

INVICTUS INVESTMENT COMPANY PLC

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**AS AT AND FOR THE SIX MONTH PERIOD ENDED
30 JUNE 2024**

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF INVICTUS INVESTMENT COMPANY PLC

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Invictus Investment Company PLC (the “Company”) and its subsidiaries (together referred to as the “Group”) as at 30 June 2024, which comprise the interim condensed consolidated statement of financial position as at 30 June 2024, and the related interim condensed consolidated statement of profit or loss and other comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

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

Conclusion

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

For and on behalf of Ernst & Young - Middle East (ADGM Branch)



Janardhan R
Partner

13 August 2024

Abu Dhabi, United Arab Emirates

INVICTUS INVESTMENT COMPANY PLC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six month period ended 30 June 2024 (Unaudited)

	<i>Notes</i>	<i>Six month period ended 30 June (Unaudited)</i>	
		<i>2024 AED</i>	<i>2023 AED</i>
Revenue	3	4,262,770,729	4,239,329,290
Direct costs		(4,163,464,912)	(4,031,523,019)
GROSS PROFIT		99,305,817	207,806,271
Other income		9,183,308	4,608,424
Finance income	4	69,413,897	19,447,095
Share of profit of an associate		2,976,404	1,069,420
Selling, general and administrative expenses	5	(40,902,414)	(46,400,392)
Finance costs	6	(55,226,500)	(50,024,376)
PROFIT BEFORE TAX FOR THE PERIOD		84,750,512	136,506,442
Current income tax expenses	19	(523,053)	-
PROFIT AFTER TAX FOR THE PERIOD		84,227,459	136,506,442
Other comprehensive income for the period		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		84,227,459	136,506,442
Earnings per share for the period – basic and diluted (AED)	18	0.075	0.122


The accompanying notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

INVICTUS INVESTMENT COMPANY PLC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

		30 June 2024 AED (Unaudited)	31 December 2023 AED (Audited)
	Notes		
ASSETS			
Non-current assets			
Property and equipment	7	30,725,225	27,765,551
Intangible assets		750,764	986,214
Right-of-use assets	8	7,003,495	7,130,833
Investment in an associate		6,772,446	3,796,042
		<u>45,251,930</u>	<u>39,678,640</u>
Current assets			
Inventories	9	560,381,052	610,176,684
Trade and other receivables	10	1,860,908,045	1,615,230,832
Due from related parties	11	160,333,684	3,274,887
Other financial assets	12	48,065,873	45,107,973
Bank balances and cash	13	275,647,836	369,665,182
		<u>2,905,336,490</u>	<u>2,643,455,558</u>
TOTAL ASSETS		<u>2,950,588,420</u>	<u>2,683,134,198</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	14	280,000,000	280,000,000
Share premium	14	294,000,000	294,000,000
Retained earnings		532,479,580	493,252,121
Total equity		<u>1,106,479,580</u>	<u>1,067,252,121</u>
Non-current liabilities			
Bank borrowings	15	183,650,000	-
Lease liabilities	8	6,941,504	6,900,795
Provision for employees' end of service benefits		1,031,165	615,252
		<u>191,622,669</u>	<u>7,516,047</u>
Current liabilities			
Bank borrowings	15	1,059,880,263	1,084,631,524
Trade and other payables	16	583,545,801	505,344,633
Due to related parties	11	8,565,492	17,918,342
Lease liabilities	8	494,615	471,531
		<u>1,652,486,171</u>	<u>1,608,366,030</u>
Total liabilities		<u>1,844,108,840</u>	<u>1,615,882,077</u>
TOTAL EQUITY AND LIABILITIES		<u>2,950,588,420</u>	<u>2,683,134,198</u>


Osama Daoud Abdel Latif
Chairman




Amir Daoud Abdelatif Ibrahim
Managing Director

The accompanying notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

INVICTUS INVESTMENT COMPANY PLC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six month period ended 30 June 2024 (Unaudited)

	<i>Share capital AED</i>	<i>Share premium AED</i>	<i>Retained earnings AED</i>	<i>Total AED</i>
As at 1 January 2024	280,000,000	294,000,000	493,252,121	1,067,252,121
Total comprehensive income for the period	-	-	84,227,459	84,227,459
Dividends (note 17)	-	-	(45,000,000)	(45,000,000)
At 30 June 2024 (Unaudited)	280,000,000	294,000,000	532,479,580	1,106,479,580
As at 1 January 2023	280,000,000	294,000,000	454,586,718	1,028,586,718
Total comprehensive income for the period	-	-	136,506,442	136,506,442
Dividends (note 17)	-	-	(175,000,000)	(175,000,000)
At 30 June 2023 (Unaudited)	280,000,000	294,000,000	416,093,160	990,093,160

The accompanying notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

INVICTUS INVESTMENT COMPANY PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2024 (Unaudited)

		<i>Six month period ended 30 June</i>	
		<i>2024 AED (Unaudited)</i>	<i>2023 AED (Unaudited)</i>
	<i>Notes</i>		
OPERATING ACTIVITIES			
Profit for the period before tax		84,750,512	136,506,442
Adjustments for:			
Depreciation of property and equipment		950,781	463,240
Depreciation on right-of-use assets		127,338	106,114
Amortisation of intangible assets		245,000	214,806
Finance costs	6	55,226,500	50,024,376
Interest income	4	(69,413,897)	(19,447,095)
Provision for allowance for expected credit losses		2,940,267	1,408,635
Provision for impairment of advance to suppliers		250,348	1,498,376
Gain on derivative instruments carried at fair value through profit or loss		(4,261,596)	(18,062,048)
Provision for inventories		(489,427)	(3,681,507)
Credit balances no longer required written back		(8,312,384)	(4,608,425)
Provision for employees' end of service benefits		720,433	141,796
Share of profit of an associate		(2,976,404)	(1,069,419)
		59,757,471	143,495,291
Changes in working capital:			
Inventories		50,285,059	(188,448,785)
Trade and other receivables		(237,081,703)	(139,172,975)
Trade and other payables		78,160,525	(140,048,602)
Due from related parties		(157,058,797)	531,490
Due to related parties		(9,352,850)	(1,926,156)
		(215,290,295)	(325,569,737)
Employees' end of service benefits paid		(304,520)	-
Interest income received		57,627,772	9,637,059
Net cash flows used in operating activities		(157,967,043)	(315,932,678)
INVESTING ACTIVITIES			
Additions to property and equipment	7	(3,910,455)	(17,002,994)
Additions to intangible assets		(9,550)	(140,400)
Net cash flows used in investing activities		(3,920,005)	(17,143,394)
FINANCING ACTIVITIES			
Availment of bank borrowings		2,990,562,643	1,953,328,391
Repayment of bank borrowings		(2,831,663,904)	(1,600,581,834)
Margin money deposits placed		(6,254,426)	(56,668,270)
Margin money deposits released		7,558,122	129,684,709
Payment of lease liabilities (principal portion)		(248,357)	(206,965)
Interest paid		(47,084,376)	(41,686,868)
Dividends paid	17	(45,000,000)	(194,061,552)
Net cash flows generated from financing activities		67,869,702	189,807,611
NET DECREASE IN BANK BALANCES AND CASH		(94,017,346)	(143,268,461)
Bank balances and cash as at 1 January		369,665,182	537,594,870
BANK BALANCES AND CASH AS AT 30 JUNE		275,647,836	394,326,409

INVICTUS INVESTMENT COMPANY PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2024 (Unaudited)

1 ACTIVITIES

Invictus Investment Company PLC (the "Company") was incorporated on 1 March 2022 and registered under commercial license no 7055 as a public limited company by shares in Abu Dhabi, United Arab Emirates ("UAE") in accordance with the Abu Dhabi Global Market Companies (Amendment No. 1) Regulations 2020. The registered office of the Company is 3501, Al Maqam Tower, ADGM Square, Al Maryah Island, Abu Dhabi, UAE. The Company's business activities are to act as Holding Company (including Head office).

These interim condensed consolidated financial statements include the results of the operations and financial position of the Company and its subsidiaries (together referred to as the "Group"). Refer note 2.2 for details of subsidiaries.

As at 30 June 2024, the Shareholders of the Company are Invictus Holding Limited (holding 68.4974%) (the "Parent" or "the major shareholder"), Green Park Investments (holding 22.3214%) and various other shareholders (holding 9.1812%).

The Ultimate Beneficiaries of the Parent are Abdellatif family members (the "Ultimate Beneficiaries").

The Company had during 2022 registered in Turkey with a tax identification number 4651428132 to comply with a Turkish law enacted about the tax identification number of non-Turkish individuals (including non-Turkish legal entities) and it is used as an identification number of the non-Turkish individual or non-Turkish legal entity. The potential tax ID registration does not constitute establishment of a legal presence in Turkey. This registration was undertaken to facilitate movement of goods imported into Turkey to a bonded warehouse.

The interim condensed consolidated financial statements have been approved by the Board of Directors on 13 August 2024.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements of the Group for the six month period ended 30 June 2024 have been prepared in accordance with International Accounting Standard ("IAS") 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 International Financial Reporting Standards (IFRS) and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2023.

The interim condensed consolidated financial statements are presented in United Arab Emirates Dirhams ("AED"), which is the Company's functional currency.

The interim condensed consolidated financial statements have been presented on the historical cost basis except for derivative financial instruments which are measured at fair value.

Results for the six month period ended 30 June 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

2.2 BASIS OF CONSOLIDATION

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. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

INVICTUS INVESTMENT COMPANY PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2024 (Unaudited)

2.2 BASIS OF CONSOLIDATION (continued)

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the interim condensed consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent and to the non-controlling interests. Total comprehensive income of subsidiary is attributed to the owners of the Parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies in line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a 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, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Details of the Company's material subsidiaries as at 30 June 2024 and 31 December 2023 as below:

<i>Name of Subsidiaries</i>	<i>Country</i>	<i>Principal activities</i>	<i>Ownership interest</i>	
			<i>2024</i>	<i>2023</i>
			%	%
Invictus Trading FZE	UAE	General trading of agricultural Commodities, food products Non-manufactured Precious metal trading, Trading refined oil Products, Sea cargo Service, Sea shipping lines agents	100%	100%
Invictus Logistics Holding Company Limited	UAE	Special purpose vehicle	100%	100%
Delta Africa Holding Company Limited and its subsidiaries**	Mauritius	Global Business	100%	-

**Delta Africa Holding Co. Ltd and its subsidiaries were incorporated on 3 May 2024. There are no commercial operations undertaken by this entity and its subsidiaries.

Certain investments are held by the Company for the beneficial interest of the Parent.

2.3 MATERIAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of interim condensed consolidated financial statements on the basis described above requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were primarily the same as those that applied to the audited annual consolidated financial statements for the year ended 31 December 2023.

Going concern

Management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has adequate financial resources to continue in business for the foreseeable future. In making this assessment, the Group's management has considered amongst others the concentration of its geographical risk with respect to the customers based in Sudan, which has witnessed an ongoing conflict since April 2023 between the army and a militia in Sudan's capital city of Khartoum. Given the Group's customers in Sudan are mainly involved in the food processing and distribution sectors and play a key role in meeting the country's food security needs, they have remained largely unaffected by these developments albeit there is a slow-down in their operations as compared to the pre-conflict period. Banking operations in Sudan which were initially affected at outset of the conflict are currently operational. The Group's management has continued to trade with their customers in Sudan during later part of 2023 and 2024 and collect funds against such trade credit terms by extending the credit terms, if required. Considering the above aspects, the Group's management believes it is unlikely that the ongoing conflict will have any significant impact on its exposure in Sudan as at 30 June 2024 (refer Note 9 and 10 for details).

The Group adopts a prudent approach in managing its liquidity risk, reflecting the volatility in commodity markets, macro-economic and geo-political conditions, by monitoring actual and forecasted cash flows attributable to its operational activities. Based on the 12-month rolling cash flow projections, the Group's management has concluded that there are no material uncertainties in relation to its cash flows which is expected to be primarily generated from (a) trading and collections from customers; (b) managing supply chain requirements as majority of the purchase of commodities are based on customer orders (i.e. back to back in nature) and extending credit terms with suppliers; (c) cost optimisation measures; and (d) availing additional funding from financial institutions. As at the reporting date, the Group's unutilised facility amounts to AED 1,464,952,067. Refer (note 15) for details of the Group's borrowing arrangements. The Board of Directors monitor the net debt level of the Group taking into consideration the expected outlook of the Group's financial position, cash flows and expected capital requirements.

Furthermore, the Group's management and Shareholders are not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Further, the majority shareholder remains fully committed and has confirmed its willingness to extend necessary support, including financial assistance, to the Group. Therefore, these consolidated financial statements have been prepared by the Group's management on a going concern basis.

2.4 CHANGES IN MATERIAL ACCOUNTING POLICIES AND DISCLOSURES

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 consolidated financial statements for the year ended 31 December 2023, except for the following:

a. New and amended IFRS standards, amendments and interpretations

- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements
- Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback
- Classification of Liabilities as Current or Noncurrent – Amendments to IAS 1

Management does not expect the adoption of the above new IFRS standards, amendments and interpretations, to have a material impact on interim condensed consolidated financial statements of the Group. The Group has not early adopted any standard, interpretation or amendment that has been issued as at the date of the authorisation of these interim condensed consolidated financial statements but is not yet effective.

2.4 CHANGES IN MATERIAL ACCOUNTING POLICIES AND DISCLOSURES (continued)

b. Material accounting policies

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the interim condensed consolidated statement of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Withholding tax

The Group withholds taxes are recognised as required by the tax laws of the respective country where the Group operates.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets are 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 asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income (OCI) or directly in equity.

INVICTUS INVESTMENT COMPANY PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2024 (Unaudited)

2.4 CHANGES IN MATERIAL ACCOUNTING POLICIES AND DISCLOSURES (continued)

Taxes (continued)

Deferred tax (continued)

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3 REVENUE

	<i>Six month period ended 30 June (Unaudited)</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED</i>	<i>AED</i>
<i>Type of goods or service and timing of revenue recognition</i>		
Sale of goods - at a point in time	4,246,945,014	4,228,304,628
Freight services - over time	15,825,715	11,024,662
	<u>4,262,770,729</u>	<u>4,239,329,290</u>

3.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with its customers:

	<i>Six month period ended 30 June (Unaudited)</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED</i>	<i>AED</i>
Geographical markets		
Africa	2,038,148,056	2,700,272,023
Middle East	1,713,046,036	1,252,274,143
Asia	431,105,672	264,593,242
Europe	944,935	9,238,903
United States of America	63,700,315	1,926,317
	<u>4,246,945,014</u>	<u>4,228,304,628</u>
Major category of customers		
Corporate and other customers	3,376,278,817	2,808,025,953
Related parties (note 11)	870,666,197	1,420,278,675
	<u>4,246,945,014</u>	<u>4,228,304,628</u>

INVICTUS INVESTMENT COMPANY PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2024 (Unaudited)

3 REVENUE (continued)

3.1 Disaggregated revenue information (continued)

	<i>Six month period ended 30 June (Unaudited)</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED</i>	<i>AED</i>
Major product lines		
Wheat	1,384,996,957	1,734,951,141
Soya Bean Meal and Oil	1,079,731,393	960,961,998
Corn	896,285,729	466,209,609
Wheat Flour	166,403,185	-
Sugar	164,089,002	327,139,500
Sesame	93,334,863	75,904,613
Sunflower seed and oil	72,793,569	49,983,668
Distiller Dried Grains with Soluble	71,477,071	-
Yeast	48,862,495	37,713,888
Capital equipment and spare parts	32,440,112	130,113,369
Milk powder	21,056,602	49,899,254
Ground nut oil, cake and kernels	20,898,649	77,561,269
Barley	12,642,878	61,358,963
Packaging Materials	10,206,448	42,798,800
Pelleted Bran	7,070,525	89,338,663
Urea	5,543,208	45,667,408
Others (mainly, lentils, finished goods, etc.)	159,112,328	78,702,485
	4,246,945,014	4,228,304,628
Services		
Freight services	15,825,715	11,024,662

3.2 Contract balances

	<i>30 June 2024 AED (Unaudited)</i>	<i>31 December 2023 AED (Audited)</i>
Trade receivables, net (note 10) (not provisional priced)	1,619,721,668	1,471,799,957
Contract liabilities (Advance from customers) (note 16)	24,919,187	40,472,135

During the six month period ended 30 June 2024, the Group recognised revenue amounting to AED 40,472,135 (2023: AED 27,375,560) that were included in the contract liabilities as at the beginning of the period. Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances. These are recognised as revenue as the Group fulfils its performance obligations under the contract.

INVICTUS INVESTMENT COMPANY PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2024 (Unaudited)

4 FINANCE INCOME

	<i>Six month period ended 30 June (Unaudited)</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED</i>	<i>AED</i>
Interest from related parties (note 11)	44,372,298	-
Interest from customers	18,411,682	14,926,906
Interest on short-term deposits	6,629,917	4,520,189
	69,413,897	19,447,095

5 SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Six month period ended 30 June (Unaudited)</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED</i>	<i>AED</i>
Staff salaries and benefits	20,138,889	20,629,539
Consultancy expenses	7,817,597	10,080,353
Legal and professional expenses	4,052,257	712,618
Provision for allowances for expected credit losses	2,952,310	1,408,635
Foreign exchange loss, net	971,980	6,755,740
Depreciation of property and equipment	950,781	463,240
Office expenses	887,875	1,012,843
Travelling expenses	684,547	423,853
Information technology expenses	251,885	346,266
Amortisation of intangible assets	245,000	214,806
Depreciation on right-of-use assets	127,338	106,114
Rentals on short-term and low value leases	26,930	-
Other expenses	1,795,025	4,246,385
	40,902,414	46,400,392

Other expenses primarily include vehicle maintenance, building maintenance, utilities and insurance expenses.

6 FINANCE COSTS

	<i>Six month period ended 30 June (Unaudited)</i>	
	<i>2024</i>	<i>2023</i>
	<i>AED</i>	<i>AED</i>
Interest on bank borrowings	50,745,100	39,421,920
Interest on lease liabilities (note 8)	312,150	153,822
Other finance costs	4,169,250	10,448,634
	55,226,500	50,024,376

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7 PROPERTY AND EQUIPMENT

Additions

During the six month period ended 30 June 2024 (unaudited), the additions to property and equipment amounted to AED 3,910,455 which mainly includes building improvement of AED 635,824, furniture and fixtures of AED 677,886, vehicles of AED 930,233 and capital work in progress of AED 1,666,511 [Six month period ended 30 June 2023 AED 17,002,994 which included a building (for office) acquired from a related party for AED 14,159,738 (unaudited)].

Disposals

There are no significant disposals during the six month period ended 30 June 2024 and 30 June 2023 (unaudited).

As at 30 June 2024, property and equipment of AED 17,292,435 (unaudited) are pledged as security against bank borrowings [31 December 2023: 16,991,799 (audited)] (note 15).

8 LEASES

(i) Right of use assets

There are no significant lease modifications during the six month period ended 30 June 2024 (unaudited) [Six month ended 30 June 2023 AED 7,130,833 (unaudited)].

(ii) Lease liabilities

There are no significant lease modifications during the six month period ended 30 June 2024 (unaudited) [Six month ended 30 June 2023 AED 7,372,326 (unaudited)].

The finance costs for the six month period ended 30 June 2024 amounted to AED 312,150 (unaudited) [Six month period ended 30 June 2023 AED 153,822 (unaudited)] (note 6).

9 INVENTORIES

	30 June 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Goods held for sale	359,272,343	427,370,444
Goods in transit	201,108,709	182,806,240
Lower of cost or net realisable value	<u>560,381,052</u>	<u>610,176,684</u>

During the six month period ended 30 June 2024, the Group has recorded provision of AED 489,427 (unaudited) [Six month period ended 30 June 2023: AED 3,681,507 (unaudited)].

As at 30 June 2024 Group has an aggregate provision of AED 4,274,345 (unaudited) [31 December 2023: AED 3,681,507 (audited)] for inventories.

At 30 June 2024, inventories, including those in transit, amounting to AED 321,701,754 (unaudited) are held at, and in transit, to Sudan [31 December 2023: AED 293,391,390 (audited)].

At 30 June 2024, inventories of AED 525,081,014 (unaudited) are pledged as security against bank borrowings [31 December 2023: 558,146,263 (audited)] (note 15).

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2024 (Unaudited)

10 TRADE AND OTHER RECEIVABLES

	30 June 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Trade receivables (not provisional priced)	1,632,142,839	1,481,268,818
Less: allowance for expected credit losses (ECL)	(12,421,171)	(9,468,861)
	1,619,721,668	1,471,799,957
Trade receivables (subject to provisional pricing)	152,421,137	71,575,406
Advance to suppliers, net	72,241,015	43,755,896
Prepayments	339,577	534,005
VAT receivables	1,892,461	5,157,109
Accrued interest	651,282	18,374,224
Deposits	1,068,606	1,025,079
Other receivables	12,572,299	3,009,156
	1,860,908,045	1,615,230,832

The carrying amounts of the trade and other receivables are reasonable approximation to their fair value due to their short term nature.

As at reporting date, the unimpaired trade receivables (not provisional priced) include the following:

	30 June 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Corporate and other customers	416,446,215	520,206,964
Related party receivables		
- Affiliates / Entities under common control of Ultimate Beneficiaries	1,203,275,453	951,592,993
	1,619,721,668	1,471,799,957

At 30 June 2024, trade receivables (not provisional priced) amounting to AED 1,131,055,758 (unaudited) [31 December 2023: AED 902,069,532 (audited)] pertain to customers based in Sudan.

Trade receivables (corporate and other customers) are generally on 0 – 60 days credit terms and predominantly non-interest bearing unless otherwise agreed with the customers [31 December 2023 (audited): 0-60 days]. Certain customers with whom the Group has stock management agreement are charged commercial rate of interest as per the underlying contractual terms.

Related party receivables (trade in nature) are generally on 180 – 210 days credit terms (31 December 2023 (audited): 120-180 days). During the six month period ended 30 June 2024, the Group amended its terms with its related parties in Sudan to extend the underlying credit terms and charge them with commercial rate of interest for past due balances.

Unimpaired trade receivables are expected, on the basis of past experience, to be fully recoverable.

The ageing analysis of unimpaired trade receivables (not provisional priced) is as follows:

	<i>Total AED</i>	<i>Neither past due nor impaired AED</i>	<i>Past due but not impaired</i>			
			<i>0-90 days AED</i>	<i>91-180 days AED</i>	<i>181-360 days AED</i>	<i>>360 days AED</i>
30 June 2024 (Unaudited)	1,619,721,668	1,209,764,300	357,647,383	49,109,721	2,173,490	1,026,774

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At 30 June 2024 (Unaudited)

10 TRADE AND OTHER RECEIVABLES (continued)

The ageing analysis of unimpaired trade receivables (not provisional priced) is as follows (continued):

	<i>Total AED</i>	<i>Neither past due nor impaired AED</i>	<i>Past due but not impaired</i>			
			<i>0-90 days AED</i>	<i>91-180 days AED</i>	<i>181-360 days AED</i>	<i>>360 days AED</i>
31 December 2023 (Audited)	1,471,799,957	1,123,753,146	306,302,136	38,712,437	1,377,688	1,654,550

The movements in the allowance for expected credit losses (ECL) for trade receivables (not provisional priced) is as follows:

	<i>30 June 2024 AED (Unaudited)</i>	<i>31 December 2023 AED (Audited)</i>
At 1 January	9,468,861	816,493
Allowance for expected credit losses for the period/year	2,952,310	9,071,713
Write off during the period/year	-	(419,345)
At the end of the period/year	12,421,171	9,468,861

The Group does not hold any collateral against trade receivables.

As at 30 June 2024, receivables of AED 1,131,055,758 are assigned as security against bank borrowings [31 December 2023: AED 902,069,532 (audited)] (note 15).

11 RELATED PARTIES TRANSACTIONS AND BALANCES

The Group enters into transactions with entities that fall within the definition of a related party as per requirements of International Accounting Standard 24. The Group considers such transactions to be in the normal course of business and are at prices determined and approved by the management.

Related parties mainly represents the Parent, associate, directors, key management personnel and entities controlled, jointly controlled or significantly influenced by such parties.

(a) *Significant transactions with related parties included in the interim condensed consolidated statement of profit or loss and other comprehensive income are as follows:*

	<i>Six month period ended 30 June (Unaudited)</i>	
	<i>2024 AED</i>	<i>2023 AED</i>
<i>Affiliates / Entities under common control of Ultimate Beneficiaries</i>		
<i>Income</i>		
Revenue (note 3)	870,666,197	1,420,278,675
Finance income (note 4)	44,372,298	-
<i>Expenses</i>		
Purchases	148,653,708	188,497,922
Freight and shipping costs	66,655,309	157,118,467
Recharge of staff salaries and benefits	2,667,202	13,818,375

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At 30 June 2024 (Unaudited)

11 RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

(a) *Significant transactions with related parties included in the interim condensed consolidated statement of profit or loss and other comprehensive income are as follows: (continued)*

During the six month period ended 30 June 2023 (unaudited), property and equipment of AED 15,300,000 was purchased from a related party.

(b) *Balances with related parties included in the interim condensed consolidated statement of financial position other than those disclosed in note 10 and note 16 are as follows:*

	30 June 2024 AED (Unaudited)		31 December 2023 AED (Audited)	
	<i>Amounts due from related parties</i>	<i>Amounts due to related parties</i>	<i>Amounts due from related parties</i>	<i>Amounts due to related parties</i>
<i>Parent</i>				
Invictus Holding Limited *	160,278,352	768	8,440	2,613
<i>Affiliates / Entities under common control of the Ultimate Beneficiaries</i>				
Dal Group Co. Ltd	-	8,513,820	-	17,734,933
Sayga Food Industries	-	-	2,966,005	-
Other related parties	55,332	50,904	300,442	180,796
	<u>160,333,684</u>	<u>8,565,492</u>	<u>3,274,887</u>	<u>17,918,342</u>

*Certain investments are held by the Company and a subsidiary for the beneficial interest of the Parent and Ultimate Beneficiaries.

Outstanding balances at the period / year-end arise in the normal course of business, are unsecured and settlement occurs generally in cash. The balances are predominantly non-interest bearing unless otherwise agreed with the related parties.

The Ultimate Beneficiaries have confirmed in writing to bear losses, if any, that arises on recoverability of the amounts due from certain related parties under the common control of the ultimate beneficiaries (including trade related receivables as disclosed in Note 10).

(c) *Compensation of key management personnel*

Staff salaries and benefits include AED 5,703,558 (unaudited) for the compensation of key managerial personnel of the Group [Six month period ended 30 June 2023: AED 4,941,953 recharged by a related party (unaudited)].

(d) *Share capital*

As at 30 June 2024, the shareholding includes 0.0207% of shares in the Company held by the Board of Directors amounting to AED 626,721 comprising 232,119 shares with a nominal value of AED 0.25 each issued at AED 2.7 per share [31 December 2023 (audited): 0.0001%, comprising 994 shares amounting to AED 2,684].

INVICTUS INVESTMENT COMPANY PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2024 (Unaudited)

12 OTHER FINANCIAL ASSETS

	30 June 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Derivative financial instruments (a)	16,367,612	23,014,845
Margin deposits (b)	31,698,261	22,093,128
	48,065,873	45,107,973

(a) During the period/year, the Group entered into commodity future contracts with financial institutions. These contracts were expected to reduce the price volatility attributable to price fluctuation of certain commodities. Derivative financial instruments all of which are not designated as hedging instruments are carried at fair value:

	30 June 2024 AED (Unaudited)	31 December 2023 AED (Audited)
<i>Derivative financial assets</i>		
Commodity futures	16,367,612	23,014,845

The contracts mature and will affect profit before tax between July 2024 to September 2024. The following table details the notional principal amounts and fair value of derivative contracts outstanding at the reporting date:

	<i>Notional amount AED</i>	<i>Fair value asset AED</i>
30 June 2024		
Commodity futures	98,969,452	16,367,612
31 December 2023		
Commodity futures	284,422,806	23,014,845

(b) Margin deposits of AED 20,177,229 are pledged as security against bank borrowings [31 December 2023: AED 7,346,000 (audited)] (note 15).

13 BANK BALANCES AND CASH

	30 June 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Short-term deposits	171,652,300	320,997,518
Bank balances	103,976,884	48,656,924
Cash in hand	18,652	10,740
	275,647,836	369,665,182

Short-term deposits are made for varying periods between one month and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

INVICTUS INVESTMENT COMPANY PLC

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At 30 June 2024 (Unaudited)

14 SHARE CAPITAL AND SHARE PREMIUM

	<i>30 June 2024 AED (Unaudited)</i>	<i>31 December 2023 AED (Audited)</i>
<i>Share capital</i>		
<i>Authorised, issued, subscribed and fully paid up</i>		
1,120,000,000 share of AED 0.25 each	280,000,000	280,000,000

Share premium

The shareholders had issued 120,000,000 shares with a nominal value of AED 0.25 each at AED 2.70 per share in prior period. The excess consideration over the nominal value amounting to AED 294,000,000 is recorded as share premium.

15 BANK BORROWINGS

	<i>30 June 2024 AED (Unaudited)</i>	<i>31 December 2023 AED (Audited)</i>
Trust receipts	1,040,789,252	736,255,204
Term loans	202,741,011	348,376,320
	1,243,530,263	1,084,631,524
Non-current	183,650,000	-
Current	1,059,880,263	1,084,631,524
	1,243,530,263	1,084,631,524

Bank borrowings are mainly secured by the following:

- Irrevocable corporate guarantee from various related parties registered in Sudan and UAE;
- Registered mortgage over office building located in plot no. W34, Dubai Airport Free Zone, Dubai, UAE (note 7);
- Registered mortgage / floating charges over property, plant and equipment located in Sudan in favour of bank with aggregate mortgage value, covering the entire facilities of the bank;
- Assignment of insurance policy over all assets mortgaged/pledged in favour of bank;
- Bill of lading endorsed in favour of the banks, receivables and inventories pledged in favour of banks (notes 9 and 10); and
- Undertaking from a shareholder of the Company to hold atleast 20% shareholding during the loan tenor.

INVICTUS INVESTMENT COMPANY PLC

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At 30 June 2024 (Unaudited)

16 TRADE AND OTHER PAYABLES

	30 June 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Trade payables	442,088,611	398,437,888
Accruals	107,983,059	66,434,610
Contract liabilities (Advance from customers) (note 3)	24,919,187	40,472,135
Income tax payable	523,053	-
Other payables	8,031,891	-
	583,545,801	505,344,633

As at 30 June 2024, trade payables includes amount due to related parties of AED 1,921,195 (unaudited) [31 December 2023 : AED 10,396,581 (audited)].

17 DIVIDEND PAYABLE

	30 June 2024 AED (Unaudited)	31 December 2023 AED (Audited)
At 1 January	-	19,061,553
Dividend declared during the period/year	45,000,000	175,000,000
Dividends paid during the period / year	(45,000,000)	(194,061,553)
Balance at the end of the period / year	-	-

On 9 February 2024, the Board of Directors declared a dividend payout from the net profit for the year ended 31 December 2023, equivalent to AED 45,000,000 (dividends of AED 0.040 per share). The dividend was approved in the Annual General Meeting held on 19 April 2024 and was paid during the six months period ended 30 June 2024 (unaudited).

On 3 March 2023, the Board of Directors declared a dividend payout from the net profit for the year ended 31 December 2022, equivalent of AED 175,000,000 (dividends of AED 0.156 per share). The dividend was approved in the Annual General Meeting held on 7 April 2023 and was paid during the six months period ended 30 June 2023 (unaudited).

18 EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing the profit for the period by the weighted average number of shares outstanding during the period.

	Six month period ended 30 June (Unaudited)	
	2024 AED	2023 AED
Profit for the period	84,227,459	136,506,442
Weighted average number of shares	1,120,000,000	1,120,000,000
	0.075	0.122

The Group has not issued any instruments which would have a dilutive impact on earnings per share when exercised.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2024 (Unaudited)

19 CURRENT INCOME TAX AND DEFERRED TAX

With the introduction of corporate tax in the United Arab Emirates, the Group is subject to corporate income tax for its operations that do not meet the qualifying income criteria at 9% on the taxable profits.

The major components of income tax expense in the interim condensed consolidated statement of profit or loss are:

	<i>Six month period ended 30 June 2024 AED (Unaudited)</i>
<i>Current income tax</i>	
Current income tax expenses	523,053

Following is the reconciliation of current income tax expense and accounting profit:

	<i>Six month period ended 30 June 2024 AED (Unaudited)</i>
Profit for the year	84,750,512
Less: Qualifying income not subject to tax	(84,093,425)
Less: Tax loss of subsidiaries	(390,535)
Accounting profit subject to tax	266,552
Add: Expenses attributable to exempt income	8,894,717
Less: Share of profit of an associate	(2,976,404)
Net Taxable Income	6,184,865
Less: Basic exemption limit	(375,000)
Net Taxable Income subject to tax	5,809,865
At the effective current income tax rate of 9%	523,053

For the purpose of determining income tax expense for the period, the accounting profit has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense. The adjustments are based on the current understanding of the existing tax laws, regulations and practices. The Group has not identified any material risks or uncertainties in the structure from a corporate tax perspective and will continuously monitor further developments that could impact the tax profile of the Group for its UAE operations.

Global minimum tax

To address concerns about uneven profit distribution and tax contributions of large multinational corporations, various agreements have been reached at the global level, including an agreement by over 135 jurisdictions to introduce a global minimum tax rate of 15%. In December 2021, the Organization of Economic Co-operation and Development (OECD), released a draft legislation framework, followed by detailed commentary and implementation guidance released between March 2022 and December 2023. These are expected to be used by individual jurisdictions, including the UAE, that signed the agreement to amend their local tax laws. Once changes to the tax laws in any jurisdiction in which the Group operates are enacted, the Group may be subject to the top-up tax.

Management is closely monitoring the progress of the legislative process in each jurisdiction the Group operates in and exposure to any taxes considering the enacted provisions. In line with IAS 12 (as amended), the Group has applied the exception to recognizing and disclosing information about deferred taxes and liabilities relating to Pillar two income taxes.

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At 30 June 2024 (Unaudited)

20 SEGMENTAL REPORTING

The Group operates in the single reporting segment of trading of agricultural commodities, non manufactured precious metals and other general products. All the relevant information relating to this reporting/operating segment is disclosed in the interim condensed consolidated statement of financial position, interim condensed consolidated statement of profit or loss and other comprehensive income and notes to the interim condensed consolidated financial statements. For management purposes, the Group is organised into single reportable segment, i.e. trading of agricultural commodities, food products, non-manufactured precious metal trading and other general items.

The Board of Directors is the Chief Operating Decision Maker (CODM) and monitors the operating results of the segment for the purpose of making decisions about performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the interim condensed consolidated financial statements. The entity wide disclosures as required by IFRS 8 on information about products, geographical areas and major customers is reflected in note 3 of these interim condensed consolidated financial statements.

Major customers

During the six month period ended 30 June 2024 (unaudited) there were two customers of the Group with the revenues greater than 10% of the total revenue of the Group (six month period ended 30 June 2023 (unaudited): two customers).

Management is currently assessing the impact of its recent acquisition on the IFRS 8 segment disclosures.

21 CONTINGENCIES AND COMMITMENTS

(a) Contingencies

	30 June 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Cross corporate guarantee for loans obtained by related parties	176,506,293	201,490,328
Bank guarantees	29,536,905	29,962,682
	<u>206,043,198</u>	<u>231,453,010</u>

(b) Significant commitments

	30 June 2024 AED (Unaudited)	31 December 2023 AED (Audited)
Share of associate's commitment	<u>18,007,500</u>	<u>19,464,277</u>

22 FAIR VALUE MEASUREMENTS

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of bank balances, trade receivable, deposits, other receivables, amounts due from related parties and other financial assets. Financial liabilities consist of bank borrowings, trade payables, accruals and amounts due to related parties.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The above financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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At 30 June 2024 (Unaudited)

23 RISK MANAGEMENT

The executive management of the Group has overall responsibility for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Board of Directors exercise oversight of the risk management framework.

The significant risks arising from the Group's financial instruments are:

(a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk exposure is primarily related to the financial assets as disclosed in Note 10, 11 and 12.

(b) Interest Rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk on its interest-bearing liabilities (Note 15).

(c) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risks mainly arise from sales or purchase by operating unit in foreign currencies other than the unit's functional currency. The Group operates internationally and is exposed to currency risk arising from various currency exposures, primarily with respect to the Euro (EUR). The Group's transactions are principally undertaken in United Arab Emirates Dirhams (AED) and United States Dollar (USD). The Group does not have any significant foreign currency exposure as currently AED is pegged to USD. With respect to other currencies, management's policy is to manage the currency risk exposure by undertaking majority of the transactions in the respective country's local currency.

The table below indicates the significant Group's foreign currency exposure at 30 June (Unaudited), as a result of its monetary assets and liabilities.

	<i>Liabilities</i>		<i>Assets</i>	
	<i>2024</i> <i>AED</i>	<i>2023</i> <i>AED</i>	<i>2024</i> <i>AED</i>	<i>2023</i> <i>AED</i>
Euro	27,403,691	42,309,592	60,970,426	47,698,006

The Group is mainly exposed on the above foreign currencies. At 30 June, if the exchange rate of the currencies had fluctuated by 5% against AED, with all other variables held constant, the Group's profit for the six month period ended 30 June 2024 and equity as at the reporting date (net impact) would have changed by AED 1,604,819 (unaudited) [Six months period ended 30 June 2023: AED 287,445 (unaudited)].

24 SEASONALITY OF RESULTS

The nature of Group's business is such that the income and expenditure are incurred in a manner, which is not impacted by any forms of seasonality. These interim condensed consolidated financial statements were prepared based upon accrual concept, which requires income and expenses to be recorded as earned or incurred and not as received or paid throughout the period.

25 COMPARATIVES

Certain numbers have been reclassified in the interim condensed consolidated statement of profit or loss and other comprehensive income to conform to the current period's presentation and classification. This did not affect the Group's previously reported profit or equity.