	3,802	2,612	6,414
Charge for the period	-	2,135	-	2,135
At 30 June 2025 (Unaudited)	-	5,937	2,612	8,549
<b>Net book amount</b>				
<b>As at 30 June 2025 (Unaudited)</b>	<b>776,842</b>	<b>212,543</b>	<b>11,214</b>	<b>1,000,599</b>
<b>As at 31 December 2024 (Audited)</b>	<b>682,213</b>	<b>190,083</b>	<b>3,153</b>	<b>875,449</b>

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. The goodwill recognised by the Group has resulted from the business combination of Universo Pacha S.A. during the year 2023.

Trademark and Franchise rights include intangible assets acquired through business combinations. The trademark of Destino has a useful life of 3 years whereas for Pacha the useful life is indefinite. The major assumptions used in the calculation includes discount rate in the range of 10% to 12% and growth rate of 2%. The carrying value of Trademark & Franchise right as at 30 June 2025 includes AED 202,802 thousand (2024: AED 187,080 thousand) related to Pacha trademark.

Trademarks are valued under the relief from royalty methodology and a royalty rate of 8.0% - 12.0% in line with comparable data on the brand name in similar sectors.

Franchisees are valued under the Net Present Value of the Income approach with a 5-year useful life and a discount rate of 11.2 % equivalent to the weighted average cost of capital attributable to the respective entity.

During the period, management has performed an analysis of the sensitivity of the impairment test to changes in key assumptions used to determine the recoverable amount of each cash generating unit to which goodwill, trademark and franchise rights are allocated and concluded that no indicators of impairment have been identified.

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 5 Right-of-use assets and lease liabilities

The Group leases various land parcels, buildings and staff accommodations. Lease terms are negotiated on an individual basis and contain different terms and conditions. The lease term of these assets ranges from 1 to 35 years. The lease agreements do not impose any covenants.

	<b>Land &amp; Buildings</b>	
	<b>AED'000</b>	
<b>Cost</b>		
At 1 January 2024		345,564
Lease derecognition (*)		(53,313)
Exchange difference		(9,157)
At 31 December 2024 (Audited)		283,094
Exchange difference		13,686
At 30 June 2025 (Unaudited)		296,780
<b>Accumulated depreciation</b>		
At 1 January 2024		94,201
Charge for the year		29,934
Lease derecognition (*)		(1,968)
At 31 December 2024 (Audited)		122,167
Charge for the period		12,154
At 30 June 2025 (Unaudited)		134,321
<b>Net book amount</b>		
<b>At 30 June 2025 (Unaudited)</b>		<b>162,459</b>
<b>At 31 December 2024 (Audited)</b>		<b>160,927</b>
	<b>As at</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
	<b>AED'000</b>	<b>AED'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Lease liabilities</b>		
Non-current	166,633	157,569
Current	14,850	17,210
	<b>181,483</b>	<b>174,779</b>
	<b>As at</b>	
	<b>30 June 2025</b>	<b>31 December 2024</b>
	<b>AED'000</b>	<b>AED'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Lease liabilities (**)</b>		
At 1 January	174,779	259,357
Finance cost	6,205	14,268
Payment of lease liabilities	(14,046)	(37,677)
Exchange difference	14,545	(7,456)
Lease derecognition (*)	-	(53,713)
	<b>181,483</b>	<b>174,779</b>

(\*) During the year ended 31 December 2024, the Group acquired Chioro ITG, S.L.U. ('Chioro') which resulted in the derecognition of right of use asset to the extent of AED 51,345 thousand (net) and lease liabilities to the extent of AED 53,713 thousand, leading to a gain on lease de-recognition amounting to AED 2,368 thousand recorded in other income (Note 21).

(\*\*) During the six-month period ended 30 June 2025, certain leases of Five Jumeirah Village Circle which expired during the year 2024 for which new leases were signed with variable payments and the corresponding lease rental expenses amounting to AED 3,340 thousand are recorded in general and administrative expenses (Note 19).

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 6 Trade and other receivable

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Trade receivables*	22,140	32,248
Unbilled receivables**	542,336	414,195
Advances to suppliers	80,270	89,994
Other receivables	80,905	43,152
	<b>725,651</b>	<b>579,589</b>
<b>Analysed as follows:</b>		
Current portion	725,651	579,589
	<b>725,651</b>	<b>579,589</b>

\*Included within trade receivables are amounts due from hotel customers who pay by credit card and these amounts are usually collected during the next working day and do not carry any significant credit risk.

\*\* The unbilled receivables are mainly arising from the off-plan sale of property held for development and sale. The title deed of these properties is transferred upon collection of full payment. In the event of customer default, the Group reserves the right to recover the outstanding amount upon disposal of the units, in accordance with the applicable regulations. The Group always measures the loss allowance for trade receivables and other receivables at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on trade and other receivables are estimated using a provision matrix by reference to past default experience of the debtor's and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The fair value of trade receivable approximates their carrying value.

The Group has a broad base of customers with no concentration of credit risk within trade and other receivables as at 30 June 2025 and 31 December 2024.

#### 7 Prepayments

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Deferred sales commission*	446	12,468
Prepaid visa fees	2,961	3,796
Others	12,842	12,308
	<b>16,249</b>	<b>28,572</b>

\*It mainly relates to sales commission that is paid to the real estate brokers (refer note 20) and amortized in the interim condensed statement of profit or loss based on percentage of completion of the related project.

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 8 Property held for development and sale

	Property held for development and sale AED'000
<b>At 1 January 2024</b>	-
Additions	336,522
Cost of sales	(282,019)
Exchange difference	(425)
<b>At 31 December 2024 (Audited)</b>	<b>54,078</b>
Additions	125,007
Cost of sales (note 18)	(125,007)
Exchange difference	6,071
<b>At 30 June 2025 (Unaudited)</b>	<b>60,149</b>

#### 9 Cash and bank balances

##### A. Cash and cash equivalents

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Cash on hand	3,119	2,869
Cash at banks	203,880	179,843
<b>Cash and cash equivalents</b>	<b>206,999</b>	<b>182,712</b>

##### B. Bank deposits

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Term deposits with original maturity more than 3 months*	453,120	345,835

\*The above term deposit carries an annual interest rate between 1.2% to 4.2% (2024: 2.7% to 5%).

Bank balances are held with locally incorporated banks and branches of international banks.

Cash at banks includes an amount of AED 24,644 thousand (31 December 2024: 97,480 thousand) held in escrow accounts. Cash held in escrow accounts represents cash received from customers that is held with banks authorised by the Dubai Real Estate Regularity Authority ("RERA"). Use of this cash is limited to specific development projects to which the cash receipts relate.

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 10 Trade and other payables

	As at	
	30 June 2025	December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Advances from customers	38,803	15,358
Trade payables#	130,557	148,356
Accruals	90,449	116,783
Staff payable**	12,926	8,503
VAT payable	7,933	5,463
Tax payable	30,627	11,202
Deferred payment for asset purchase	717	16,014
Other finance liabilities*	18,853	-
Deferred income*	27,858	-
Other payables	30,213	43,005
	388,936	364,684
<b>Analysed as follows:</b>		
Current portion	327,777	324,466
Non-current portion	61,159	40,218
	388,936	364,684

\* On 7 January 2025, the Group entered into an agreement with EMIC Energy Investments LLC to transfer cooling equipment located at FIVE Luxe – JBR, Dubai. As control remains with the Group, the transaction is accounted for as a financing arrangement, initially recognized at the net proceeds received which is the fair value and subsequently measured at amortised cost. The fair value is determined using the discounted cash flow techniques, the inputs into the valuation techniques includes contractual cash flows and interest rates.

\*\* Includes management incentives payable to key management personnel amounting to AED 6,713 thousand (2024: AED 7,991 thousand).

#As per the Addendum signed with China State Construction Engineering Corporation (Middle East) (LLC) dated 24 January 2022, Assas Investments Limited (“a subsidiary”) has to pay AED 65,000 thousand to the main contractor of the project FIVE Palm Jumeirah Hotel and will be payable in 86 monthly instalments. Trade payables include a discounted amount of AED 26,736 thousand (2024: 31,273 thousand) which is discounted to its present value using the discount rate of 6%.

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 11 Borrowings

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Term loans	346,930	273,641
Listed Green Bonds	1,201,322	1,201,322
Bank overdrafts	-	6,858
	1,548,252	1,481,821
Less: unamortised borrowing costs	(53,351)	(63,676)
	1,494,901	1,418,145
<b>Analysed as follows:</b>		
Current portion	145,546	10,025
Non-current portion	1,349,355	1,408,120
	1,494,901	1,418,145

During the period, a term loan from Santander Bank has been availed towards the refurbishment of Destino Hotel, Ibiza, Spain at the fixed interest rate of 3.4%, repayable in 52 equal monthly installments starting from October 2025.

#### 12 Contract liabilities

Contract liabilities represent instalments received from customers towards the purchase of development properties, net of revenue recognised.

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Opening	42,672	214,578
Advance from customers	3,512	278,786
Less : Revenue recognised	(40,063)	(450,692)
	6,121	42,672
<b>Analysed as follows:</b>		
Within 1 year	6,121	42,672

The aggregate amount of sale price allocated to performance obligations that are unsatisfied / partially satisfied as at 30 June 2025 was AED 5,392 thousand (31 December 2024: AED 69,529 thousand). The Group expects to recognize revenue from these unsatisfied performance obligations within 1 year (2024: 1 year) from the interim condensed consolidated statement of financial position date.



## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 13 Deferred tax assets and liabilities

	As at	
	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
<b>Deferred tax assets</b>		
<b>The balance comprises temporary differences attributable to :</b>		
Losses available for offsetting against future taxable income	14,652	19,178
Net carrying value of finance liability and deferred gain as reduced by net carrying value of condo hotel units under financing arrangement	54,652	52,031
Unutilised interest expenses	1,446	1,446
Others	1,594	1,064
	<b>72,344</b>	<b>73,719</b>
<b>Set-off of deferred tax liabilities pursuant to set-off provisions</b>	<b>(72,344)</b>	<b>(73,719)</b>
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Deferred tax liabilities</b>		
<b>The balance comprises temporary differences attributable to :</b>		
Revaluations of property and equipment	252,658	241,865
Intangible assets	64,364	61,046
Property held for development and sale	4,863	4,863
	<b>321,886</b>	<b>307,774</b>
<b>Set-off of deferred tax assets pursuant to set-off provisions</b>	<b>(72,344)</b>	<b>(73,719)</b>
<b>Net deferred tax liabilities</b>	<b>249,542</b>	<b>234,055</b>

The Group identified certain timing differences primarily arising from variations in the accounting treatment of its sale and leaseback transactions, financing arrangements, and the revaluation of property and equipment in its interim condensed consolidated financial statements. In accordance with IAS 12 - Income Taxes, the Group has recognized deferred tax balances related to these timing differences.

Below table summarise the movement of deferred tax liability / (deferred tax asset): -

Movement	Deferred tax liability			Deferred tax assets			Total
	Intangible assets	Property held for development and sale	Property and equipment	Financing arrangement	Tax losses	Others	
<b>At 1 January 2024</b>	<b>61,046</b>	<b>-</b>	<b>267,228</b>	<b>(44,466)</b>	<b>(17,031)</b>	<b>(2,510)</b>	<b>264,267</b>
Charged/credited							
- to profit or loss	-	-	-	(7,565)	(2,147)	-	(9,712)
- to other comprehensive income	-	-	(38,125)	-	-	-	(38,125)
Chioro acquisition	-	5,096	13,895	-	-	-	18,991
Exchange difference	-	-	(1,366)	-	-	-	(1,366)
<b>At 31 December 2024 (Audited)</b>	<b>61,046</b>	<b>5,096</b>	<b>241,632</b>	<b>(52,031)</b>	<b>(19,178)</b>	<b>(2,510)</b>	<b>234,055</b>
Charged/credited							
- to profit or loss	-	-	-	(2,621)	4,526	-	1,905
- to other comprehensive income	-	-	8,288	-	-	-	8,288
Exchange difference	3,318	263	1,712	-	-	-	5,294
	<b>64,364</b>	<b>5,359</b>	<b>251,632</b>	<b>(54,652)</b>	<b>(14,652)</b>	<b>(2,510)</b>	<b>249,542</b>
<b>At 30 June 2025 (Unaudited)</b>			<b>321,356</b>			<b>(71,814)</b>	<b>249,542</b>

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 14 Finance liabilities

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Opening Balance	1,052,953	692,457
Net movement during the period/year	79,111	360,496
Payments made during the period/year	(76,533)	(138,969)
Unwinding of interest on finance liabilities	76,533	138,969
<b>Closing Balance</b>	<b>1,132,064</b>	<b>1,052,953</b>
<b>Analysed as follows:</b>		
Current portion	180,132	168,624
Non-current portion	951,932	884,329
	<b>1,132,064</b>	<b>1,052,953</b>
<b>Fixed/Variable</b>		
Fixed portion (*)	461,057	373,171
Variable portion	671,007	679,782
	<b>1,132,064</b>	<b>1,052,953</b>

\* The fixed portion of finance liability pertains to the units in FIVE Hotel Jumeirah Village Circle and FIVE Luxe Hotel - JBR which has guaranteed rental payments are to be made to the unit owners.

#### 15 Deferred gain

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Opening Balance	761,768	522,214
Movement during the period/year	68,285	355,512
Amortisation during the period/year	(60,458)	(115,958)
<b>Closing Balance</b>	<b>769,595</b>	<b>761,768</b>
<b>Analysed as follows:</b>		
Current portion	114,763	116,331
Non-current portion	654,832	645,437
	<b>769,595</b>	<b>761,768</b>

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 16 Transactions and balances with related parties

Related parties include the Owner, non-controlling interests, key management personnel and any businesses which are controlled, directly or indirectly by the Owner and directors or over which they exercise significant management influence (the “other related parties”).

During the period, the Group entered into the following significant transactions with related parties in the normal course of business and at prices and terms agreed by the Group’s management.

	As at	
	30 June 2025	30 June 2024
	AED’000	AED’000
	(Unaudited)	(Unaudited)
<b>Dividend</b>		
Owner	91,838	55,103
Non - controlling interests	4,416	1,372
<b>Transactions with key management personnel in ordinary course of business</b>		
<b>Revenue</b>		
Food and beverages	2,950	1,387
Rental income	372	300
<b>Expenses</b>		
Holiday home expenses	1,655	1,543
Salaries and Other benefits*	2,446	2,676
Management incentives programme*	6,113	9,693
Stock based compensation expense*	20,862	6,325
<b>Other related parties **</b>		
Capital and operating expenses	-	3,265
Sales incentive and commission expenses	-	9,562

\* The compensation to key management personnel consists of the (i) base salary, (ii) incentive based on the Group's business performance i.e., incentive payments based on a certain percentage of realised profits, subject to certain adjustments and (iii) stock-based compensation

\*\* Other related parties include entities under the common control or having significant influence.

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 17 Revenue

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025	2024	2025	2024
	AED'000	AED'000	AED'000	AED'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<i>At a point in time:</i>				
Food and beverages	289,342	238,163	444,803	359,420
Event admission	51,813	31,167	53,069	31,167
Other operating departments	29,118	20,684	39,972	31,407
	370,273	290,014	537,844	421,994
<i>Over time:</i>				
Sale of property held for development and sale*	48,937	97,596	222,986	192,255
Room revenue	168,300	151,912	317,669	275,507
	217,237	249,508	540,655	467,762
Rental income	9,306	6,249	14,191	11,231
	596,816	545,771	1,092,690	900,987

\*Revenue from sale of property held for development is recognised based on percentage completion basis. These contracts were signed for a fixed cash consideration on varying instalment payment plans.

#### 18 Cost of sales

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025	2024	2025	2024
	AED'000	AED'000	AED'000	AED'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cost of property held for development and sale (Note 8)	32,550	55,112	125,007	100,333
Staff costs	95,752	97,399	171,439	157,770
Stock based compensation (refer note 28)	3,115	3,083	6,255	3,083
Inventory consumption	59,748	47,845	94,177	75,596
Utility costs	12,682	13,857	24,158	23,543
Holiday home expenses	25,096	21,126	48,682	33,986
Music and entertainment	61,404	37,645	72,867	46,965
Operating supplies	7,704	8,127	14,079	13,592
Reservation cost	486	677	1,117	1,346
	298,537	284,871	557,781	456,214

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 19 General and administrative expenses

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025	2024	2025	2024
	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)
Staff costs	12,131	10,900	19,109	22,158
Stock based compensation (refer note 28)	7,289	6,929	14,584	6,929
Hotel operating expenses	17,086	15,890	26,433	26,725
Repairs and maintenance	7,791	8,479	13,292	16,495
Legal and professional fees	6,266	6,586	10,723	12,317
Credit card commission	8,249	6,475	14,249	11,015
Pre-opening expenses*	-	875	-	25,472
Transaction costs	-	474	-	952
Traveling expenses	928	3,157	1,340	5,296
Rent	2,344	-	4,094	1,507
Charity	72	641	123	1,304
Other expenses	3,142	1,056	5,118	2,683
	65,298	61,462	109,065	132,853

\* Pre-opening expenses for the six-month period ended 30 June 2024 mainly include AED 8,399 thousand of staff cost, AED 3,250 thousand pertains to marketing expenses, AED 11,764 thousand pertains to holiday home expenses of FIVE Luxe and AED 2,059 thousand for other miscellaneous cost.

#### 20 Selling and marketing expenses

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025	2024	2025	2024
	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)
Sales incentive and commission	19,419	14,103	32,592	21,507
Real estate commission	1,432	4,545	7,566	9,564
Advertising expenses	16,038	12,861	25,372	20,634
	36,889	31,509	65,530	51,705

#### 21 Other income

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025	2024	2025	2024
	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)
Gain on sale of property	982	-	1,252	-
Delay fee	365	3,213	1,215	6,193
Gain on lease derecognition (Refer note 5)	-	-	-	2,368
Forefeiture income	-	1,740	-	3,720
Others	1,836	2,249	2,044	2,895
	3,183	7,202	4,511	15,176

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 22 Finance costs, net

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025	2024	2025	2024
	AED'000	AED'000	AED'000	AED'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<i>Finance costs:</i>				
- Interest on borrowings	39,324	37,481	78,521	77,178
- Unwinding of interest on finance liabilities	39,385	33,135	76,533	64,714
- Unwinding of interest on lease liabilities	3,154	3,693	6,205	7,458
- Unwinding of interest on other finance liabilities	1,121	-	2,242	-
- Others	528	763	1,105	1,642
Less: Amortisation of deferred gain	(30,444)	(32,495)	(60,458)	(55,611)
Total finance costs (A)	53,068	42,577	104,148	95,381
<i>Finance income:</i>				
Interest income (B)	7,635	4,275	12,324	9,499
Total finance income (B)	7,635	4,275	12,324	9,499
Finance costs – net ((A) - (B))	45,433	38,302	91,824	85,882

#### 23 Income tax (expense)/benefit

	Three- month period ended 30th June		Six- month period ended 30th June	
	2025	2024	2025	2024
	AED'000	AED'000	AED'000	AED'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Current tax:</b>				
Current tax on profit for the period	(15,714)	(7,684)	(20,873)	(12,332)
<b>Deferred income tax:</b>				
On origination and reversal of temporary differences	(4,844)	(8,332)	(6,706)	(2,222)
Net carrying value of finance liability and deferred gain as reduced by net carrying value of condo hotel units under financing arrangement	2,939	(3,074)	2,621	(194)
<b>Income tax (expense)/benefit</b>	<b>(17,619)</b>	<b>(19,090)</b>	<b>(24,958)</b>	<b>(14,748)</b>

#### 24 Dividend

During the six-month period ended 30 June 2025, the Group declared and paid the dividend of AED 91,838 thousand (31 December 2024: 91,838 thousand). Dividend per share was AED 91,838 thousand per share (31 December 2024: AED 91,838 thousand per share).

The Group declared and paid dividends of AED 4,416 thousand (31 December 2024: AED 2,016 thousand) to its minority shareholders.

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 25 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
<b>Financial assets as per the interim condensed consolidated statement of financial position</b>		
<i>At amortised cost</i>		
Trade and other receivables, excluding advances to suppliers and tax receivable (Note 6)	624,566	466,903
Bank deposits (Note 9(B))	453,120	345,835
Cash and cash equivalents (Note 9(A))	206,999	182,712
	1,284,685	995,450

	As at	
	30 June 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
<b>Financial liabilities as per the interim condensed consolidated statement of financial position</b>		
<i>At amortised cost</i>		
Trade and other payables (excluding advance from customers, VAT payable and current taxes payable)	311,573	332,661
Borrowings (Note 11)	1,494,901	1,418,145
Lease liabilities (Note 5)	181,483	174,779
Finance liabilities (Note 14)	1,132,064	1,052,953
Retention Payables	47,042	40,637
	3,167,063	3,019,175



**Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)**
**26 Financial risk management**
**26.1 Financial risk factors**

The Group's multinational operations and borrowings expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024. There have been no changes in any risk management policies since year end.

*Cash flow and fair value interest rate risk*

The Group is exposed to interest rate risk on its interest-bearing liabilities. As at 30 June 2025, bank borrowings carried at variable rates comprise of AED 122,080 thousand (31 December 2024: AED 111,951 thousand) i.e. 8% (2024: 8%) of the Group's total borrowings of AED 1,494,901 thousand (31 December 2024: AED 1,418,145 thousand).

**26.2 Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group maintains flexibility in funding by maintaining availability under committed credit lines. Cash flow forecasting is performed by the Group on an ongoing basis to ensure it has sufficient cash to meet operational needs.

Liquidity risk management is carried out by a central treasury department at the Group level. Surplus cash held by the Group over and above the balance required are used for the payment of debt and to reduce the interest charges. The below table analyses the Group's financial liabilities into relevant maturity Groupings based on the remaining period at the consolidated statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Contractual maturities of financial liabilities				Carrying value AED'000
	Less than 1 year	Between 1 and 5 years	Over 5 years	Total contractual cash flows	
	AED'000	AED'000	AED'000	AED'000	
At 30 June 2025 (Unaudited)					
Trade and other payables * (note 10)	250,414	39,090	120,424	409,928	311,573
Borrowings (note 11)	267,492	1,615,294	-	1,882,786	1,494,901
Finance liabilities (note 14)	180,132	751,088	3,864,545	4,795,765	1,132,064
Lease liabilities (note 5)	25,246	101,289	161,383	287,918	181,483
Retention payables	35,923	11,119	-	47,042	47,042
	759,207	2,517,881	4,146,351	7,423,439	3,167,063
	Contractual maturities of financial liabilities				Carrying value AED'000
	Less than 1 year	Between 1 and 5 years	Over 5 years	Total contractual cash flows	
	AED'000	AED'000	AED'000	AED'000	
At 31 December 2024 (Audited)					
Trade and other payables * (note 10)	292,443	43,774	-	336,217	332,661
Borrowings (note 11)	122,957	1,734,682	-	1,857,639	1,418,145
Finance liabilities (note 14)	168,700	699,682	3,612,376	4,480,758	1,052,953
Lease liabilities (note 5)	28,678	91,670	175,961	296,309	174,779
Retention payables	30,919	9,717	-	40,636	40,636
	643,697	2,579,525	3,788,337	7,011,559	3,019,174

\*Excluding advances from customers, VAT payable and current tax payables.

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

## 26 Financial risk management (continued)

### 26.3 Capital risk management

The Groups' objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings, finance liabilities, and lease liabilities less cash and bank balances. Total capital is calculated as 'total equity' as shown in the interim condensed consolidated financial position plus net debt.

The gearing ratios as at 30 June 2025 and 31 December 2024 were as follows:

	As at	
	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Total borrowings (Note 11)	1,494,901	1,418,145
Total finance liabilities (Note 14)	1,132,064	1,052,953
Total lease liabilities (Note 5)	181,483	174,779
Less: cash and bank balances (Note 9)	(660,119)	(528,547)
Net debt (A)	2,148,329	2,117,330
Total equity (B)	6,938,802	6,607,910
Total capital ((C) = (A) + (B))	9,087,131	8,725,240
<b>Gearing ratio ((A)/(C))</b>	<b>24%</b>	<b>24%</b>

### 26.4 Fair value estimation

Financial instruments comprise financial assets and financial liabilities. Financial assets of the Group include cash and cash equivalents, trade and other receivables (excluding advance to suppliers). Financial liabilities of the Group include Trade and other payables excluding advance from customers, deferred payment, VAT payable, current tax payable, Bank Borrowings, Finance liabilities and lease liabilities.

The fair values of the financial assets and liabilities are not materially different from their carrying value unless stated otherwise.

### 26.5 Net debt reconciliation

	Liabilities from financing activities				Cash and bank balances	Total
	Finance liabilities	Lease liabilities	Borrowings	Sub-total		
	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000
Net debt as at 1 January 2024	692,457	259,357	1,623,024	2,574,838	(731,741)	1,843,097
Additions	360,496	-	142,597	503,093	-	503,093
Interest	138,969	14,268	160,047	313,284	-	313,284
Payments	(138,969)	(37,677)	(507,523)	(684,169)	203,194	(480,975)
Lease derecognition (Note 5)	-	(53,713)	-	(53,713)	-	(53,713)
Other movement	-	(7,456)	-	(7,456)	-	(7,456)
<b>Net debt as at 31 December 2024 (Audited)</b>	<b>1,052,953</b>	<b>174,779</b>	<b>1,418,145</b>	<b>2,645,877</b>	<b>(528,547)</b>	<b>2,117,330</b>
Additions	79,111	-	66,431	145,542	-	145,542
Interest	76,533	6,205	78,521	161,259	-	161,259
Payments	(76,533)	(14,046)	(68,196)	(158,775)	(131,572)	(290,347)
Other movement	-	14,545	-	14,545	-	14,545
<b>Net debt as at 30 June 2025 (Unaudited)</b>	<b>1,132,064</b>	<b>181,483</b>	<b>1,494,901</b>	<b>2,808,448</b>	<b>(660,119)</b>	<b>2,148,329</b>

(\*) other movements includes foreign exchange differences.

**Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)**

**27 Segment Reporting**

The Group's operating segments are Real estate development and Hospitality. Segment performance is measured based on the adjusted profit or loss calculated in accordance with IFRS accounting standard.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chairman and Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker.

From the internal organisation of the Group's activities and consistent with the internal reporting provided to the chief operating decision maker and after considering the nature of its services, the ultimate customer availing those services and the methods used by it to provide those services, "Hospitality Services" and "Real Estate Development" has been identified to be the Group's operating segments.

Our chief operating decision maker monitors assets for the Group as a whole and not by operating segment when assessing performance or making operating segment resource allocations.

**Description of the Segment:**

**Hospitality Segment:** The Group has an international Hospitality Business that owns, operates and manages luxury hotels with a strong focus on entertainment and food & beverages (F&B).

**Real Estate Development Segment:** The Group's Real Estate Development Business is focused on the development of high-quality properties including hotel rooms, hotel apartments, residential units and experiential outlets, such as restaurants, bars, cafes and night-clubs. The Group derives its revenue and profit from sale of residential units to its customers.

**Segment EBITDA reconciliation**

**a) For the six-month ended 30 June 2025 (Unaudited)**

	<b>Hospitality</b>	<b>Real estate development</b>	<b>Total</b>
<b>Particulars</b>	<b>AED'000</b>	<b>AED'000</b>	<b>AED'000</b>
<b>Total Segment Results</b>	318,721	82,836	401,557
Add: Preopening expenses	-	-	-
<b>Unallocated Items</b>			
Corporate expenses	-	-	(15,893)
<b>EBITDA</b>	<b>318,721</b>	<b>82,836</b>	<b>385,664</b>

**b) For the six-month ended 30 June 2024 (Unaudited)**

	<b>Hospitality</b>	<b>Real estate development</b>	<b>Total</b>
<b>Particulars</b>	<b>AED'000</b>	<b>AED'000</b>	<b>AED'000</b>
<b>Total Segment Results</b>	224,788	80,554	305,342
Add: Preopening expenses	25,472	-	25,472
<b>Unallocated Items</b>			
Corporate expenses	-	-	(19,938)
<b>EBITDA</b>	<b>250,260</b>	<b>80,554</b>	<b>310,875</b>

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 27 Segment Reporting (continued)

Reconciliation between profit for the period and earnings before interest, tax, depreciation and amortisation:

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025	2024	2025	2024
	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)
<b>Profit / (loss) for the period after tax</b>	57,993	40,826	92,791	37,104
Stock based compensation (Note 28)	10,404	10,012	20,839	10,012
Additional depreciation due to revaluation adjustment	36,213	36,555	71,906	68,731
<b>Adjusted net income</b>	<b>104,610</b>	<b>87,393</b>	<b>185,536</b>	<b>115,847</b>
<b>Add/ (less):</b>				
Depreciation of property and equipment	35,131	31,985	69,057	51,299
Depreciation of right-of-use assets (Note 5)	5,801	7,324	12,154	15,084
Amortisation of intangible assets (Note 4)	1,085	1,048	2,135	2,543
Pre-opening expenses (Note 19)	-	875	-	25,472
Finance costs (Note 22)	53,068	42,577	104,148	95,381
Finance income (Note 22)	(7,635)	(4,275)	(12,324)	(9,499)
Income tax expense (Note 23)	17,619	19,090	24,958	14,748
<b>Earning before interest, tax, depreciation and amortisation ("EBITDA")</b>	<b>209,679</b>	<b>186,017</b>	<b>385,664</b>	<b>310,875</b>

Particulars	Three-month period ended 30 June		Six-month period ended 30 June	
	2025	2024	2025	2024
	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)
<b>Segment Revenue</b>				
Hospitality*	547,879	448,175	869,704	708,732
Real estate development	48,937	97,596	222,986	192,255
<b>Total Segment Revenue</b>	<b>596,816</b>	<b>545,771</b>	<b>1,092,690</b>	<b>900,987</b>
<b>Segment Results</b>				
Hospitality*	207,078	157,628	318,721	224,788
Real estate development	9,149	38,195	82,836	80,554
<b>Total Segment Results</b>	<b>216,227</b>	<b>195,823</b>	<b>401,557</b>	<b>305,342</b>
<b>Add/ (less): Unallocated Items</b>				
Finance costs (Note 22)	53,068	42,577	104,148	95,381
Finance income (Note 22)	(7,635)	(4,275)	(12,324)	(9,499)
Corporate office	6,548	10,680	15,893	19,938
Stock based compensation (Note 28)	10,404	10,012	20,839	10,012
Depreciation and amortisation (Note 3, 4 & 5)	78,230	76,913	155,252	137,657
Income tax expense (Note 23)	17,619	19,090	24,958	14,748
<b>Net profit/(loss)</b>	<b>57,993</b>	<b>40,826</b>	<b>92,791</b>	<b>37,105</b>
Stock based compensation	10,404	10,012	20,839	10,012
Additional depreciation due to revaluation adjustment	36,213	36,555	71,906	68,731
<b>Adjusted net income</b>	<b>104,610</b>	<b>87,393</b>	<b>185,536</b>	<b>115,848</b>

**Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)**

**27 Segment Reporting (continued)**

Hospitality revenue includes AED 199,645 thousand (2024: AED 160,561 thousand) and result includes AED 65,747 thousand (2024: AED 51,578 thousand) respectively generated from the subsidiaries outside the UAE for three-month period ended 30 June 2025.

**Other Information**

The Management of the entity further evaluates the result of the Hospitality segment separately into Hotel Rooms, Food and Beverage - Entertainment, Food and Beverage - Non entertainment, and others, which are the key drivers of the performance of the business.

**Description of Sub-Segments**

**Rooms:** Room revenue means all gross revenue derived from the rental of hotel rooms (excluding rooms managed under holiday home management agreement), net of any applicable rebates and discounts and excluding any incidental revenue such as telephone charges etc. Holiday home revenue refers to gross revenue derived from the rental of units owned by others but are managed by the Group under the Holiday Home Management agreement.

**Live Events:** Live Events segment refers to a guest experience that involves food and/or beverage dining before, after, or during other activities. These unique venues aim to blend food with entertainment, offering patrons a chance to savor their meals while enjoying a wide range of captivating activities, immersive themes, interactive performances. The segment includes revenue from event admission/ general entrance fees charged, F&B consumed during the events and other revenues directly associated with the events.

**Social Events:** Social Events segments refers to all the events (similar to Live Events), but no event admission/ general entrance fees charged.

**Food and Beverage - Non entertainment:** The segment includes revenue and profit from sale of food, beverages and other items but are not directly connected to any event.

**Others:** All other hospitality revenues that are not connected to the above segment are covered under “Others”. This includes income from Spa, laundry services, telephone services and other allied services.

## FIVE Holdings (BVI) Limited and its subsidiaries

### Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)

#### 27 Segment Reporting (continued)

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025	2024	2025	2024
	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)
<b>Hospitality - Revenue stream wise</b>				
Rooms	168,300	151,912	317,669	275,507
Live Events	167,745	105,240	176,096	109,210
Social Events	95,336	93,596	173,410	157,717
Food and Beverage – Non Entertainment	80,198	74,455	150,579	129,486
Others	36,300	22,972	51,950	36,812
<b>Total Hospitality - Revenue stream wise</b>	<b>547,879</b>	<b>448,175</b>	<b>869,704</b>	<b>708,732</b>
<b>Hospitality - Result stream wise</b>				
Rooms	74,799	58,803	138,579	117,049
Live Events	61,035	44,332	60,009	42,050
Social Events	35,522	30,109	62,131	50,342
Food and Beverage – Non Entertainment	22,972	20,735	43,684	35,028
Others	12,750	3,649	14,318	(19,681)
<b>Total Hospitality - Result stream wise</b>	<b>207,078</b>	<b>157,628</b>	<b>318,721</b>	<b>224,788</b>
Add: Pre-opening Expenses	-	875	-	25,472
<b>Total Other Adjustments Hospitality</b>	<b>-</b>	<b>875</b>	<b>-</b>	<b>25,472</b>
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>				
Rooms	74,799	58,803	138,579	117,049
Live Events	61,035	44,332	60,009	42,050
Social Events	35,522	30,109	62,131	50,342
Food and Beverage – Non Entertainment	22,972	20,735	43,684	35,028
Others	12,750	4,524	14,318	5,791
<b>Total EBITDA</b>	<b>207,078</b>	<b>158,503</b>	<b>318,721</b>	<b>250,260</b>

**Notes: -**

- Segment Result = Revenue – Cost of sales – General and administrative expenses – Selling and marketing expenses + Other Income.
- Pre-opening expense allocated in the sub-segment of hospitality based on the revenue of that sub-segment.
- Management incentive allocated to Hospitality segment for the six-month period ended 30 June 2025 amounted to AED 3,667 thousand as against AED 6,185 thousand during the same period in 2024.

#### 28 Stock based compensation plan

The establishment of stock-based compensation plan is in accordance with IFRS 2 which is designed to increase the employee's productivity, efficiency and improve their future performance which will help the Group in achieving its goals and objectives. The inclusion parameters for the program are based on the below factors:

**For employees:**

1. Service: Those employees who have completed 5 years and shown unwavering commitment.
2. Critical: Those employees in critical roles who have made exceptional contributions to Group's success in a short span of time.

**Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)**

**28 Stock based compensation plan (continued)**

Each eligible employee is entitled to two awards, a Performance-Based Long Term Incentive Plan (“LTIP”) Award and an Initial Public Offering (“IPO”) Bonus LTIP Award. The value of individual awards was determined based on a multiple of basic salary and communicated to the employees in April 2024.

**Performance-Based LTIP Awards:** These awards vest over time in tranches from April 2027 to April 2029 subject to employee’s performance rating and satisfaction of corporate performance conditions i.e., occurrence of IPO or achieving the targeted financial performance as well as continued employment. Upon vesting, these awards will be typically converted to shares for nil consideration, though cash settlement may occur at the LTIP administrator's discretion.

**IPO Bonus LTIP Awards:** These awards vest and convert to shares at the IPO price upon IPO occurring at or above a specified market capitalization within five years. The shares are subject to a six-month lock-up period post-IPO.

The fair value of the awards was determined based on communicated awards value subject to employees’ attrition rate 5% per annum over the vesting period, aggregated to AED 70,699 thousand (31 December 2024: AED 73,922 thousand).

Upon applying sensitivity to the below assumption, below is the impact on the fair value of the awards:

Key assumptions	Change	30 June 2025	31 December 2024
		AED ‘000 (Unaudited)	AED ‘000 (Audited)
Attrition rate	+1%	(3,079)	(3,220)
	-1%	3,127	3,270

**For key management personnel:**

Upon attaining the age of 60 years the key management personnel will be awarded a certain amount of non-voting shares in the Company for nil consideration subject to continued employment. The fair value of these awards aggregate to AED 265,748 thousand (31 December 2024: AED 265,748 thousand), determined based on Group’s valuation with weighted average cost of capital (WACC) of 11.9%, terminal growth rate of 2.2% and capitalisation rate of 9.7%.

Upon applying sensitivity to below assumptions, below is the impact on the fair value of the awards

Key assumptions	Change	30 June 2025	31 December 2024
		AED ‘000 (Unaudited)	AED ‘000 (Audited)
WACC	+1%	(17,639)	(27,934)
	-1%	21,693	34,326
Capitalisation rate:	+0.5%	(9,251)	(9,252)
	-0.5%	10,257	10,257

During the six-month period ended 30 June 2025, the Group recognised aggregate stock-based compensation expenses of AED 20,839 thousand (2024 : AED 10,012 thousand) with an amount of AED 6,255 thousand (2024: AED 3,083 thousand) included in cost of sales (note 18) and an amount of AED 14,584 thousand (2024 : AED 6,929 thousand) in general and administrative expenses (note 19) with corresponding stock-based compensation reserve of AED 55,025 thousand (31 December 2024 : AED 34,186 thousand) included within equity.



## **FIVE Holdings (BVI) Limited and its subsidiaries**

### **Notes to the interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2025 (continued)**

#### **29 Reclassification of prior period balances**

Certain comparative figures have been reclassified in order to confirm to the presentation for the current period. These changes have been made to improve the quality and comparability of information presented. Such reclassification does not affect previously reported net profit or equity.

The effects of the reclassification to the prior year financial statements are summarized as below:

	<b>Three-month period ended 30 June</b>		
	<b>As previously reported</b>	<b>Reclassification</b>	<b>As reclassified</b>
	<b>AED'000</b>	<b>AED'000</b>	<b>AED'000</b>
General and administrative expenses	74,612	(13,150)	61,462
Cost of sales	272,641	12,230	284,871
Selling and marketing expenses	30,589	920	31,509