

FIVE Holdings (BVI) Limited and its subsidiaries

Interim condensed consolidated financial statements

for the three-month period ended 31 March 2025
(unaudited)

FIVE Holdings (BVI) Limited and its subsidiaries

Interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (unaudited)

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Review report on interim condensed consolidated financial statements to the board of directors of FIVE Holdings (BVI) Limited

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of FIVE Holdings (BVI) Limited (the "Company") and its subsidiaries (together, the "Group") as at 31 March 2025 and the related interim condensed consolidated statements of comprehensive income, changes in equity and cash flows for the three-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard (IAS) 34, 'Interim Financial Reporting'. 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 International Accounting Standard 34, 'Interim Financial Reporting'.



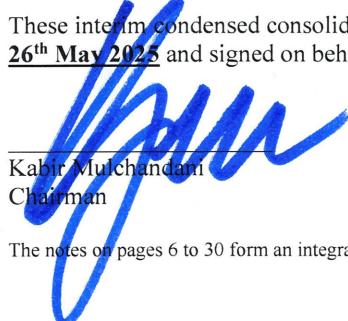
PricewaterhouseCoopers Limited Partnership Dubai Branch
Dubai, United Arab Emirates
26 May 2025

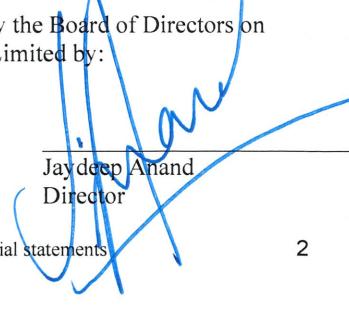
FIVE Holdings (BVI) Limited and its subsidiaries

Interim condensed consolidated statement of financial position

Note	As at		
	31 March 2025		31 December 2024
	AED'000 (Unaudited)	AED'000 (Audited)	
ASSETS			
Non-current assets			
Property and equipment	3	8,437,125	8,462,424
Intangible assets	4	925,980	875,449
Right-of-use assets	5	158,936	160,927
		9,522,041	9,498,800
Current assets			
Trade and other receivables	6	732,637	579,589
Prepayments	7	25,585	28,572
Inventories		43,850	52,972
Property held for development and sale	8	56,255	54,078
Bank deposits	9(B)	286,797	345,835
Cash and cash equivalents	9(A)	132,932	182,712
		1,278,056	1,243,758
Total assets		10,800,097	10,742,558
EQUITY AND LIABILITIES			
EQUITY			
Capital and reserves attributable to Owner of FIVE Holdings (BVI) Limited			
Share capital		-	-
Contributed capital		252,913	252,913
Statutory reserve		2,238	2,238
Revaluation reserve		4,842,827	4,880,460
Foreign currency translation reserve		69,049	(11,388)
Stock based compensation reserve	28	44,621	34,186
Retained earnings		1,414,278	1,418,324
		6,625,926	6,576,733
Non-controlling interests		28,404	31,177
Total equity		6,654,330	6,607,910
LIABILITIES			
Non-current liabilities			
Lease liabilities	5	160,234	157,569
Trade and other payables	10	63,946	40,218
Borrowings	11	1,304,971	1,408,120
Retention payables		11,120	9,717
Provision for employees' end of service benefits		20,795	19,449
Deferred tax liabilities	13	238,311	234,055
Finance liabilities	14	896,604	884,329
Deferred gain	15	631,021	645,437
		3,327,002	3,398,894
Current liabilities			
Lease liabilities	5	13,913	17,210
Trade and other payables	10	289,317	324,466
Borrowings	11	151,561	10,025
Retention payables		33,559	30,920
Contract liabilities	12	12,857	42,672
Current tax liabilities		36,465	25,506
Finance liabilities	14	170,830	168,624
Deferred gain	15	110,263	116,331
		818,765	735,754
Total liabilities		4,145,767	4,134,648
Total equity and liabilities		10,800,097	10,742,558

These interim condensed consolidated financial statements were approved by the Board of Directors on 26th May 2025 and signed on behalf of the Board of FIVE Holdings (BVI) Limited by:


Kabir Mulchandani
Chairman


Jaydeep Anand
Director

FIVE Holdings (BVI) Limited and its subsidiaries

Interim condensed consolidated statement of comprehensive income

	Three-month period ended		
	31st March		
	2025	2024	
	Note	AED'000 (Unaudited)	AED'000 (Unaudited)
Revenue	17	495,874	355,216
Cost of sales	18	(259,244)	(171,343)
Depreciation and amortisation	3,4 & 5	(77,022)	(60,744)
Gross profit		159,608	123,129
General and administrative expenses	19	(43,767)	(71,391)
Selling and marketing expenses	20	(28,641)	(20,196)
Other income	21	1,328	7,974
Operating profit		88,528	39,516
Finance income	22	4,689	5,224
Finance cost	22	(51,080)	(52,804)
Finance cost - net	22	(46,391)	(47,580)
Profit / (loss) before income tax		42,137	(8,064)
Income tax (expense)/benefit	23	(7,339)	4,342
Profit / (loss) for the period		34,798	(3,722)
Profit / (loss) for the period attributable to:			
Owner of FIVE Holdings (BVI) Limited		33,731	(4,922)
Non-controlling interests		1,067	1,200
		34,798	(3,722)
Three-month period ended			
31st March			
	2025	2024	
	(Unaudited)	(Unaudited)	
Profit / (loss) for the period		34,798	(3,722)
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss:</i>			
Deferred tax liabilities reduction on fair value gain on revaluation of property and equipment (refer note 13)		(1,940)	(8,378)
<i>Items that will be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		80,437	(63,282)
Total comprehensive income / (loss) for the period		113,295	(75,382)
Total comprehensive income / (loss) for the period attributable to:			
Owner of FIVE Holdings (BVI) Limited		112,228	(76,582)
Non-controlling interests		1,067	1,200
		113,295	(75,382)

FIVE Holdings (BVI) Limited and its subsidiaries

Interim condensed consolidated statement of changes in equity

Attributable to Owner of FIVE Holdings (BVI) Limited											
	Contributed capital		Statutory reserve	Revaluation reserve	Foreign currency translation	Stock based compensation	Retained earnings	Total	Non-controlling interests	Total	
	Share capital AED'000	Capital AED'000	reserve AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	
At 1 January 2025	-	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	-	-	-	-	-	-	33,731	33,731	1,067	34,798	
Other comprehensive income	-	-	-	(1,940)	80,437	-	-	78,497	-	78,497	
Total comprehensive income for the period ended 31 March 2025 (unaudited)	-	-	-	(1,940)	80,437	-	33,731	112,228	1,067	113,295	
<i>Transactions with owner in their capacity as owner:</i>											
Dividend (Note 24)	-	-	-	-	-	-	(73,470)	(73,470)	(3,840)	(77,310)	
Stock based compensation expense (Note 28)	-	-	-	-	-	10,435	-	10,435	-	10,435	
<i>Others:</i>											
Depreciation transfer for property and equipment under revaluation model	-	-	-	(35,693)	-	-	35,693	-	-	-	
At 31 March 2025 (unaudited)	-	252,913	2,238	4,842,827	69,049	44,621	1,414,278	6,625,926	28,404	6,654,330	

Attributable to Owner of FIVE Holdings (BVI) Limited											
	Contributed capital		Statutory reserve	Revaluation reserve	Foreign currency translation	Stock based compensation	Retained earnings	Total	Non-controlling interests	Total	
	Share capital AED'000	Capital AED'000	reserve AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	
At 1 January 2024	-	252,913	2,238	4,855,611	83,678	-	1,166,075	6,360,515	28,848	6,389,363	
Loss for the period	-	-	-	-	-	-	(4,922)	(4,922)	1,200	(3,722)	
Other comprehensive income	-	-	-	(8,378)	(63,282)	-	-	(71,660)	-	(71,660)	
Total comprehensive income for the period ended 31 March 2024 (unaudited)	-	-	-	(8,378)	(63,282)	-	(4,922)	(76,582)	1,200	(75,382)	
<i>Transactions with owner in their capacity as owner:</i>											
Dividend (Note 24)	-	-	-	-	-	-	-	(55,103)	(55,103)	-	(55,103)
<i>Others:</i>											
Depreciation transfer for property and equipment under revaluation model	-	-	-	(32,176)	-	-	32,176	-	-	-	
At 31 March 2024 (unaudited)	-	252,913	2,238	4,815,057	20,396	-	1,138,226	6,228,830	30,048	6,258,878	

FIVE Holdings (BVI) Limited and its subsidiaries

Interim condensed consolidated statement of cash flows

	Three-month period ended 31 March	
	2025	2024
	AED'000 (unaudited)	AED'000 (unaudited)
Cash flows from operating activities		
Profit before income tax	42,137	(8,064)
Adjustments for:		
Depreciation of property and equipment	69,619	51,490
Amortisation of intangible assets	1,050	1,494
Depreciation of right-of-use assets	6,353	7,760
Interest on lease liabilities	3,051	3,765
Interest cost on finance liabilities	38,269	31,579
Provision for employees' end of service benefits	2,761	2,168
Amortisation of deferred gain	(30,014)	(23,116)
Interest income	(4,689)	(5,224)
Interest cost on borrowings	39,197	39,697
Other finance cost	577	879
Gain on lease derecognition	-	(2,368)
Profit on disposal of property and equipment	(270)	-
Stock based compensation	10,435	-
Changes in working capital:		
Trade and other receivables	(153,048)	126,288
Prepayments	2,987	(321)
Inventories	9,122	(1,844)
Property held for development and sale	(2,177)	(11,121)
Trade and other payables	(1,791)	(25,572)
Retention payables	4,042	1,720
Due to related parties	-	(6,524)
Contract liabilities	(29,815)	(57,113)
Provision for employee's end of service benefits	(1,415)	-
Net cash generated from operating activities	6,381	125,573
Cash flows from investing activities		
Purchase of property and equipment	(21,459)	(61,752)
Proceed from sale of property and equipment	2,053	506
Withdrawal of bank deposits	59,038	42,734
Interest income	4,689	5,224
Net cash generated from / (used in) investing activities	44,321	(13,288)
Cash flows from financing activities		
Proceeds from financing arrangements	24,011	83,490
Interest payment on finance liabilities	(38,269)	(31,579)
Principal element of lease payments	(4,994)	(2,257)
Interest paid on lease liabilities	(3,051)	(3,765)
Dividends paid	(77,310)	(55,103)
Interest paid on borrowings	(34,998)	(38,554)
Repayment of bonds	-	(308,634)
Proceed from bank borrowings	33,611	-
Net cash used in financing activities	(101,000)	(356,402)
Net decrease in cash and cash equivalents	(50,298)	(244,117)
Cash and cash equivalents, beginning of the period	182,712	613,779
Effects of exchange rate changes on cash and cash equivalents	518	(2,019)
Cash and cash equivalents, end of the period	132,932	367,643

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (continued)

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) and Switzerland. The Group is also engaged in real estate development projects in Dubai, UAE. The Group on 9th October 2023 acquired 100% equity of Universo Pacha, S.A. (‘Pacha’) incorporated in Ibiza, Spain. Pacha along with its subsidiaries and other affiliated entities (collectively referred as “Pacha Group”) are engaged in hospitality business comprising of two operational hotels under the brand name Destino and El Hotel Pacha and one night club under the brand name Pacha in Ibiza, Spain. Pacha Group also owns a merchandise establishment in Spain and owns brands like Toy Room, WooMoon and Storytellers that are engaged in organising the concept parties and events.

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	
		31 March 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 period ended 31 March 2025 (continued)

1 Legal status and operations (continued)

Name of entities and country of incorporation	Principal activities	Percentage of ownership/ voting rights on	
		31 March 2025	31 December 2024
<i>Cayman Islands</i>			
Unlimited 1 Development	Holding Company	100	100
Sky's the Limit 1 LLC	Holding Company	100	100
<i>Spain</i>			
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
<i>United Kingdom</i>			
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
<i>Switzerland</i>			
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.

** on 5th January 2024, the Group acquired this entity.

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).

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 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.

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 period ended 31 March 2025, but only partially reflected in the comparative period ended 31 March 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.

Comparatives

Comparatives do not include numbers for operation of Five Luxe Hotel LLC as it started the operations on 31st March 2024.

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:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1
- Lease liability in sale and leaseback – amendments to IFRS 16
- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7
- 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
- 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

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.

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (continued)

2 Material accounting policies (continued)

2.1 Basis of preparation (continued)

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 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 38 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 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 period ended 31 March 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
Cost or revaluation							
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	2,981	180	449	326	3,977	13,546	21,459
Disposal	-	(57)	-	(520)	-	(1,416)	(1,993)
Transfer	(9,098)	-	-	-	-	9,098	-
Exchange difference	23,400	873	243	50	-	1,087	25,653
At 31 March 2025 (Unaudited)	9,057,195	63,684	268,581	7,566	75,823	48,348	9,521,197
Accumulated Depreciation							
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	56,055	2,383	9,517	296	1,368	-	69,619
Disposal	-	(28)	-	(182)	-	-	(210)
Exchange difference	771	225	12	1	-	-	1,009
At 31 March 2025 (Unaudited)	919,527	31,171	119,102	2,290	11,982	-	1,084,072
Net book amount							
As at 31 March 2025 (Unaudited)	8,137,668	32,513	149,479	5,276	63,841	48,348	8,437,125
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 period ended 31 March 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 hotel and 20% of this cumulative value is considered as land. The fair value of the property and equipment have not changed significantly during the three-month period ended 31 March 2025 and consequently, no revaluation surplus or deficit has been recorded for the three-month period ended 31 March 2025.
- ii. Out of the total carrying value of property and equipment, the assets aggregated to AED 8,115,642 thousand (2024: AED 8,177,211 thousand) is pledged against the Group's borrowings.

Carrying amounts that would have been recognised if land and buildings were stated at cost:

If land and buildings were stated on the historical cost basis, the amounts would be as follows:

	Land and buildings AED'000	Other assets AED'000	Capital work in progress AED'000	Total AED'000
31 March 2025 (Unaudited)				
Cost	3,469,754	-	-	3,469,754
Transfers	(9,098)	-	9,098	-
Additions	2,981	-	749	3,730
Disposal	-		(1,416)	(1,416)
Accumulated depreciation	(387,699)	-	-	(387,699)
Net book amount	3,075,938	-	8,431	3,084,369
31 December 2024 (Audited)				
Cost	2,413,644	-	1,006,413	3,420,057
Transfers	838,209	195,360	(1,033,569)	-
Additions	220,108	-	27,156	247,264
Disposal	(2,207)	-	-	(2,207)
Accumulated depreciation	(367,170)	-	-	(367,170)
Net book amount	3,102,584	195,360	-	3,297,944

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (continued)

4 Intangible assets

	Trademark &			
	Goodwill AED'000	Franchise right AED'000	Others AED'000	Total AED'000
Cost				
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
Exchange difference	38,336	13,245	-	51,581
At 31 March 2025 (Unaudited)	720,549	207,130	5,765	933,444
Accumulated amortisation				
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	-	1,043	7	1,050
At 31 March 2025 (Unaudited)	-	4,845	2,619	7,464
Net book amount				
As at 31 March 2025 (Unaudited)	720,549	202,285	3,146	925,980
As at 31 December 2024 (Audited)	682,213	190,083	3,153	875,449

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 31 March 2025 includes AED 202,285 thousand (2024: AED 190,083 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.

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 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.

	Land & Buildings	
	AED'000	
Cost		
At 1 January 2024	345,564	
Lease derecognition (*)	(53,313)	
Others	(9,157)	
At 31 December 2024 (Audited)	283,094	
Others	4,362	
At 31 March 2025 (Unaudited)	287,456	
Accumulated depreciation		
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	6,353	
At 31 March 2025 (Unaudited)	128,520	
Net book amount		
At 31 March 2025 (Unaudited)	158,936	
At 31 December 2024 (Audited)	160,927	
As at		
	31 March 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Lease liabilities		
Non-current	160,234	157,569
Current	13,913	17,210
	174,147	174,779
As at		
	31 March 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Lease liabilities (**)		
At 1 January	174,779	259,357
Finance cost	3,051	14,268
Payment of lease liability	(8,015)	(37,677)
Others	4,332	(7,456)
Lease derecognition (*)	-	(53,713)
	174,147	174,779

(*) 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 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 three-month period ended 31 March 2025, certain leases of Five Jumeirah Village Circle which expired latter part of year 2024 for which new leases were signed with variable payments and the corresponding lease rental expenses amounting to AED 1,643 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 period ended 31 March 2025 (continued)

6 Trade and other receivable

	As at	
	31 March 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Trade receivables*	30,160	32,248
Unbilled receivables**	543,405	414,195
Advances to suppliers	113,991	89,994
Other receivables	45,081	43,152
	732,637	579,589

Analysed as follows:		
Current portion	732,637	579,589
	732,637	579,589

*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 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 31 March 2025 and 31 December 2024.

7 Prepayments

	As at	
	31 March 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Deferred sales commission*	3,781	12,468
Prepaid visa fees	3,691	3,796
Others	18,113	12,308
	25,585	28,572

*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 period ended 31 March 2025 (continued)

8 Property held for development and sale

	Property held for development and sale
	AED'000
At 1 January 2024	-
Additions	336,522
Cost of sales	(282,019)
Exchange difference	(425)
At 31 December 2024 (Audited)	54,078
Additions	92,457
Cost of sales (note 18)	(92,457)
Exchange difference	2,177
At 31 March 2025 (Unaudited)	56,255

9 Cash and bank balances

A. Cash and cash equivalents

	As at	
	31 March 2025	31 December 2024
	AED'000 (Unaudited)	AED'000 (Audited)
Cash on hand	3,706	2,869
Cash at banks	129,226	179,843
Cash and cash equivalents	132,932	182,712

B. Bank deposits

	As at	
	31 March 2025	31 December 2024
	AED'000 (Unaudited)	AED'000 (Audited)
Term deposits with original maturity more than 3 months*	286,797	345,835

*The above term deposit carries an annual interest rate between 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 46,178 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 period ended 31 March 2025 (continued)

10 Trade and other payables

	As at	
	31 March 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Advances from customers	35,096	15,358
Trade payables#	130,478	148,356
Accruals	81,412	116,783
Staff payable**	2,967	8,503
VAT payable	3,944	5,463
Tax payable	3,636	11,202
Deferred payment for asset purchase	16,547	16,014
Other finance liabilities*	47,067	-
Other payables	32,116	43,005
	353,263	364,684

Analysed as follows:

Current portion	289,317	324,466
Non-current portion	63,946	40,218
	353,263	364,684

* On 7 January 2025, the Group entered into an agreement with EMIC Energy Investments LLC to transfer FIVE Luxe's cooling equipment. As control remains with the Group, the transaction is accounted for as a financing arrangement, initially recognized at the net proceeds received and subsequently measured at amortised cost.

** Includes management incentives payable to key management personnel amounting to AED 2,258 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 29,022 thousand (2024: 31,273 thousand) which is discounted to its present value using the discount rate of 6%.

11 Borrowings

	As at	
	31 March 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Term loans	294,847	273,641
Listed Green Bonds	1,201,322	1,201,322
Bank overdrafts	19,263	6,858
	1,515,432	1,481,821
Less: unamortised borrowing costs	(58,900)	(63,676)
	1,456,532	1,418,145

Analysed as follows:

Current portion	151,561	10,025
Non-current portion	1,304,971	1,408,120
	1,456,532	1,418,145

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (continued)

12 Contract liabilities

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

	As at	
	31 March 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	(33,327)	(450,692)
	12,857	42,672

Analysed as follows:

Within 1 year	12,857	42,672
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The aggregate amount of sale price allocated to performance obligations that are unsatisfied / partially satisfied as at 31 March 2025 was AED 12,857 thousand (31 December 2024: AED 69,529 thousand). The Group expects to recognise revenue from these unsatisfied performance obligations within 1 year (2024: 1 year) from the interim condensed consolidated statement of financial position date.

13 Deferred tax assets and liabilities

	As at	
	31 March 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Deferred tax assets		
The balance comprises temporary differences attributable to :		
Losses available for offsetting against future taxable income	17,316	19,178
Net carrying value of finance liability and deferred gain as reduced by net carrying value of condo hotel units under financing arrangement	51,713	52,031
Unutilised interest expenses	1,446	1,446
Others	1,064	1,064
	71,539	73,719
Set-off of deferred tax liabilities pursuant to set-off provisions	(71,539)	(73,719)
Total	-	-
Deferred tax liabilities		
The balance comprises temporary differences attributable to :		
Revaluations of property and equipment	243,941	241,865
Intangible assets	61,046	61,046
Property held for development and sale	4,863	4,863
	309,850	307,774
Set-off of deferred tax assets pursuant to set-off provisions	(71,539)	(73,719)
Net deferred tax liabilities	238,311	234,055

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.

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (continued)

13 Deferred tax assets and liabilities (continued)

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	
At 1 January 2024	61,046	-	267,228	(44,466)	(17,031)	(2,510)	264,267
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
Others	-	-	(1,366)	-	-	-	(1,366)
At 31 December 2024 (Audited)	61,046	5,096	241,632	(52,031)	(19,178)	(2,510)	234,055
Charged/credited							
- to profit or loss	-	-	-	318	1,862	-	2,180
- to other comprehensive income	-	-	1,940	-	-	-	1,940
Chioro acquisition	-	-	-	-	-	-	-
Others	-	-	136	-	-	-	136
	61,046	5,096	243,708	(51,713)	(17,316)	(2,510)	238,311
At 31 March 2025 (Unaudited)			309,850			(71,539)	238,311

14 Finance liabilities

	As at	
	31 March 2025 31 December 2024	
	AED'000 (Unaudited)	AED'000 (Audited)
Opening Balance	1,052,953	692,457
Net movement during the period/year	14,481	360,496
Payments made during the period/year	(37,148)	(138,969)
Unwinding of interest on finance liabilities	37,148	138,969
Closing Balance	1,067,434	1,052,953

Analysed as follows:

Current portion	170,830	168,624
Non-current portion	896,604	884,329
	1,067,434	1,052,953
Fixed/Variable		
Fixed portion (*)	390,798	373,171
Variable portion	676,636	679,782
	1,067,434	1,052,953

* 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.

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (continued)

15 Deferred gain

	As at	
	31 March 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Opening Balance	761,768	522,214
Movement during the period/year	9,530	355,512
Amortisation during the period/year	(30,014)	(115,958)
Closing Balance	741,284	761,768

Analysed as follows:		
Current portion	110,263	116,331
Non-current portion	631,021	645,437
	741,284	761,768

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	
	31 March 2025	31 March 2024
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Dividend		
Owner	73,470	55,103
Non - controlling interests	3,840	-
Transactions with key management personnel in ordinary course of business		
Revenue		
Food and beverages	1,776	607
Rental income	107	300
Expenses		
Holiday home expenses	893	447
Salaries and Other benefits*	1,223	1,506
Management incentives programme*	432	4,404
Stock based compensation expense*	6,482	-
Other related parties **		
Capital and operating expenses	-	3,048
Sales incentive and commission expenses	-	5,018

* 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 period ended 31 March 2025 (continued)

17 Revenue

	Three-month period ended 31st March	
	2025	2024
	AED'000	AED'000
	(Unaudited)	(Unaudited)
<i>At a point in time:</i>		
Food and beverages	155,461	121,257
Event admission	1,256	-
Other operating departments*	10,854	10,723
	167,571	131,980
<i>Over time:</i>		
Sale of property held for development and sale**	174,049	94,659
Room revenue	149,369	123,595
	323,418	218,254
Rental income	4,885	4,982
	495,874	355,216

*Other operating departments includes revenue generated from merchandising AED 2,141 thousand (2024: AED 802 thousand), Royalties AED 1,154 thousand (2024: AED 1,431 thousand), SPA AED 3,490 thousand (2024: AED 2,543 thousand)

**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 31st March	
	2025	2024
	AED'000	AED'000
	(Unaudited)	(Unaudited)
<i>Cost of property held for development and sale</i>		
Cost of property held for development and sale	92,457	45,221
Staff costs	75,687	60,371
Stock based compensation (refer note 28)	3,140	-
Inventory consumption	34,429	27,751
Utility costs	11,476	9,686
Holiday home expenses	23,586	12,860
Music and entertainment	11,463	9,320
Operating supplies	6,375	5,465
Reservation cost	631	669
	259,244	171,343

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (continued)

19 General and administrative expenses

	Three-month period ended 31st March	
	2025	2024
	AED'000 (Unaudited)	AED'000 (Unaudited)
Staff costs	6,978	11,258
Stock based compensation (refer note 28)	7,295	-
Hotel operating expenses*	9,347	10,835
Repairs and maintenance	5,501	8,016
Legal and professional fees	4,457	5,731
Credit card commission	6,000	4,540
Pre-operating expenses**	-	24,597
Transaction costs	-	478
Traveling expenses	412	2,139
Rent	1,750	1,507
Charity	51	663
Other expenses	1,976	1,627
	43,767	71,391

*Operating expenses include indirect costs such as IT support of AED 2,498 thousand (2024: AED 2,142 thousand), uniform and laundry expenses of AED 1,129 thousand (2024: AED 1,009 thousand), insurance expense of AED 910 thousand (2024: AED 1,559 thousand) and other hotel support costs of AED 4,810 thousand (2024 : AED 6,125 thousand).

** Pre-operating expenses for the three-month period ended 31st March 2024 mainly include AED 8,022 thousand of staff cost, AED 2,511 thousand pertains to marketing expenses, AED 13,657 thousand pertains to holiday home expenses of FIVE Luxe and AED 407 thousand for other miscellaneous cost.

20 Selling and marketing expenses

	Three-month period ended 31st March	
	2025	2024
	AED'000 (Unaudited)	AED'000 (Unaudited)
Sales incentive and commission	10,621	7,404
Real estate commission	8,686	5,019
Advertising expenses	9,334	7,773
	28,641	20,196

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (continued)

21 Other income

	Three-month period ended 31st March	
	2025	2024
	AED'000 (Unaudited)	AED'000 (Unaudited)
Gain on sale of property	270	-
Delay fee	850	2,980
Gain on lease derecognition (Refer note 5)	-	2,368
Forefeiture income	-	1,980
Others	208	646
	1,328	7,975

22 Finance costs, net

	Three-month period ended 31st March	
	2025	2024
	AED'000 (Unaudited)	AED'000 (Unaudited)
<i>Finance costs:</i>		
- Interest on borrowings	39,197	39,697
- Unwinding of interest on finance liabilities	37,148	31,579
- Unwinding of interest on lease liabilities	3,051	3,765
- Unwinding of interest on other finance liabilities	1,121	-
- Others	577	879
Less: Amortisation of deferred gain	(30,014)	(23,116)
Total finance costs (A)	51,080	52,804
<i>Finance income:</i>		
Interest income (B)	4,689	5,224
Finance costs – net ((A) - (B))	46,391	47,580

23 Income tax (expense)/benefit

Tax (expenses) / benefit for the year:

	Three-month period ended 31st March	
	2025	2024
	AED'000 (Unaudited)	AED'000 (Unaudited)
Current tax:		
Current tax on profit for the period	(5,159)	(4,648)
Deferred income tax:		
On origination and reversal of temporary differences	(1,862)	6,110
Net carrying value of finance liability and deferred gain as reduced by net carrying value of condo hotel units under financing arrangement	(318)	2,880
Income tax (expense)/benefit	(7,339)	4,342

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Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (continued)

24 Dividend

During the three-month period ended 31 March 2025, the Group declared and paid the dividend of AED 73,470 thousand (31 December 2024: 91,838 thousand). Dividend per share was AED 73,470 thousand per share (31 December 2024: AED 91,838 thousand per share).

The Group declared dividends of AED 3,840 thousand (31 December 2024: AED 2,016 thousand) to its minority shareholders.

25 Financial instruments by category

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

	As at	
	31 March 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	(Audited)
Financial assets as per the interim condensed consolidated statement of financial position		
<i>At amortised cost</i>		
Trade and other receivables, excluding advances to suppliers and tax receivable (Note 6)	597,831	466,903
Bank deposits (Note 9(B))	286,797	345,835
Cash and cash equivalents (Note 9(A))	132,932	182,712
	1,017,560	995,450
Financial liabilities as per the interim condensed consolidated statement of financial position		
<i>At amortised cost</i>		
Trade and other payables (excluding advance from customers, VAT payable and current taxes payable) (Note 10)	310,587	332,661
Borrowings (Note 11)	1,456,532	1,418,145
Lease liabilities (Note 5)	174,147	174,779
Finance liabilities (Note 14)	1,067,434	1,052,953
Retention Payables	44,679	40,637
	3,053,379	3,019,175

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 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 31 March 2025, bank borrowings carried at variable rates comprise of AED 106,170 thousand (31 December 2024: AED 111,951 thousand) i.e. 8% (2024: 8%) of the Group's total borrowings of AED 1,456,532 thousand (31 December 2024: AED 1,418,0145 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				
	Between 1 and 5 years			Total contractual cash flows	Carrying value
	Less than 1 year	AED'000	AED'000		
At 31 March 2025 (Unaudited)					
Trade and other payables * (note 10)	246,641	43,121	121,652	411,414	310,587
Borrowings (note 11)	275,398	1,598,857	-	1,874,255	1,456,532
Finance liabilities (note 14)	170,830	707,249	3,608,211	4,486,290	1,067,434
Lease liabilities (note 5)	25,121	104,062	161,383	290,566	174,147
Retention payables	33,559	11,120	-	44,679	44,679
	751,549	2,464,409	3,891,246	7,107,204	3,053,379

	Contractual maturities of financial liabilities				
	Between 1 and 5 years			Total contractual cash flows	Carrying value
	Less than 1 year	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 period ended 31 March 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 31 March 2025 and 31 December 2024 were as follows:

	As at	
	31 March 2025 31 December 2024	
	AED'000 (Unaudited)	AED'000 (Audited)
Total borrowings (Note 11)	1,456,532	1,418,145
Total finance liabilities (Note 14)	1,067,434	1,052,953
Total lease liabilities (Note 5)	174,147	174,779
Less: cash and bank balances (Note 9)	(419,729)	(528,547)
Net debt (A)	2,278,384	2,117,330
Total equity (B)	6,654,330	6,607,910
Total capital ((C) = (A) + (B))	8,932,714	8,725,240
Gearing ratio ((A)/(C))	26%	24%

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 AED '000	Total AED '000
	Finance liabilities AED '000	Lease liabilities AED '000	Borrowings AED '000	Sub-total 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)
Net debt as at 31 December 2024 (Audited)	1,052,953	174,779	1,418,145	2,645,877	(528,547)	2,117,330
Additions	14,481	-	35,696	50,177	-	50,177
Interest	37,148	3,051	39,197	79,396	-	79,396
Payments	(37,148)	(8,015)	(47,313)	(92,476)	108,818	16,342
Other movement	-	4,332	10,808	15,140	-	15,140
Net debt as at 31 March 2025 (Unaudited)	1,067,434	174,147	1,456,532	2,698,113	(419,729)	2,278,384

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 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.

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 three-month ended 31 March 2025 (Unaudited)

Particulars	Hospitality AED'000	Real estate development AED'000	Others AED'000	Total AED'000
Total Segment Results	111,643	73,687	-	185,330
Unallocated Items				
Corporate expenses	-	-	(9,345)	(9,345)
EBITDA	111,643	73,687	(9,345)	175,985

b) For the three-month ended 31 March 2024 (Unaudited)

Particulars	Hospitality AED'000	Real estate development AED'000	Others AED'000	Total AED'000
Total Segment Results	67,160	42,359	-	109,519
Add: Preopening expenses	24,597	-	-	24,597
Unallocated Items				
Corporate expenses	-	-	(9,258)	(9,258)
EBITDA	91,757	42,359	(9,258)	124,858

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (continued)

27 Segment Reporting (continued)

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

	Three-month period ended 31st March	
	2025	2024
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Profit / (loss) for the period after tax	34,798	(3,722)
Stock based compensation (Note 28)	10,435	-
Additional depreciation due to revaluation adjustment	35,693	32,176
Adjusted net income	80,926	28,454
Add/ (less):		
Depreciation of property and equipment (Note 3)	33,926	19,314
Depreciation of right-of-use assets (Note 5)	6,353	7,760
Amortisation of intangible assets (Note 4)	1,050	1,495
Pre-opening expenses (Note 19)	-	24,597
Finance costs (Note 22)	51,080	52,804
Finance income (Note 22)	(4,689)	(5,224)
Income tax expense/ (benefit) (Note 23)	7,339	(4,342)
Earning before interest, tax, depreciation and amortisation (“EBITDA”)	175,985	124,858

Particulars	Three-month period ended 31st March	
	2025	2024
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Segment Revenue		
Hospitality*	321,825	260,557
Real estate development	174,049	94,659
Total Segment Revenue	495,874	355,216
Segment Results		
Hospitality*	111,643	67,160
Real estate development	73,687	42,359
Total Segment Results	185,330	109,519
Add/ (less): Unallocated Items		
Finance costs (Note 22)	51,080	52,804
Finance income (Note 22)	(4,689)	(5,224)
Corporate office	9,345	9,258
Stock based compensation (Note 28)	10,435	-
Depreciation and amortisation (Note 3, 4 & 5)	77,022	60,744
Income tax expense/ (benefit) (Note 23)	7,339	(4,342)
Net profit/(loss)	34,798	(3,721)
Stock based compensation	10,435	-
Additional depreciation due to revaluation adjustment	35,693	32,176
Adjusted net income	80,926	28,455

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 2025 (continued)

27 Segment Reporting (continued)

Hospitality revenue includes AED 21,573 thousand (2024: AED 27,264 thousand) and result includes AED (11,603) thousand (2024: AED (9,987) thousand) respectively generated from the subsidiaries outside the UAE.

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 period ended 31 March 2025 (continued)

27 Segment Reporting (continued)

	Three-month period ended 31st March	
	2025	2024
	AED'000 (Unaudited)	AED'000 (Unaudited)
Hospitality - Revenue stream wise		
Rooms	149,369	123,501
Live Events	8,351	3,970
Social Events	78,074	64,121
Food and Beverage – Non Entertainment	70,381	55,031
Others	15,650	13,934
Total Hospitality - Revenue stream wise	321,825	260,557
Hospitality - Result stream wise		
Rooms	63,780	58,247
Live Events	(1,026)	3,970
Social Events	26,609	13,982
Food and Beverage – Non Entertainment	20,712	14,292
Others	1,568	(23,330)
Total Hospitality - Result stream wise	111,643	67,161
Add: Pre-opening Expenses	-	24,597
Total Other Adjustments Hospitality	-	24,597
Earnings before interest, tax, depreciation and amortization (EBITDA)		
Rooms	63,780	58,247
Live Events	(1,026)	3,970
Social Events	26,609	13,982
Food and Beverage – Non Entertainment	20,712	14,292
Others	1,568	1,266
Total EBITDA	111,643	91,757

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 three-month period ended 31 March 2025 amounted to AED 215 thousand as against AED 2,955 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.

FIVE Holdings (BVI) Limited and its subsidiaries

Notes to the interim condensed consolidated financial statements for the three-month period ended 31 March 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 69,836 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	31 March	31 December
		2025	2024
Attrition rate	+1%	(3,039)	(3,220)
	-1%	3,085	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 260,836 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	31 March	31 December
		2025	2024
WACC	+1%	(27,804)	(27,934)
	-1%	34,175	34,326
Capitalisation rate:	+0.5%	(8,998)	(9,252)
	-0.5%	9,976	10,257

During the three-month period ended 31 March 2025, the Group recognised aggregate stock-based compensation expenses of AED 10,435 thousand with an amount of AED 3,140 thousand included in cost of sales (note 18) and an amount of AED 7,295 thousand in general and administrative expenses (note 19) with corresponding stock-based compensation reserve of AED 10,435 thousand included within equity.