

United Development Company Q.P.S.C.

**Interim condensed consolidated financial statements
as at and for the period ended 30 September 2025**

United Development Company Q.P.S.C.

Interim condensed consolidated financial statements as at and for the period ended 30 September 2025

Contents	Page
Interim consolidated statement of profit or loss and other comprehensive income	1
Interim consolidated statement of financial position	2
Interim consolidated statement of changes in equity	3
Interim consolidated statement of cash flows	4
Notes to the interim condensed consolidated financial statements	5 – 16

United Development Company Q.P.S.C.

Interim consolidated statement of profit or loss and other comprehensive income for the nine-month period ended 30 September 2025

Notes	Nine-month period ended 30 September	
	2025 (Unaudited) QR'000	2024 (Unaudited) QR'000
Revenue	1,379,023	1,188,773
Cost of revenue	(983,412)	(750,694)
Gross profit	395,611	438,079
Dividend income	1,075	-
Other operating income	176,493	218,829
Fair value gain / (loss) on investment securities	4,352	(5,191)
Provision for impairment on trade receivables	(830)	(9,006)
General and administrative expenses	(252,450)	(243,681)
Sales and marketing expenses	(20,177)	(19,355)
Operating profit	304,074	379,675
Finance income	37,333	68,692
Finance costs	(189,583)	(203,165)
Net finance costs	(152,250)	(134,473)
Net share of results of associates and joint venture	71,798	(215)
Profit before tax	223,622	244,987
Income tax	24 (1,800)	(3,570)
Net profit for the period	221,822	241,417
Net profit for the period attributable to:		
Equity holders of the Parent	244,294	241,785
Non-controlling interests	(22,472)	(368)
	221,822	241,417
Earnings per share attributable to equity holders of the Parent:		
Basic and diluted earnings per share (QR)	6 0.069	0.068
Other comprehensive income		
Total comprehensive income for the period	221,822	241,417
Total comprehensive income for the period attributable to:		
Equity holders of the Parent	244,294	241,785
Non-controlling interests	(22,472)	(368)
	221,822	241,417

The attached notes from 1 to 30 form part of these interim condensed consolidated financial statements.

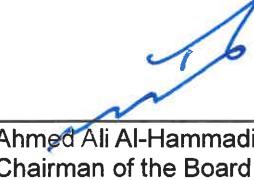
United Development Company Q.P.S.C.

Interim consolidated statement of financial position as at 30 September 2025

Notes	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Assets		
Non-current assets		
Property, plant and equipment	7 1,982,350	1,932,567
Investment properties	8 10,087,551	10,101,760
Right-of-use assets	9 2,200	3,076
Intangible assets	10 6,035	5,376
Investment in associate and joint venture	11 952,668	941,436
Investment securities	12 29,916	63,795
Accounts and other receivables	14 584,252	298,084
Total non-current assets	13,644,972	13,346,094
Current assets		
Inventories	13 92,897	83,456
Work in progress		2,754,417
Accounts and other receivables	14 959,642	1,058,642
Cash and bank balances	15 1,278,420	1,433,018
Total current assets	4,815,154	5,329,533
Total assets	18,460,126	18,675,627
Equity and liabilities		
Equity		
Share capital	16 3,540,862	3,540,862
Legal reserve		1,770,431
Other reserve	17 1,148,009	1,148,009
Retained earnings		5,110,785
Equity attributable to equity holders of the parent	11,570,087	11,520,540
Non-controlling interests		(31,140)
Total equity	11,516,475	11,489,400
Liabilities		
Non-current liabilities		
Loans and borrowings	18 4,429,289	4,515,956
Accounts and other payables	19 163,180	147,521
Retention payable	20 29,967	3,294
Employees' end-of-service benefits	21 45,194	47,165
Lease liabilities	22 1,582	2,060
Total non-current liabilities	4,669,212	4,715,996
Current liabilities		
Loans and borrowings	18 540,980	501,008
Accounts and other payables	19 1,574,351	1,763,249
Retention payable	20 158,040	204,550
Lease liabilities	22 1,068	1,424
Total current liabilities	2,274,439	2,470,231
Total liabilities	6,943,651	7,186,227
Total equity and liabilities	18,460,126	18,675,627

These interim condensed consolidated financial statements were approved by the Board of Directors and signed on their behalf on 23 October 2025 by:


Yasser Salah Al-Jaidah
President and Chief Executive Officer


Ahmed Ali Al-Hammadi
Chairman of the Board

The attached notes from 1 to 30 form part of these interim condensed consolidated financial statements.

United Development Company Q.P.S.C.

Interim consolidated statement of changes in equity for the nine-month period ended 30 September 2025

	Attributable to equity-holders of the parent					Non-controlling interests QR'000	Total equity QR'000
	Share capital QR'000	Legal reserve QR'000	Other reserve QR'000	Retained earnings QR'000	Total QR'000		
Balance at 1 January 2024	3,540,862	1,770,431	1,208,727	4,779,992	11,300,012	65,923	11,365,935
Net profit for the period	-	-	-	241,785	241,785	(368)	241,417
Other comprehensive income for the period	-	-	-	-	-	-	-
Dividend (Note 30)	-	-	-	(194,747)	(194,747)	(1,475)	(196,222)
Balance at 30 September 2024 (Unaudited)	3,540,862	1,770,431	1,208,727	4,827,030	11,347,050	64,080	11,411,130
Balance at 1 January 2025	3,540,862	1,770,431	1,148,009	5,061,238	11,520,540	(31,140)	11,489,400
Net profit for the period	-	-	-	244,294	244,294	(22,472)	221,822
Other comprehensive income for the period	-	-	-	-	-	-	-
Dividend (Note 30)	-	-	-	(194,747)	(194,747)	-	(194,747)
Balance at 30 September 2025 (Unaudited)	3,540,862	1,770,431	1,148,009	5,110,785	11,570,087	(53,612)	11,516,475

The attached notes from 1 to 30 form part of these interim condensed consolidated financial statements.

United Development Company Q.P.S.C.
Interim consolidated statement of cash flows
for the nine-month period ended 30 September 2025

	Notes	30 September 2025 (Unaudited) QR'000	30 September 2024 (Unaudited) QR'000
Operating activities:			
Profit before tax		223,622	244,987
Adjustments:			
Net share of results in associates		(71,798)	215
Depreciation on property, plant and equipment	7	57,773	99,673
Amortisation of intangible assets	10	1,996	1,252
Amortisation of right-of-use assets	9	876	3,916
Net finance costs		152,250	134,473
Dividend income		(1,075)	-
Provision for impairment of trade receivables		830	9,006
Fair value (gain) / loss on investment securities		(4,352)	5,191
Provision for employees' end-of-service benefits	21	7,980	8,196
Operating profit before changes in working capital		368,102	506,909
Changes in working capital:			
Inventories		(9,441)	51,287
Work in progress		169,434	(747,915)
Accounts and other receivables		(176,327)	172,000
Accounts and other payables		(175,211)	(157,805)
Retention payable		(19,837)	10,294
Deferred revenue and cost, net		-	13,217
Cash from / (used in) operating activities		156,720	(152,013)
Finance costs paid		(187,370)	(196,119)
Employees' end-of-service benefits paid	21	(9,951)	(12,455)
Income tax paid		(1,436)	(4,145)
Net cash used in operating activities		(42,037)	(364,732)
Investing activities:			
Additions to property, plant and equipment	7	(6,768)	(37,289)
Proceeds from disposal of investment securities		38,601	-
Additions to intangible assets	10	(2,655)	-
Finance income received		40,998	61,745
Additions to investment properties	8	(10,100)	(21,858)
Repayment of lease liabilities		(834)	(4,245)
Movement in time deposits with original maturities greater than 90 days		649,894	(114,742)
Principal portion received from lease receivable		10,297	12,881
Dividend received from associate		59,947	3,200
Net cash from / (used in) investing activities		779,380	(100,308)
Financing activities:			
Proceeds from loans and borrowings		271,826	731,719
Repayment of loans and borrowings		(318,521)	(439,161)
Dividend		(194,747)	(196,222)
Net cash (used in) / from financing activities		(241,442)	96,336
Net change in cash and cash equivalents		495,901	(368,704)
Cash and cash equivalents at the beginning of the period		373,464	950,513
Cash and cash equivalents at the end of the period	15	869,365	581,809

The attached notes from 1 to 30 form part of these interim condensed consolidated financial statements.

United Development Company Q.P.S.C.

Notes to the interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025

1. Corporate information and principal activities

United Development Company Q.P.S.C. (the "Company") (the "Parent") was incorporated as a Qatari Shareholding Company in accordance with the Emiri Decree No. 2 on 2 February 1999 and whose shares are publicly traded. The registered office of the Company is situated in Doha, State of Qatar and its registered office address is P.O box 7256. The interim condensed consolidated financial statements of the Group as at and for the nine-month period ended 30 September 2025 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates. Information regarding the Group's structure is provided in Note 3.2.

The principal activity of the Group is to contribute and invest in infrastructure and utilities, urban development, environment related businesses, marina and related services, hospitality and leisure, business management and providing information technology solutions.

Pursuant to the Emiri Decree No 17 of 2004, the Company has been provided with a right to develop an island off the shore of Qatar for the sale and/or lease of properties. The Company is presently engaged in the development of this area known as "The Pearl Qatar Project". The Pearl Qatar Project involves reclamation of land covering an area of 985 acres (4.2 million square meters) into a manmade island and the development of the island into various districts comprising housing beachfront villas, town homes, luxury apartments, retail shopping complex, penthouses, five-star hotels, marinas and schools with related infrastructure and community facilities.

The interim condensed consolidated financial statements of the Group for the nine-month period ended 30 September 2025 were authorised for issue in accordance with approval of the Board of Directors on 23 October 2025.

2. Basis of preparation

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

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for land categorised as property, plant and equipment, investment securities and investment properties that are presented at fair value in accordance with IFRS.

These interim condensed consolidated financial statements are presented in Qatari Riyals ("QR"), which is the Group's functional currency. All financial information is presented in Qatari Riyals and all values are rounded to the nearest thousands unless and otherwise indicated.

These interim condensed consolidated financial statements do not include all the information required in the annual consolidated financial statements and should be read in conjunction with the Group consolidated financial statements as at 31 December 2024. In addition, results for the nine months period ended 30 September 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

The consolidated financial statements of the Group as at and for the year ended 31 December 2024 are available upon request from the Company's registered office or at the Company's website www.udcqatar.com.

3. Material accounting policy Information

3.1 New and amended standards and interpretations adopted by Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the consolidated financial statements of the Group as at and for the year ended 31 December 2024, except for the adoption new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

United Development Company Q.P.S.C.

Notes to the interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025 (continued)

3. Material accounting policy Information (continued)

3.1 New and amended standards and interpretations adopted by Group (continued)

One amendment applies for the first time in 2025, but does not have an impact on the interim condensed consolidated financial statements of the Group.

- Amendments to IAS 21 - Lack of exchangeability

3.2 Basis of consolidation

Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are included in these interim condensed consolidated financial statements from the date that control commences until that date that control ceases. The Group consolidates all the entities where it has the power to govern the financial and operating policies. All balances and transactions between Group entities included in these interim condensed consolidated financial statements have been eliminated upon consolidation.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interest and the other components of equity related to the subsidiary. Any surplus or deficit recognised upon loss of control is recognised in the condensed consolidated interim statement of profit or loss. If the Group retains any interest in the previous subsidiary, such interest is measured at fair value as at the date control is lost. Subsequently it is accounted as an equity-accounted investee or as a financial asset under IFRS 9 depending on the level of influence retained.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the condensed consolidated interim statements of profit or loss and financial position separately from the Company shareholders' interests.

The interim condensed consolidated financial statements comprise the financial statements of the Company and all its subsidiaries as at 30 September 2025. The financial statements of the subsidiaries are prepared for the same reporting period as the parent Company using consistent accounting policies. The interim condensed consolidated financial statements include the financial statements of The Parent and its subsidiaries listed in the following table:

Name of the entity	% equity interest		Country of incorporation	Principal activities
	30 September 2025	31 December 2024		
Ronautica Middle East W.L.L.	100	100	Qatar	Operation of marina
The Pearl Qatar Company W.L.L.	100	100	Qatar	Real estate investments
Hospitality Development Company W.L.L.	100	100	Qatar	Management of restaurants
Lebanese Restaurants Development L.L.C.	100	100	Qatar	Management of restaurants
Flavours of Mexico L.L.C.	100	100	Qatar	Management of restaurants
The Rising Sun L.L.C.	95.68	95.68	Qatar	Management of restaurants
Wafflemeister Restaurant L.L.C	100	100	Qatar	Management of restaurants
Isla Mexican Kitchen W.L.L.	100	100	Qatar	Management of restaurants
Arabesque Restaurant W.L.L.	100	100	Qatar	Management of restaurants
The Circle Café W.L.L.	100	100	Qatar	Management of restaurants
Chocolate Jar W.L.L.	100	100	Qatar	Management of restaurants
Bread and Crumbs W.L.L.	100	100	Qatar	Management of restaurants
Shirvan Metisse Doha Restaurant W.L.L.	100	100	Qatar	Management of restaurants
The Pearl Souvenir Trading W.L.L.	100	100	Qatar	Retail trading
Madina Centrale Company W.L.L.	100	100	Qatar	Real estate investments
Abraj Al-Mutahida Company W.L.L.	100	100	Qatar	Real estate development
United Facilities Management Company W.L.L	100	100	Qatar	Facilities management
Scoop Media and Communication Company W.L.L	100	100	Qatar	Advertising activities

United Development Company Q.P.S.C.

Notes to the interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025 (continued)

3. Material accounting policy Information (continued)

3.2 Basis of consolidation (continued)

Name of the entity	% equity interest		Country of incorporation	Principal activities
	30 September 2025	31 December 2024		
Pragmatech Company W.L.L.	100	100	Qatar	Information technology solutions
Glitter W.L.L.	100	100	Qatar	Cleaning related services
Insure Plus W.L.L.	100	100	Qatar	Insurance agency
Madina Innova W.L.L.	100	100	Qatar	Master community services
The Pearl Owners Corporation W.L.L.	100	100	Qatar	Property management
United Development Investment Company	100	100	Cayman Island	Real estate development
United Technology Solution W.L.L.	100	100	Qatar	Information technology solutions
Resorts and Leisure Company W.L.L.	100	100	Qatar	Operation of hotels and resorts
United School International W.L.L.	51	51	Qatar	Operation of school
ProMan L.L.C.	100	100	Qatar	Support services
United Medical Company W.L.L.	65	65	Qatar	Operation of hospital
United District Energy International W.L.L.	95	95	Qatar	Investment in infrastructure projects

Qatar District Cooling Company Q.C.S.C.

In 2024, the Group has disposed 40% out of 91.06% of its equity interest in Qatar District Cooling Company Q.C.S.C. This transaction resulted in a shareholder agreement with the buyer which was signed on 20 November 2024. Post the transaction, the remaining interest has been recorded as a joint arrangement, as detailed in Note 11 Investment in associate and joint ventures.

Non-controlling interests

	Profit allocation for the Nine-month period ended		Accumulated balance as at	
	30 September 2025	30 September 2024	30 September 2025	31 December 2024
	(Unaudited) QR'000	(Unaudited) QR'000	(Unaudited) QR'000	(Audited) QR'000
Qatar District Cooling Company Q.C.S.C.		10,847		-
United Medical Company W.L.L.	(15,518)	(2,248)	(19,984)	(4,558)
The Rising Sun L.L.C.	-	-	351	351
United School International W.L.L.	(6,954)	(8,967)	(33,979)	(26,933)
	<u>(22,472)</u>	<u>(368)</u>	<u>(53,612)</u>	<u>(31,140)</u>

4. Estimates and judgments

The preparation of interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The critical estimates and judgments used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the Group's consolidated financial statements for the year ended 31 December 2024.

United Development Company Q.P.S.C.

Notes to the interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025 (continued)

5. Financial risk management

The Group financial risk management objectives and policies are consistent with those disclosed in the Group's consolidated financial statements for the year ended 31 December 2024.

6. Basic and diluted earnings per share

Basic and diluted earnings per share is calculated by dividing the net profit for the year attributable to equity holders of the parent by the weighted average number of shares outstanding during the period. There were no instruments or items that could cause a dilutive effect on the earnings per share calculation.

	Nine-month period ended 30-September	
	2025 (Unaudited) QR'000	2024 (Unaudited) QR'000
Profit for the year attributable to equity holders of the Parent (QR'000)	244,294	241,785
Weighted average number of outstanding shares during the year ('000)	3,540,862	3,540,862
Basic and diluted earnings per share (QR)	0.069	0.068

7. Property, plant and equipment

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Carrying value at the beginning of the period/year	1,932,567	3,504,202
Additions	6,768	43,115
Transfers, net	100,788	182,077
Disposal of a subsidiary	-	(1,470,899)
Impairment	-	(158,201)
Disposals, net	-	(106)
Depreciation	(57,773)	(167,621)
Carrying value at the end of the period/year	1,982,350	1,932,567

8. Investment properties

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Balance at the beginning of the period/year	10,101,760	10,432,175
Additions	10,100	32,571
Transfers, net	(24,309)	(191,502)
Fair value loss	-	(171,484)
Balance at the end of the period/year	10,087,551	10,101,760

United Development Company Q.P.S.C.

Notes to the interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025 (continued)

9. Right-of-use assets

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Balance at the beginning of the period/year	3,076	8,810
Additions	-	2,892
Depreciation	(876)	(4,975)
Disposal of a subsidiary	-	(3,651)
Balance at the end of the period/year	<u>2,200</u>	<u>3,076</u>

10. Intangible assets

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Balance at the beginning of the period/year	5,376	7,105
Additions	2,655	199
Amortisation for the period/year	(1,996)	(1,928)
Balance at the end of the period/year	<u>6,035</u>	<u>5,376</u>

11. Investment in associate and joint venture

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
United Readymix W.L.L. (i)	11,978	13,021
Qatar District Cooling Company Q.C.S.C. (ii)	940,690	927,541
Diarona District Energy Limited	-	874
	<u>952,668</u>	<u>941,436</u>
Balance at the beginning of the period/year	941,436	16,484
Additions	-	927,231
Derecognition	(619)	-
Share of results for the period/year	71,798	921
Dividend received	(59,947)	(3,200)
Balance at the end of the period/year	<u>952,668</u>	<u>941,436</u>

- (i) Represents the Group's shareholding of 32% in United Readymix W.L.L., a company incorporated in the State of Qatar engaged in the production and sale of ready-mix concrete and other building materials.
- (ii) Represents the Group's shareholding of 51.06% in Qatar District Cooling Company Q.C.S.C., a company incorporated in the State of Qatar, engaged in the construction, owning and operation of district cooling systems.

United Development Company Q.P.S.C.

Notes to the interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025 (continued)

12. Investment securities

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Balance at the beginning of the period/year	63,795	62,813
Disposals	(38,231)	-
Fair value gain	4,352	982
Balance at the end of the period/year	<u>29,916</u>	<u>63,795</u>
Quoted shares inside Qatar	29,916	28,865
Quoted shares outside Qatar	-	34,930
	<u>29,916</u>	<u>63,795</u>

13. Inventories

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Land and properties held for trading	77,867	68,852
Material and spare parts	14,385	8,912
Food, beverage and consumables	645	5,692
	<u>92,897</u>	<u>83,456</u>

14. Accounts and other receivables

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Non-current:		
Accounts receivable, net	372,079	108,194
Finance lease receivables	176,568	170,134
Long term deposits	35,605	19,756
	<u>584,252</u>	<u>298,084</u>
Current:		
Accounts receivable, net	662,148	731,475
Advances to contractors	170,702	227,101
Finance lease receivables	44,038	32,033
Amounts due from related parties (Note 23)	21,274	-
Prepayments and accruals	25,334	43,648
Others	36,146	24,385
	<u>959,642</u>	<u>1,058,642</u>

United Development Company Q.P.S.C.

Notes to the interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025 (continued)

15. Cash and bank balances

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Cash in hand and bank balances	699,044	351,684
Time deposits	579,376	1,081,334
Total cash and bank balances	<u>1,278,420</u>	<u>1,433,018</u>
Less: Declared unclaimed dividend	(12,615)	(13,220)
Less: Time deposits with original maturities greater than 90 days	(396,440)	(1,046,334)
Cash and cash equivalents	<u>869,365</u>	<u>373,464</u>

16. Share capital

Share capital represents 3,540,862,500 authorised, issued and fully paid ordinary shares of QR 1 each.

17. Other reserve

Other reserve represent revaluation reserve which is used to recognise increases in the fair value of property, plant and equipment that were subject to fair valuation. Decrease in fair value is recognised in the reserve only to the extent it relates to an increase in fair value of the same asset previously recognised in equity.

18. Loans and borrowings

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Loans and borrowings	4,995,578	5,042,866
Unamortised costs associated with raising finance	(25,309)	(25,902)
	<u>4,970,269</u>	<u>5,016,964</u>
Presented as:		
Non-current liabilities	4,429,289	4,515,956
Current liabilities	540,980	501,008
	<u>4,970,269</u>	<u>5,016,964</u>

19. Accounts and other payables

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Non-current:		
Master community reserve fund and advances received from customers	<u>163,180</u>	<u>147,521</u>
Current:		
Accounts payable	108,647	83,450
Accrued contract costs	85,540	176,910
Advances received from customers	267,487	352,115
Other accruals	631,939	679,594
Income tax payable	6,534	6,170
Amounts due to related parties (Note 23)	26,182	28,131
Other liabilities	<u>448,022</u>	<u>436,879</u>
	<u>1,574,351</u>	<u>1,763,249</u>

United Development Company Q.P.S.C.

Notes to the interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025 (continued)

20. Retention payable

Retention payable represents amounts withheld from payments to contractors as per contractual terms. These amounts are payable upon completion of work and satisfactory discharge of obligations by the relevant contractors.

21. Employees' end-of-service benefits

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Balance at the beginning of the period/year	47,165	59,175
Charge	7,980	10,048
Payments	(9,951)	(12,901)
Disposal of a subsidiary	-	(9,157)
Balance at the end of the period/year	<u>45,194</u>	<u>47,165</u>

22. Lease liabilities

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Balance at the beginning of the period/year	3,484	9,868
Additions	-	2,892
Lease payments	(916)	(5,657)
Interest expense on lease liabilities	82	444
Disposal of a subsidiary	-	(4,063)
Balance at the end of the period/year	<u>2,650</u>	<u>3,484</u>
Presented as:		
Non-current liabilities	1,582	2,060
Current liabilities	<u>1,068</u>	<u>1,424</u>
	<u>2,650</u>	<u>3,484</u>

23. Related parties

Note 3.2 and Note 11 provide information about the Group structure for subsidiaries, associate and joint venture respectively. During the period certain transactions have occurred with related parties on the same commercial terms and conditions as third parties. Pricing policies and terms of these transactions are approved by the Group's management.

Balances with the related parties and nature of significant transactions and amounts involved are as follows:

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
<u>Amounts due from related parties (Note 14)</u>		
Qatar District Cooling Company Q.C.S.C.	20,314	-
United Readymix W.L.L.	<u>960</u>	<u>-</u>
	<u>21,274</u>	<u>-</u>
<u>Amounts due to related parties (Note 19)</u>		
Ruzgar Healthcare Holding L.L.C.	23,418	13,419
Orbital Doha Limited	1,124	7,686
Corinthia Hotels Limited	760	-
Veera Medicare	880	-
Qatar District Cooling Company Q.C.S.C.	<u>-</u>	<u>7,026</u>
	<u>26,182</u>	<u>28,131</u>

United Development Company Q.P.S.C.

Notes to the interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025 (continued)

24. Income tax

	Nine-month period ended 30-September	
	2025 (Unaudited) QR'000	2024 (Unaudited) QR'000
Expense for the current period	6,533	3,578
Change in estimate related to prior year	(4,733)	(8)
	<u>1,800</u>	<u>3,570</u>

25. Contingent liabilities

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Bank guarantees and bonds	<u>21,992</u>	<u>3,978</u>

The Group anticipates that no material liability will arise from the above guarantees which are issued in the ordinary course of business.

There is a court case between the Company and a developer wherein the developer filed a case against the Company and the Company filed a counterclaim against the developer each seeking compensation for recovery of costs incurred and damages suffered. The case was substantially decreed in favour of the Company, however the developer's claim regarding costs incurred was decreed in favour of the developer which was appealed by the Company. Subsequently, a decision has been issued by the cassation court in favour of the developer; however, UDC appealed to the cassation court / supreme judicial council and no decision has been made.

26. Capital commitments

	30 September 2025 (Unaudited) QR'000	31 December 2024 (Audited) QR'000
Contractual commitments to contractors and suppliers	<u>603,920</u>	<u>895,562</u>

27. Financial instruments

The significant accounting policies and methods adopted, including the criteria for recognition, basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset and financial liability are the same as those that were applied in the consolidated financial statements of the Group as at and for the year ended 31 December 2024.

United Development Company Q.P.S.C.

Notes to the interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025 (continued)

28. Fair values of financial instruments

Financial assets consist of investment securities, cash and bank balances and receivables. Financial liabilities consist of loans and borrowings, payables, and accrued expenses.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Differences can therefore arise between book value under historical cost method and fair value estimates.

Fair value hierarchy

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

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

The management considers the carrying amounts of the financial assets and financial liabilities recognised in these interim condensed consolidated financial statements are approximate to their fair values. The entire portfolio of investment securities (Note 12) is classified as Level 1, property, plant and equipment (Note 7) and investment properties (Note 8) are classified as Level 3. There were no transfers between Level 1 and Level 2 fair value measurements during the period.

29. Segment information

Operating segments

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require separate business strategies. For each of the strategic business units, the Group reviews internal management reports on a regular basis.

The following summary describes the operations in each of the Group's reportable segments:

<u>Reportable segment</u>	<u>Nature of operations</u>
Urban development	Real estate development and construction activities
Hospitality and leisure	Investment and development of hotel, leisure facilities and selling of luxurious items
Infrastructure and utilities	Construction and management of district cooling systems and marina activities
Other operations	Providing information technology solutions and other services

The accounting policies of the reportable segments are the same as described in note 3.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit, as included in the internal management reports that are reviewed by the Management. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

United Development Company Q.P.S.C.

Notes to the interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025 (continued)

29. Segment information (continued)

Operating segments (continued)

	Urban development QR'000	Hospitality and Leisure QR'000	Infra structure & utilities QR'000	Others QR'000	Inter-segment elimination QR'000	Total QR'000
<u>30 September 2025</u>						
<u>(Unaudited)</u>						
Real estate revenue	1,090,067	-	-	-	(21,256)	1,068,811
Marina operations	-	-	27,601	-	-	27,601
Food and beverage sale	-	33,717	-	-	-	33,717
Others	-	-	-	314,053	(65,159)	248,894
Revenue	<u>1,090,067</u>	<u>33,717</u>	<u>27,601</u>	<u>314,053</u>	<u>(86,415)</u>	<u>1,379,023</u>
Finance income	29,224	-	966	7,143	-	37,333
Finance costs	(187,486)	(601)	(138)	(19,936)	18,578	(189,583)
Depreciation	(17,317)	(3,649)	(388)	(9,674)	(26,745)	(57,773)
Net share of results in associates	(84)	-	71,882	-	-	71,798
Profit/(loss) for the period	<u>256,738</u>	<u>(27,511)</u>	<u>71,695</u>	<u>(16,696)</u>	<u>(62,404)</u>	<u>221,822</u>
<u>30 September 2024</u>						
<u>(Unaudited)</u>						
Real estate revenue	569,862	-	-	-	(35,935)	533,927
Capacity charges	-	-	237,630	-	(22,091)	215,539
Consumption & ETS sale	-	-	167,095	-	-	167,095
Marina operations	-	-	26,074	-	-	26,074
Food and beverage sale	-	34,372	-	-	-	34,372
Others	-	-	-	278,111	(66,345)	211,766
Revenue	<u>569,862</u>	<u>34,372</u>	<u>430,799</u>	<u>278,111</u>	<u>(124,371)</u>	<u>1,188,773</u>
Finance income	40,039	-	21,016	7,637	-	68,692
Finance costs	(187,234)	109	(21,342)	(16,450)	21,752	(203,165)
Depreciation	(17,302)	(2,672)	(49,412)	(3,558)	(26,729)	(99,673)
Net share of results in associates	236	-	(451)	-	-	(215)
Profit/(loss) for the period	<u>190,399</u>	<u>(34,422)</u>	<u>122,188</u>	<u>20,045</u>	<u>(56,793)</u>	<u>241,417</u>
<u>30 September 2025</u>						
<u>(Unaudited)</u>						
Segment assets	17,416,791	76,824	110,394	1,393,596	(537,479)	18,460,126
Segment liabilities	<u>6,747,014</u>	<u>311,104</u>	<u>26,624</u>	<u>890,020</u>	<u>(1,031,111)</u>	<u>6,943,651</u>
<u>31 December 2024 (Audited)</u>						
Segment assets	17,739,907	57,723	288,544	1,286,014	(696,561)	18,675,627
Segment liabilities	<u>7,137,393</u>	<u>264,502</u>	<u>210,710</u>	<u>762,242</u>	<u>(1,188,620)</u>	<u>7,186,227</u>

United Development Company Q.P.S.C.

Notes to the interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025 (continued)

29. Segment information (continued)

Operating segments (continued)

Geographical segments

The Group has not diversified its activities outside of the State of Qatar except for United Development Investment Company (Note 3.2) and Diarona District Energy Limited (Note 11). Majority of the Group assets are in the State of Qatar, accordingly, there are no distinctly identifiable geographical segments in the Group as at 30 September 2025.

30. Dividend

On 12 March 2025, the Company held its annual general meeting for the year 2024 which, among other things, approved a cash dividend of 5.5% of share capital amounting to QR 194.7 million.

On 31 March 2024, the Company held its annual general meeting for the year 2023 which, among other things, approved a cash dividend of 5.5% of share capital amounting to QR 194.7 million.