This is a non-certified translation of the original Arabic version of the Prospectus. This English version is provided for convenience only and does not constitute a legal document. Subscribers should only rely on the Arabic version of the Prospectus. In the case of any discrepancies or omissions, the Arabic version of the Prospectus shall prevail.

OFFER TO SUBSCRIBE FOR SHARES IN A FREE ZONE COMPANY IN A PUBLIC SUBSCRIPTION IN THE UAE ONLY

Prospectus for the Public Offering of Shares in

Alef Education Holding plc (the "Company")

(a public company limited by shares incorporated in the Abu Dhabi Global Market ("ADGM") and subject to the ADGM Companies Regulations 2020 (as amended))

Dated: 20 May 2024

This is the prospectus (the "**Prospectus**") for the sale of 1,400,000,000 (one billion four hundred million) ordinary shares with a nominal value of AED 0.01 (one Fils) each, representing 20% (twenty percent) of the total issued shares in the share capital of the Company (the "**Offer Shares**"), to be sold by the Company's shareholders namely; Tech Nova Investment – Sole Proprietorship L.L.C and Kryptonite Investments L.L.C (the "**Selling Shareholders**") in a public subscription in the United Arab Emirates (the "**UAE**") only. The Selling Shareholders reserve the right to amend the size of the Offering and the size of any Tranche (as defined below) at any time prior to the end of the subscription period at their sole discretion, subject to the applicable laws of the UAE and the approval of the Securities and Commodities Authority in the UAE ("**SCA**" or the "**Authority**"). The offer price will be in AED and determined based on the offer price range (the "**Offer Price Range**"), which will be announced on the same day and before the opening of the Offer Period on 28 May 2024. The Offer Shares will be duly and validly issued as at the date of listing (the "**Listing**") of the Shares on the Abu Dhabi Securities Exchange (the "**ADX**").

The final offer price (the "Final Offer Price") and the final offering size (the "Final Offer Size") will be announced after the closing of the subscription of the Second Tranche. Please refer to the section on the Final Offer Price in the first section of this Prospectus which sets out a description of how the Final Offer Price will be calculated.

Except in the UAE only, no action has been taken or will be taken in any jurisdiction that would permit a public subscription of the Offer Shares pursuant to this Prospectus or the possession, circulation or distribution of this Prospectus. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offering material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any jurisdiction except in compliance with any applicable rules and regulations of any such jurisdiction.

The Company is not subject to UAE Federal Decree by Law No. 32 of 2021 concerning commercial companies (as amended) (the "**UAE Commercial Companies Law**"). The Authority is not responsible for the content of this Prospectus, or the information contained herein. The Company is subject to the ADGM Companies Regulations 2020 (as amended) (the "**Companies Regulations**") and other applicable rules and regulations in the ADGM. The ADGM Registration Authority (the "**ADGM Registration Authority**") is responsible for the supervision and regulation of all public companies incorporated in the ADGM, including the Company, in relation to compliance with the Companies Regulations.

Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers should carefully read the "Investment Risks" and the "Important Notice" sections of this Prospectus to inform themselves about factors that should be considered before investing in the Offer Shares.

Offer Period

The Offer Period for the First Tranche and the Second Tranche (as described in this Prospectus) starts on 28 May 2024 and will close on 4 June 2024 for the First Tranche and on 5 June 2024 for the Second Tranche.

If all of the Offer Shares are subscribed for and allocated, and the Offer size is not increased, the Offer Shares will represent 20% of the total issued ordinary shares in the capital of the Company (the "**Shares**") (this percentage has been calculated based on the total number of Shares in the share capital of the Company). The Selling Shareholders reserve the right to amend the size of the Offering and the size of each Tranche at any time prior to the end of the subscription period at their sole discretion, subject to the applicable laws of the UAE and the approval of the SCA. Prior to this Offering, the Shares have not been listed on any financial market and there has been no public market for the Shares. Following the closing of the Offer Period in respect of the First Tranche and the Second Tranche and accepting the subscription for Shares, the Company will apply to list its Shares on the ADX.

Date of the SCA's approval of publishing this Prospectus: **17 May 2024**.

This Prospectus contains data that has been submitted in accordance with the rules for issuance and disclosure issued by the SCA in the United Arab Emirates and publishing this Prospectus has been approved by the SCA on 17 May 2024. However, the SCA's approval of publishing this Prospectus does not constitute an endorsement of the feasibility of investment in the Offer Shares nor a recommendation to subscribe to the Offer Shares; the approval only confirms that this Prospectus contains the minimum information required in accordance with the applicable rules issued by the SCA with respect to prospectuses. The SCA is not responsible for the accuracy, completeness or adequacy of the information contained in this Prospectus and the SCA does not bear any responsibility for any damages or losses incurred by any person as a result of relying on this Prospectus or any part of it. The members of the Company's board of directors, jointly and severally, bear full responsibility regarding the validity of the information and data contained in this Prospectus, and they confirm, to the extent of their knowledge and belief, and subject to due diligence and after conducting reasonable enquiries, that there are no other facts or material information, which were not included in this Prospectus that renders any statement contained therein misleading to the Subscribers or which may influence their decision to invest.

Method of offer and sale of the Offer Shares in a public subscription

The Offer Shares represent 1,400,000,000 (one billion four hundred million) Shares with a nominal value of AED 0.01 (one Fils) each of the total issued shares in the share capital of the Company, which will be sold by the Selling Shareholders in a public offering whereby the Final Offer Price will be determined through the application of a book building process, where a subscription orders ledger will be created through the subscription orders made only by the Second Tranche Subscribers. The Selling Shareholders reserve the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at their sole discretion, subject to the applicable laws of the UAE and the approval of SCA.

In creating the subscription orders ledger, the Offer Shares subscribed by the Second Tranche Subscribers will constitute all of the Offer Shares used in calculating the Final Offer Price of each Offer Share. In order for the subscription to succeed, the subscription percentage of the Second Tranche Subscribers must not be less than 60% (sixty per cent), and the subscription percentage of First Tranche Subscribers must not be more than 40% (forty per cent) of the Offer Shares in aggregate.

If the First Tranche is not subscribed to in full, the remaining Offer Shares will be allocated to the Second Tranche. The Receiving Banks commit to refund the oversubscription amounts received from the First Tranche Subscribers for the Offering and any accrued profit on such amounts one day after the subscription closing until one day prior to the refund to the First Tranche Subscribers, provided that the refund is made within five working days from the date on which all allocations of Offer Shares to successful First Tranche Subscribers is determined.

The Selling Shareholders may not, whether directly or indirectly or through any of their subsidiaries, subscribe for any of the Offer Shares.

Book Building Mechanism

Book building is a mechanism pursuant to which the price is set prior to the issuance of the shares or prior to the Offering.

The book building process comprises these steps:

1. The Company and the Selling Shareholders hire one or more investment banks to act as lead manager(s) who are licensed by SCA to carry out on behalf of the Company and the Selling Shareholders, the management of the Offering, and to provide advice related to the Offering, and to coordinate with SCA and the Offer Participants and to assist the Company and the Selling Shareholders in determining the price range at which the security can be sold and drafting a prospectus to send out to the investors.
2. The appointed joint lead managers invite certain Professional Investors, normally, but not restricted to, large-scale sophisticated buyers and fund managers (and may invite other Professional Investors), to submit bids on the number of shares that they are interested in buying and the prices that they would be willing to pay for such shares and recording the Professional Investors' opinions in the register specifically for recording the subscription orders for the shares offered.
3. The book is 'built' by listing and evaluating the aggregated demand for the issue from the submitted bids. The underwriters analyze the information and based on that analysis, determine with the issuing company and its Selling Shareholders, the final price for the shares, which is termed the final offer price.
4. Shares for submitted bids pertaining to the Second Tranche are then allocated among the accepted bidders, at the discretion of the Company and the Selling Shareholders.

Listing Advisor

First Abu Dhabi Bank PJSC has been appointed to be the Listing Advisor of the Company (in accordance with the requirements for that role) as described in Article 33 (Second) (14) of the Offering Regulations) for a period of twelve (12) months from the date of Listing.

A list of further definitions and abbreviations is provided in the "**Definitions and Abbreviations**" Section of this Prospectus.

Tranche Structure

A. First Tranche

The First Tranche offer will be made pursuant to this Prospectus, 8% (eight per cent) of the Offer Shares, representing 112,000,000 (one hundred twelve million) Shares, are allocated to the First Tranche. Each successful Subscriber in the First Tranche will be guaranteed a minimum allocation of up to 2,000 (two thousand) Shares, subject to the limits and conditions set out in this Prospectus. The final minimum guaranteed allocation for each Subscriber in the First Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the First Tranche and the Final Offer Price. Shares in the First Tranche available for allocation in excess of the aggregate minimum guaranteed allocation shall be allocated on a pro-rata basis. The Selling Shareholders reserve the right to amend the minimum guaranteed amount subject to obtaining SCA's approval. The First Tranche is restricted to the following persons:

- ***Individual Subscribers***

Natural persons (including natural persons constituting Assessed Professional Investors) who do not participate in the Second Tranche) who have a bank account and hold a National Investor Number ("**NIN**") with ADX (except for any person who is resident in the United States within the meaning of the US Securities Act 1933, as amended (the "**US Securities Act**"). There are no citizenship or residence requirements in order to qualify as an Individual Subscriber.

Minors are permitted to apply for Offer Shares in accordance with the procedures applied by the Receiving Banks and the laws in force in this regard.

- ***Other investors***

Other investors (companies and establishments) who do not participate in the Second Tranche and who have a bank account (except for any person who is resident in the United States within the meaning of the US Securities Act).

All First Tranche Subscribers must hold a NIN with the ADX.

The Selling Shareholders reserve the right to amend the size of the First Tranche at any time prior to the end of the subscription period at their sole discretion, subject to the applicable laws of the UAE, and the approval of the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the subscribers in the First Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.

If all of the Offer Shares in the First Tranche are not fully subscribed, the unsubscribed Offer Shares will be made available to Second Tranche Subscribers, or alternatively (in consultation with the SCA) the Selling Shareholders may (i) extend the Closing Date for the First Tranche and the Second Tranche, and/or (ii) close the Offering at the level of applications received.

The minimum application size for subscribers in this Tranche is AED 5,000 (five thousand UAE Dirhams) with any additional application to be made in increments of AED 1,000 (one thousand UAE Dirhams).

There is no maximum application size for subscribers in this Tranche.

B. Second Tranche

The Second Tranche offer will be made pursuant to the Second Tranche Document, 92% (ninety two per cent) of the Offer Shares, amounting to 1,288,000,000 (one billion two hundred eighty eight million) Shares, are allocated to the Second Tranche, which is restricted to "**Professional Investors**" (as defined in the SCA Board of Directors' Chairman Decision No.13/R.M of 2021 (as amended from time to time)), which specifically include those investors which can be categorised in the following manner:

- ***"Deemed Professional Investors" which include:***

a. international corporations and organisations whose members are state, central banks or national monetary authorities;

b. governments, government institutions, their investment and non-investment bodies and companies wholly owned by them;

c. central banks or national monetary authorities in any country, state or legal authority;

d. capital market institutions licensed by the SCA or regulated by a supervisory authority equivalent to the SCA;

e. financial institutions;

f. regulated financial institutions, local or foreign mutual investment funds, regulated pension fund management companies and regulated pension funds;

g. any entity whose main activity represents investment in financial instruments, asset securitisation or financial transactions;

h. any company whose shares are listed or accepted to trade in any market of an IOSCO member country;

i. a trustee of a trust which has, during the past 12 months, assets of AED 35,000,000 or more;

j. licensed family offices with assets of AED 15,000,000 or more;

k. joint ventures and associations which have or had, at any time during the past two years, net assets of AED 25,000,000 or more (excluding partner and shareholder loans);

l. a body corporate who fulfils (on the date of its last financial statements) a "large undertaking" test, whereby it fulfils at least two of the following requirements:

   (i) holds total assets of AED 75,000,000 or more (excluding short-term liabilities and long-term liabilities);

   (ii) has a net annual revenue of AED 150,000,000 or more; or

   (iii) has an aggregate total of cash and investments on its balance sheet of, or its total equity (after deducting paid up share capital), is not less than AED 7,000,000.

- ***"Service-Based Professional Investors", which include:***

a. Any person conducting an activity involving the provision of credit facilities for commercial purposes for:

   (i) an undertaking;

   (ii) a person in control of an undertaking;

   (iii) any member of the group to which the undertaking belongs; or

   (iv) any joint investment venture in which the undertaking is a partner.

b. A person conducting credit facility and investment deal arrangement services in connection with structuring, financing, and companies.

- ***"Assessed Professional Investors" which include:***

a. a natural person who owns net assets, excluding the value of their main residence, of not less than AED 4,000,000 (a "HNWI");

a natural person who is:

(i) approved by the SCA or a similar supervisory authority;

(ii) an employee of a licensed entity or a regulated financial institution who has been employed for the past two years;

(iii) assessed to have sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); or

(iv) represented by an entity licensed by the SCA;

b. a natural person (the "account participant") with a joint account for investment management with a HNWI (the "main account holder"), provided that each of the following conditions are satisfied:

(i) the account participant must be an immediate or second degree relative of the main account holder;

(ii) the account is used to manage the investments of the main account holder and their subscribers; and

(iii) written confirmation is obtained from the subscriber (i.e. the account participant) confirming that investment decisions relating to the joint investment account are made on their behalf by the main account holder;

c. special purpose vehicles and trusts established for the purpose of managing an investment portfolio of assets for a HNWI;

d. an undertaking which:

(i) maintains an aggregate total of cash and investments on its balance sheet; or its total equity (after deducting paid up share capital), is not less than AED 4,000,000; and

(ii) has sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); and

e. an undertaking which:

(i) it has a controller (e.g. a person controlling the majority of the shares or voting rights in the relevant undertaking or possesses the ability to appoint or remove the majority of the relevant undertaking's board of directors),

(ii) a holding or subsidiary company or

(iii) a joint venture partner that meets the definition of a Deemed Professional Investor or an Assessed Professional Investor,

who, in each case, has been approved by the Company and the Selling Shareholders, in consultation with the Joint Lead Managers and to which the following characteristics apply: (a) a person outside the United States to whom an offer can be made in reliance on Regulation S under the US Securities Act; (b) a person in the DIFC to whom an offer can be made in accordance with the Markets Rules (MKT) Module of the DFSA Rulebook, and made only to persons who meet the "Deemed Professional

Client" criteria set out in the Conduct of Business (COB) Module of the DFSA Rulebook and who are not natural persons; or (c) a person in the ADGM to whom an offer can be made in accordance with the Financial Services Regulatory Authority (the "**FSRA**") Financial Services and Markets Regulations (the "**FSMR**") and the FSRA Market Rules and made only to persons who are Professional Clients' as defined in the ADGM Conduct of Business Rulebook.

All Second Tranche Subscribers (Professional Investors) must hold a NIN with the ADX.

If all of the Offer Shares in the Second Tranche are not fully subscribed, then the Offer will be withdrawn.

The minimum application size for the Second Tranche Subscribers (Professional Investors) is AED 5,000,000 (five million UAE Dirhams). There is no maximum application size for the Second Tranche Subscribers (Professional Investors).

Every Subscriber in any of the above-mentioned Tranches must hold a NIN with ADX and bank account number in order to be eligible to apply for Offer Shares. Subscribers may apply for Offer Shares in only one Tranche. In the event a person applies in more than one Tranche, the Receiving Banks and the Joint Lead Managers may disregard one or both of such applications.

The approval of the Authority has been obtained for publication of the Prospectus for the offer and sale of the Offer Shares in a public subscription in the UAE (outside the ADGM and the DIFC). Other than in the ADGM, the Shares have not been registered with any other regulatory authority in any other jurisdiction.

The publication of the Arabic version of this Prospectus has been approved by the Authority.

A copy of the offering document for the Second Tranche (in English only), referred to as the "**Second Tranche Document**", which was not sighted or endorsed by the Authority, will be available at www.alefeducation.com / www.alefipo.com. No information contained in, or referred to in, the Second Tranche Document, forms part of, or is incorporated into this Prospectus.

Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers should carefully read the "Investment Risks" section of the Prospectus to inform themselves about factors that should be considered before investing in the Offer Shares.

This Prospectus was issued on **20 May 2024**.

This Prospectus is available on the website of the Company at www.alefeducation.com / www.alefipo.com

Name and Contact Details of the Offer Participants

JOINT LEAD MANAGERS

EFG HERMES UAE LLC

Office 106, The Offices 3

One Central, DWTC

P.O. Box 112736

Dubai, United Arab Emirates

First Abu Dhabi Bank PJSC

FAB Building

Khalifa Business Park – Al Qurm District

P.O. Box 6316

Abu Dhabi, United Arab Emirates

LEAD RECEIVING BANK

First Abu Dhabi Bank PJSC

FAB Building

Khalifa Business Park – Al Qurm District

P.O. Box 6316

Abu Dhabi, United Arab Emirates

RECEIVING BANKS

As per the list of banks attached in Annex (3) to this Prospectus.

Listing Advisor

First Abu Dhabi Bank PJSC

FAB Building

Khalifa Business Park – Al Qurm District

P.O. Box 6316

Abu Dhabi, United Arab Emirates

IPO SUBSCRIPTION LEGAL COUNSEL

Legal advisor to the Company as to UAE and ADGM laws

IBRAHIM & PARTNERS

24th Floor, Al Sila Tower, ADGM Square

Tel: +971 2 694 8668

E-mail: Info@inp.legal

P.O. Box 5100746

Abu Dhabi, United Arab Emirates

Legal advisor to the Joint Lead Managers as to English and US and ADGM law

White & Case LLP

ICD Brookfield Place – Level 8 Reception, Al Mustaqbal St.

Dubai International Financial Centre

P.O. Box 9705

Dubai, United Arab Emirates

INDEPENDENT AUDITORS TO THE COMPANY

Ernst & Young – Middle East (ADGM Branch)

Sila Tower, 24th Floor, Office 2449

Abu Dhabi Global Market Square,Al Maryah Island

P.O. Box: 136

Abu Dhabi, United Arab Emirates

IPO Subscription Auditor

Deloitte & Touche (M.E)

Emaar Square, Building 3, Downtown Dubai

P.O. Box: 4254

Dubai, United Arab Emirates

Tel: +971 4 376 8888

Investor Relations

Reem Hindieh

Email: ir@alefeducation.com

Alef Education HQ, Al Muntazah - Ministries Complex

P.O. Box: 769719

Abu Dhabi, United Arab Emirates

Tel: +971 2 204 0100

This Prospectus is available on the website of the Company at www.alefeducation.com / www.alefipo.com

The publication of this Prospectus was on **20 May 2024**.

IMPORTANT NOTICE

(To be carefully read by all Subscribers)

- This Prospectus is intended to provide potential Subscribers with information to assist in deciding whether or not to apply for Offer Shares. Potential Subscribers should read this Prospectus in its entirety, and carefully review, examine and consider all data and information contained in it, before deciding whether or not to apply for Offer Shares (and, in particular, Section 8 ("**Investment Risks**")) as well as the Articles of Association of the Company, when considering making an investment in the Company.

- In making an investment decision, each potential Subscriber must rely on its own examination, analysis and enquiry of the Company and the terms of the Offering, including the merits and risks involved and obtain any necessary advice from his or her legal and financial advisors regarding the investment. An investment in Offer Shares entails considerable risks. Potential Subscribers should not apply for Offer Shares unless they are able to bear the loss of some or all of that investment.

- Recipients of this Prospectus are authorized solely to use this Prospectus for the purpose of considering the subscription in the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering whether or not to apply for Offer Shares under the First Tranche. Recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.

- The contents of this Prospectus should not be construed as legal, financial or tax advice.

- The information contained in this Prospectus shall not be subject to revision or addition without securing the approval of the Authority and informing the public of such revision or addition by publication in two daily newspapers in accordance with the rules issued by the Authority. The Selling Shareholders reserve the right to cancel the Offering at any time and at their sole discretion with the prior written approval of the SCA.

- The Offer Shares are being offered for sale under this Prospectus for the purpose of subscription in the UAE only. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the Offer Shares or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, Offer Shares by any person in any jurisdiction outside of the UAE (including the ADGM and the DIFC).

- This Prospectus is not being published or distributed, and must not be forwarded or transmitted, in or into or to any jurisdiction outside the UAE (including the ADGM and the DIFC). The Offer Shares have not been registered with any regulatory authority in any jurisdiction other than the SCA.

- If the Offer Shares are offered in another jurisdiction, the Offer Shares shall be offered in a manner that is compliant with the applicable laws and rules and acceptable to the relevant authorities in the relevant jurisdiction.

- This Prospectus is not intended to constitute a financial promotion, offer, sale or delivery of shares or other securities under the FSRA Markets Rules or the DIFC Markets Law or under the DIFC Markets Rules.

- The Offering has not been approved or licensed by the FSRA or DFSA and does not constitute an offer of securities in the ADGM in accordance with the FSRA Markets Rules or in the DIFC in accordance with the DIFC Markets Law or the DIFC Markets Rules.

- The publication of this Prospectus has been approved by the SCA. The SCA's approval of the publication of this Prospectus shall neither be deemed as an endorsement or approval of the subscription feasibility nor a recommendation of investment, but it means only that the minimum requirements according to the issuance rules and information disclosure applicable to the Prospectus and issued by the SCA have been met. The SCA and the ADX shall not be held liable for the accuracy, completeness or sufficiency of the information contained in this Prospectus, nor shall they be held liable for any damage or loss suffered by any person due to reliance upon this Prospectus or any part thereof.

The publication of this Prospectus was approved on 17 May 2024.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Historical financial information

The historical financial statements included in this Prospectus are:

- The Group's special purpose audited consolidated financial statements as of and for the years ended 31 December 2023, 2022, and 2021; and for the three-month periods ended 31 March 2024 and 2023 (together, the "**Financial Statements**"). The Financial Statements have been prepared in accordance with the requirements of International Financial Reporting Standards ("**IFRS**").

Non-IFRS measures

Definitions of certain financial measures that are not defined or recognized under IFRS, or any generally acceptable accounting principles including Adjusted EBITDA ("**Non-IFRS measures**"), along with an explanation of their relevance and the reconciliations to the most directly comparable measures calculated and presented in accordance with IFRS are disclosed in the "Financial Disclosures" section. These Non-IFRS measures are derived from the financial information included in the Group Special Purpose Consolidated Financial Statements.

Currency presentation

Unless otherwise indicated, all references in this document to:

"**UAE Dirham**" or "**AED**" are to the lawful currency of the United Arab Emirates; and

"**US dollar**" or "**USD**" are to the lawful currency of the United States of America.

The value of the UAE Dirham has been pegged to the US dollar at a rate of AED 3.6725 per USD 1 since 1997. All AED/USD conversions in this Prospectus have been calculated at this rate.

Rounding

Certain data in this document, including financial, statistical, and operating information, has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. Percentages in tables have been rounded and accordingly may not add up to 100%.

FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. The forward-looking statements contained in this Prospectus speak only as of the date of this Prospectus. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of the Company and all of which are based on current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as “believe”, “expects”, “may”, “will”, “could”, “should”, “would”, “risk”, “intends”, “estimates”, “aims”, “plans”, “targets” “predicts”, “continues”, “assumes”, “positioned” “anticipates” “potential” or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding intentions, beliefs and current expectations concerning, among other things, results of operations, financial condition, liquidity, prospects, growth, strategies, and dividend policy and the industry in which the Company operates.

These forward-looking statements and other statements contained in this Prospectus regarding matters that are not historical facts as of the date of this Prospectus involve predictions. No assurance can be given that such future results will be achieved. There is no obligation or undertaking to update these forward-looking statements contained in this Prospectus to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so: (i) as a result of an important change with respect to a material point in this Prospectus; or (ii) by applicable laws of the UAE.

Actual events or results may differ materially as a result of risks and uncertainties that the Company faces. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Please refer to Section 8 (“**Investment Risks**”) for further information.

IMPORTANT INFORMATION

This Prospectus does not constitute or form part of any offer or invitation to sell, or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell, or issue, or any solicitation of any offer to purchase or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

Recipients of this Prospectus are authorized solely to use this Prospectus for the purpose of considering making an investment in the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering an investment in the Offer Shares. Recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus. Prior to making any decision as to whether to invest in the Offer Shares, prospective Subscribers should read this Prospectus in its entirety (and, in particular, the section headed "**Investment Risks**") as well as the Articles of Association of the Company. In making an investment decision, each Subscriber must rely on their own examination, analysis and enquiry of the Company and the terms of the Offering, including the merits and risks involved.

No person is authorized to give any information or to make any representation or warranty in connection with the Offer or Offer Shares which is not contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been so authorized by the Company, the Selling Shareholders or the other Offer Participants. By applying for Offer Shares, a Subscriber acknowledges that (i) they have relied only on the information in this Prospectus and (ii) no other information has been authorized by the Company, the Selling Shareholders, any other Offer Participant, or any other of the Company's advisors (the "**Advisors**").

No person or Advisor, except the Joint Lead Managers and the Receiving Banks set out on pages 9 and 10, are participating in, receiving subscription funds from, or managing, the public offering of the Offer Shares in the UAE.

Neither the content of the Company's website or any other website referred to in the Prospectus, nor the content of any website accessible from hyperlinks on any of such websites, forms part of, or is incorporated into, this Prospectus, and neither the Company, the Selling Shareholders, any other Offer Participant, nor any Advisor bears or accepts any responsibility for the contents of such websites.

None of the Company, the Selling Shareholders, the Offer Participants, the Joint Lead Managers, the Joint Bookrunners, or the Advisors or any of their respective representatives accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Company, the Offer or the Offer Shares. None of the Company, the Selling Shareholders, the Offer Participants, the Joint Lead Managers, the Joint Bookrunners or the Advisors or any of their respective representatives makes any representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

None of the Company, the Selling Shareholders, any of the Offer Participants, the Joint Lead Managers, the Joint Bookrunners or the Advisors or any of their respective representatives warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Statements contained in this Prospectus are made as at the date of this Prospectus unless some prior time is specified in relation to them and the publication of this Prospectus (or any action taken pursuant to it) must not be interpreted as giving rise to any implication that there has been no change in the condition, facts or affairs of the Company since such date.

This Prospectus will not be subject to revision, unless the prior written approval of the SCA is received. Any revision will become effective only after it has been announced in two daily newspapers circulating in the UAE. The Selling Shareholders reserve the right, with the prior approval of the SCA, to withdraw the Prospectus and cancel the Offer at any time and in their sole discretion. If the Offer is withdrawn, the subscription amounts will be fully refunded to the Subscribers, along with any accrued profits. Neither the delivery of this Prospectus nor any sale made under it may, under any circumstances, be taken to imply that there has been no change in the affairs of the Company since the date of this Prospectus or that the information in it is correct as of any subsequent time.

First Abu Dhabi Bank PJSC has been appointed as listing advisor ("**Listing Advisor**"). First Abu Dhabi Bank PJSC, and EFG Hermes UAE LLC have been appointed as joint lead managers (the "**Joint Lead Managers**"), and both companies obtained their licenses by the SCA on 5 November 2017 and 5 November 2017 respectively, and will manage the issuance, marketing and promotion of the Offer Shares and coordinate with the Company, the SCA and the other Offer Participants with regard to the offering of the Offer Shares in the UAE. First Abu Dhabi Bank PJSC has also been appointed as lead receiving bank (the "**Lead Receiving Bank**") and, in its capacity as such, is responsible for receiving the subscription amounts set out in this Prospectus in accordance with the rules and laws applicable in and within the UAE under the First Tranche, and the Second Tranche.

Each of the Offer Participants shall be liable for its participation in the Offering process, including the Selling Shareholders and the Board members, with regard to the validity of the information contained in this Prospectus within the limits of the scope of work and expertise of each Offer Participant.

First Abu Dhabi Bank PJSC and EFG Hermes UAE LLC have been appointed as joint bookrunners (the "**Joint Bookrunners**").

The Joint Lead Managers are acting exclusively for the Company and the Selling Shareholders and no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this Prospectus) as a client to any of the Offer Participants in relation to the Offer. Whereas the Advisors and the Offer Participants and their representatives shall act with due care, and each of them shall be liable to perform his duties.

The Joint Lead Managers and the Offer Participants may have engaged (directly or through their respective affiliates) in transactions with, and provided various investment banking, financial advisory and other services for, the Company and the Selling Shareholders for which they would have received customary fees. Any previous transactions between the Joint Lead Managers and the Offer Participants and the Company do not constitute any conflict of interest between them.

The Board members of the Company whose names are set out in this Prospectus assume joint and several responsibility for the completeness, accuracy and verification of the contents of this Prospectus. They declare that, they have carried out appropriate due diligence investigations, that the information contained in this Prospectus is, at the date hereof, factually accurate, complete and correct and that there is no omission of any information that would make any statement in this Prospectus materially misleading.

This Prospectus contains data submitted according to the issuance and disclosure rules issued by the SCA.

In making an investment decision, each potential Subscriber must rely on its own examination and analysis, having reviewed the information contained in this Prospectus (in its entirety) that has been provided by the Selling Shareholders and the Board members of the Company whose names are set out in this Prospectus.

No action has been taken or will be taken in any jurisdiction other than the UAE that would permit a public subscription or sale of the Offer Shares or the possession, circulation or distribution of this Prospectus, or any other material relating to the Company or the Offer Shares, in any country or jurisdiction where any action for that purpose is required. Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offer material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Prospectus comes must inform themselves of and observe all such restrictions.

None of the Company, the Selling Shareholders, any of the Offer Participants, the Joint Lead Managers, the Joint Bookrunners, or the Advisors accepts any responsibility for any violation of any such restrictions on the sale, offer to sell or solicitation to purchase Offer Shares by any person, whether or not a prospective purchaser of Offer Shares in any jurisdiction outside the UAE (including the ADGM and the DIFC), and whether such offer or solicitation was made orally or in writing, including by way of electronic mail. None of the Company, the Selling Shareholders, the Offer Participants, the Joint Lead Managers, the Joint Bookrunners or the Advisors (or their respective representatives) makes any representation to any potential Subscriber regarding the legality of applying for Offer Shares by such potential Subscriber under the laws applicable to such potential Subscriber.

Apart from the responsibilities and liabilities, if any, which may be imposed on any of the Joint Lead Managers, or the Joint Bookrunners under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of the Joint Lead Managers, Joint Bookrunners and their respective subsidiary undertakings and affiliates and their (or their subsidiary undertakings' or affiliates') respective directors, officers, employees or agents accepts any responsibility whatsoever or makes any representation or warranty, express or implied, as to the accuracy, completeness or verification of the contents of this Prospectus or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Offer Shares or the Offering and nothing in this Prospectus should be relied upon as a promise or representation in this respect, whether or not to the past or future. Each of the Joint Lead Managers, the Joint Bookrunners and their respective subsidiary undertakings and affiliates and their (or their subsidiary undertakings' or affiliates') respective directors, officers, employees or agents accordingly disclaims all and any responsibility or liability whatsoever which it might otherwise have in respect of this Prospectus or any such statement or the public offering of the Offer Shares in the UAE generally. The Board of Directors named in this Prospectus are individually and jointly responsible for the accuracy, completeness and correctness of the content of this Prospectus. They acknowledge that, having carried out due diligence investigations, the information contained in this Prospectus as at the date of issue is factual, accurate, complete, and correct and that no information has been omitted which would make any statement in this Prospectus misleading. The Selling Shareholders and the Board of Directors assume responsibility for the completeness and accuracy of the information contained in this Prospectus. The Offer Participants and the advisors and their respective representatives are required to exercise due care and each of them shall be liable to perform his duties.

The publication of the Prospectus was approved by the SCA on 17 May 2024.

Definitions and Abbreviations

ADEK	Abu Dhabi Department of Education and Knowledge.
ADGM	Abu Dhabi Global Market.
ADX	Abu Dhabi Securities Exchange in the UAE.
AED or UAE Dirham	The lawful currency of the United Arab Emirates.
Alef Education	Alef Education Consultancy LLC.
Articles of Association	The articles of association of the Company, as set out in Annex 2.
Authority or SCA	The Securities and Commodities Authority of the United Arab Emirates.
AWS	Amazon Web Services EMEA SARL.
Board or Board of Directors	The board of directors of the Company.
CAGR	Compound annual growth rate.
CAPEX	Capital expenditure.
Closing Date	4 June 2024 for the First Tranche and 5 June 2024 for the Second Tranche.
Companies Regulations	ADGM Companies Regulations 2020 (as amended).
Company	Alef Education Holding plc, a public company limited by shares incorporated in the ADGM pursuant to the Companies Regulations.
DFSA	Dubai Financial Services Authority in the UAE.
DIFC	Dubai International Financial Centre.
Directors	The Executive Board Members and the Non-Executive Board Members.
Education Solutions Fee	A fixed fee paid to the Company under the ADEK Agreement for education content per student per academic year, which varies depending on the level of enrolment.
Electronic Applications	Applications via online banking / mobile banking / FTS and ATMS as provided by the Receiving Banks and ADX to the First Tranche Subscribers.

ESM	Emirati School Model.
ESE	Emirates School Establishment.
Etisalat	Etisalat by e&.
EU	The European Union.
European Economic Area	The market consisting of the EU member states and EFTA states.
Final Offer Price	The offer price at which all the Subscribers in the First Tranche, and the Second Tranche will purchase each Offer Share will be at the Final Offer Price. The Final Offer Price of each Offer Share will be determined following a bookbuild process for the Second Tranche and following consultation between the Joint Lead Managers, the Selling Shareholders and the Company. The shares of the Second Tranche Subscribers must represent all of the Offer Shares used to calculate the Final Offer Price of each Offer Share. Following closing of the Second Tranche, the Company will publish an announcement setting out the Final Offer Price (the "**Offer Price Announcement**"), on the following website: www.alefeducation.com / www.alefipo.com.
Financial Statements	The Group's special purpose audited consolidated financial statements as of and for the years ended 31 December 2023, 2022, and 2021, and for the three-month periods ended 31 March 2024 and 2023, and the related notes thereto.
Financial year	The financial year of the Company starts on 1 January and ends on 31 December of each year.
First Tranche	The Offering of the Offer Shares in the UAE to First Tranche Subscribers.
First Tranche Subscribers	Individual Subscribers and other investors (including natural persons, companies and establishments) who do not participate in the Second Tranche and who hold a NIN with the ADX and have a bank account.
FSMR	ADGM Financial Services and Markets Regulations 2015.
FSRA	ADGM Financial Services Regulatory Authority.
FTS Fund Transfer Mode (FTS)	UAE Central Bank Fund Transfer ("**FTS**") mode.

GCC	Gulf Cooperation Council countries comprising the United Arab Emirates, Kingdom of Saudi Arabia, Sultanate of Oman, State of Qatar, State of Kuwait and Kingdom of Bahrain.
Governance Rules	The Chairman of the SCA's Board of Directors' Decision No. (3/R.M) of 2020 Concerning Approval of Joint Stock Companies Governance Guide (as amended from time to time).
Group, our, us or we	The Company and its subsidiaries.
IFRS	International Financial Reporting Standards.
Individual Subscribers	Natural persons who hold a NIN with the ADX and have a bank account (including natural persons constituting Assessed Professional Investors who do not participate in the Second Tranche). There are no citizenship or residence requirements.
IT Infrastructure Solution Fee	A fee paid to the Company under the ADEK Agreement for procuring certain equipment/related services to ADEK, divided as follows: a) IT start-up costs per ADEK School (including servers, network equipment, network passive components and accessories) b) IT start-up costs per student (charging cart, wireless access point, student and teachers' laptop and accessories); and c) IT maintenance cost.
Joint Bookrunners	First Abu Dhabi Bank PJSC and EFG Hermes UAE LLC.
Joint Lead Managers	First Abu Dhabi Bank PJSC and EFG Hermes UAE LLC.
KHDA	The Knowledge and Human Development Authority.
Lead Receiving Bank	First Abu Dhabi Bank PJSC.
Listing	The listing of the Shares to trading on the ADX.
Listing Advisor	First Abu Dhabi Bank PJSC.
Manager's Cheque	Certified bank cheque drawn on a bank licensed and operating in the United Arab Emirates.
Maximum Investment	No maximum subscription in Offer Shares has been set.

MCY	Ministry of Culture and Youth.
MENA	Middle East and North Africa.
Minimum Investment	The minimum subscription for Offer Shares in the First Tranche has been set at AED 5,000 (five thousand UAE Dirhams), with any additional investment to be made in increments of at least AED 1,000 (one thousand UAE Dirhams). The minimum subscription for Offer Shares in the Second Tranche has been set at AED 5,000,000 (five million UAE Dirhams) (see the section on "**Subscription Amounts**" in the first section of this Prospectus for further details).
MOD	Ministry of Defence.
MOD Agreement	Ministry of Defence Agreement.
MOE	Ministry of Education.
MRO	Media Regulatory Office.
NIN	A unified investor number that a Subscriber must obtain from ADX for the purposes of subscription.
Non-Executive Directors	The non-executive Directors of the Company.
Northern Emirates	Sharjah, Ajman, Fujairah, Ras al-Khaimah, and Umm al-Quwain.
Offer Participants	The entities listed on pages 9 and 10 of this Prospectus.
Offer Period	The subscription period for the First Tranche and Second Tranche starts on 28 May 2024 and will close on 4 June 2024 for the First Tranche and on 5 June 2024 for the Second Trance.
Offer Price Range	The Offer Shares are being offered at an offer price range in AED that will be published on the first business day and prior to the start of the Offer Period.
Offer Shares	1,400,000,000 Shares which will be sold by the Selling Shareholders in a public subscription process. The Selling Shareholders reserve the right to amend the size of the Offering and the size of each Tranche at any time prior to the end of the subscription period at their sole discretion, subject to the applicable laws and the SCA's approval.
Offering or Offer	The public subscription of 1,400,000,000 (one billion four hundred million) of the ordinary shares with a nominal value

	of AED 0.01 each representing 20% of the total issued shares in the Company which are being offered for sale by the Selling Shareholders. The Selling Shareholders reserve the right to amend the size of the Offering and the size of each Tranche at any time prior to the send of the subscription period at their sole discretion, subject to applicable laws of the UAE and the SCA's approval.
Offering Regulations	SCA Chairman of the Board Resolution No. (11/R.M) of 2016 on the Regulations for Issuing and Offering Shares of Public Joint Stock Companies, as amended.
PC	The Presidential Court.
PC Arrangement	The arrangement between the Company and the PC for payment of part of the ADEK Agreement.
Professional Client	Persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module.
Professional Investors	**Professional Investors**" (as defined in the SCA Board of Directors' Chairman Decision No.13/R.M of 2021 (as amended from time to time)), which specifically include those investors which can be categorised in the following manner: • ***"Deemed Professional Investors" which include:*** • international corporations and organisations whose members are state, central banks or national monetary authorities; • governments, government institutions, their investment and non-investment bodies and companies wholly owned by them; • central banks or national monetary authorities in any country, state or legal authority; • capital market institutions licensed by the SCA or regulated by a supervisory authority equivalent to the SCA; • financial institutions; • regulated financial institutions, local or foreign mutual investment funds, regulated pension fund management companies and regulated pension funds; • any entity whose main activity represents investment in financial instruments, asset securitisation or financial transactions;

	• any company whose shares are listed or accepted to trade in any market of an IOSCO member country; • a trustee of a trust which has, during the past 12 months, assets of AED 35,000,000 or more; • licensed family offices with assets of AED 15,000,000 or more; • joint ventures and associations which have or had, at any time during the past two years, net assets of AED 25,000,000 or more (excluding partner and shareholder loans); • a body corporate who fulfils (on the date of its last financial statements) a "large undertaking" test, whereby it fulfils at least two of the following requirements: ▪ holds total assets of AED 75,000,000 or more (excluding short-term liabilities and long-term liabilities); ▪ has a net annual revenue of AED 150,000,000 or more; or ▪ an aggregate total of cash and investments on its balance sheet; or its total equity (after deducting paid up share capital), is not less than AED 7,000,000. • ***"Service-Based Professional Investors", which include:*** • **Any person conducting an activity involving the provision of credit facilities for commercial purposes for:** ▪ an undertaking; ▪ a person in control of an undertaking; ▪ any member of the group to which the undertaking belongs; or ▪ any joint investment venture in which the undertaking is a partner. • **A person conducting credit facility and investment deal arrangement services in connection with structuring, financing, and companies.** • ***"Assessed Professional Investors" which include:*** **f. A natural person who owns net assets, excluding the value of their main residence, of not less than AED 4,000,000 (a "HNWI");**

	a natural person who is: ▪ approved by the SCA or a similar supervisory authority; ▪ an employee of a licensed entity or a regulated financial institution who has been employed for the past two years; ▪ assessed to have sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); or ▪ represented by an entity licensed by the SCA; **g. A natural person (the "account participant") with a joint account for investment management with a HNWI (the "main account holder"), provided that each of the following conditions are satisfied:** i. the account participant must be an immediate or second degree relative of the main account holder; ii. the account is used to manage the investments of the main account holder and their subscribers; and iii. written confirmation is obtained from the subscriber (i.e. the account participant) confirming that investment decisions relating to the joint investment account are made on their behalf by the main account holder; **h. Special purpose vehicles and trusts established for the purpose of managing an investment portfolio of assets for a HNWI;** **i. An undertaking which satisfies the following requirements:** i. maintains an aggregate total of cash and investments on its balance sheet; or its total equity (after deducting paid up share capital), is not less than AED 4,000,000; and ii. has sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); and

	j. An undertaking which: 1.1.1 has a controller (e.g. a person controlling the majority of the shares or voting rights in the relevant undertaking or possesses the ability to appoint or remove the majority of the relevant undertaking's board of directors); 1.1.2 is a holding or subsidiary company or 1.1.3 is a joint venture partner that meets the definition of a Deemed Professional Investor or an Assessed Professional Investor, who, in each case, has been approved by the Company and the Selling Shareholders, in consultation with the Joint Lead Managers and to which the following characteristics apply: (a) a person outside the United States to whom an offer can be made in reliance on Regulation S under the US Securities Act; (b) a person in the DIFC to whom an offer can be made in accordance with the Markets Rules (MKT) Module of the DFSA Rulebook, and made only to persons who meet the "Deemed Professional Client" criteria set out in the Conduct of Business (COB) Module of the DFSA Rulebook and who are not natural persons; or (c) a person in the ADGM to whom an offer can be made in accordance with the Financial Services Regulatory Authority (the "**FSRA**") Financial Services and Markets Regulations (the "**FSMR**") and the FSRA Market Rules and made only to persons who are Professional Clients' as defined in the ADGM Conduct of Business Rulebook.
Receiving Banks	The list of banks attached in Annex 3 of this Prospectus.
Regulation S	Regulation S under the US Securities Act.
Second Tranche	The offer of Offer Shares to Second Tranche Subscribers made under the Second Tranche Document.

Second Tranche Document	The Second Tranche offer document has been drafted in a specific manner to be addressed only to Professional Investors for the Second Tranche and in compliance with the laws and regulations of the relevant competent jurisdictions and acceptable to such jurisdictions, and it has not been reviewed, endorsed or approved by the SCA, and the offer document does not form part of this Prospectus and the information contained therein does not form part of this Prospectus. The offer document for the Second Tranche will be available at www.alefeducation.com / www.alefipo.com.
Second Tranche Subscribers	Professional Investors.
Selling Shareholders	Tech Nova Investment – Sole Proprietorship L.L.C and Kryptonite Investments L.L.C.
Shareholder	Holder of Shares in the capital of the Company.
Shares	The ordinary shares of the Company with a nominal value of AED 0.01 (one Fils) each.
SPEA	Sharjah Private Education Authority
SMS	Short Message Service.
Subscriber	A natural or juridical applicant, in either case who applies for subscription in the Offer Shares.
Tranche	The First Tranche or the Second Tranche.
UAE	United Arab Emirates.
UAE Central Bank	The central bank of the United Arab Emirates.
UK	The United Kingdom of Great Britain and Northern Ireland.
UK Bribery Act of 2010	The UK Bribery Act of 2010 covering offences relating to bribery and for connected purposes.
Underwriting Agreement	The underwriting agreement among the Company, the Selling Shareholders and the Joint Bookrunners.
United States or US	The United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia.

U.S. Foreign Corrupt Practices Act of 1977	The act to amend the US Securities Exchange Act of 1934 (as amended) to make it unlawful for certain issuers to make certain payments to foreign officials and other foreign persons, to require such issuers to maintain accurate records, and for other purposes.
US Securities Act	The US Securities Act of 1933, as amended.
VAT	Value added tax.

First Section: Subscription terms and conditions

Key details of Offer Shares for sale to the public

- **Name of the Company:** Alef Education Holding plc (Free Zone Company).
- **Commercial license of the Company:** 17843.
- **Company head office:** Office 2332, 23rd Floor, Sky Tower, Shams Abu Dhabi, Al Reem Island, Abu Dhabi, United Arab Emirates.
- **Share capital**: The share capital of the Company as at the date of this Prospectus has been set at AED 70,000,000 divided into 7,000,000,000 (seven billion) Shares paid-in-full, with the nominal value of each Share being AED 0.01 (one Fils).
- **Percentage, number and type of the Offer Shares:** 1,400,000,000 (one billion four hundred million) Shares, all of which are ordinary shares, all Shares are of the same class and shall carry equal voting rights and shall rank pari passu in all other rights and obligations, and which constitute of 20% of the Company's issued share capital (this percentage has been calculated based on the total number of Shares in the capital as at the Listing date).
- **Offer Price Range per Offer Share:** The Offer Price Range will be in UAE Dirhams and announced prior to the day of opening the Offer Period and on the same day and before opening of the Offer Period on 28 May 2024.
- **Eligibility of the qualified categories of Subscriber to apply for the acquisition of the Offer Shares:**
  - **First Tranche:** The First Tranche of the Offering will be open to First Tranche Subscribers as described on the cover page of this Prospectus and the "**Definitions and Abbreviations**" section of this Prospectus. All Subscribers in the First Tranche must hold a NIN with ADX and a bank account number. 8% (eight per cent) of the Offer Shares, representing 112,000,000 (one hundred twelve million) Shares are allocated to the First Tranche. The Selling Shareholders reserve the right to amend the size of the First Tranche at any time prior to the end of the subscription period at their sole discretion, subject to the approval of the SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the Subscribers in the First Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.
  - **Second Tranche:** The Second Tranche of the Offering will be open to Second Tranche Subscribers as described on the cover page of this Prospectus and the "Definitions and Abbreviations" section of this Prospectus. All Subscribers in the Second Tranche must hold a NIN with ADX. 92% (ninety two per cent) of the Offer Shares, representing 1,288,000,000 (one billion two hundred eighty eight million) Shares are allocated to the Second Tranche. The Selling Shareholders reserve the right to amend the size of the Second Tranche at any time prior to the end of the subscription period at their sole discretion, subject to the applicable laws of the UAE and the approval of SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the Subscribers in the First Tranche does not exceed 40% of the Offer Shares in aggregate.
- **Public subscription in the Offer Shares is prohibited as follows:**

Public subscription is prohibited to any Subscriber whose investment is restricted by the laws of the jurisdiction where the Subscriber resides or by the laws of the jurisdiction to which the Subscriber is situated. It is the Subscriber's responsibility to determine whether the Subscriber's application for, and investment in, the Offer Shares conforms to the laws of the applicable jurisdiction(s).

- **Minimum Investment:**

  The minimum subscription in Offer Shares in the First Tranche has been set at AED 5,000 (five thousand UAE Dirhams) with any additional investment to be made in AED 1,000 (one thousand UAE Dirhams) increments. The minimum subscription for Offer Shares in the Second Tranche has been set at AED 5,000,000 (five million UAE Dirhams).

- **Maximum Investment:**

  No maximum subscription in Offer Shares has been set.

- **Subscription by Selling Shareholders:**

  The Selling Shareholders may not subscribe for Offer Shares, whether directly or indirectly, or through any of their subsidiaries.

- **Lock-up period:**

  Pursuant to an underwriting agreement to be entered into between the Company, the Selling Shareholders and the Joint Lead Managers prior to the date of Listing (the "**Underwriting Agreement**"), the Shares held by the Selling Shareholders following Listing shall be subject to a lock-up which ends 180 days after the date of Listing.

- **Reasons for the Offering and Use of Offer Proceeds**

  The net proceeds generated by the Offering (after base fees and discretionary fees are paid) will be received by the Selling Shareholders. The Group will not receive any proceeds from the Offering other than reimbursement from the Selling Shareholders for any expenses relating to the Offering. All expenses of the Offering (including base fees and any discretionary fees) will be borne by the Selling Shareholders. The Offering is being conducted, among other reasons, to allow the Selling Shareholders to sell part of their respective shareholdings, while providing increased trading liquidity in the Offer Shares and raising the Group's profile with the investment community.

Further Information on the First Tranche

1. Subscription Applications

Each Subscriber in the First Tranche may submit one subscription application only (i) in the case of a subscription application by a natural person, in his or her personal name (unless he or she is acting as a representative for another Subscriber, in which case the subscription application will be submitted in the name of such Subscriber); or (ii) in the case of a subscription application by a corporate entity, in its corporate name. In case a Subscriber submits more than one application in his or her personal name or its corporate name, the Receiving Banks and the Joint Lead Managers reserve the right to disqualify all or some of the subscription applications submitted by such Subscriber and not to allocate any Offer Shares to such Subscriber.

Subscribers must complete all of the relevant fields in the subscription application along with all required documents and submit it to any Receiving Bank together with the subscription amount during the Offer Period for the First Tranche.

The completed subscription application should be clear and fully legible. If it is not, the Receiving Banks shall refuse to accept the subscription application from the Subscriber until the Subscriber satisfies all the required information or documentation before the close of the subscription.

Subscription for Offer Shares would deem the Subscriber to have accepted the Articles of Association of the Company and complied with all the resolutions issued by the Company's general meeting. Any conditions added to the subscription application shall be deemed null and void. No photocopies of subscription applications shall be accepted. The subscription application should only be fully completed after reviewing this Prospectus and the Company's Articles of Association. The subscription application then needs to be submitted to any of the Receiving Banks' branches mentioned herein or through electronic channels (see "**Electronic subscription**").

The Subscribers or their representatives shall affirm the accuracy of the information contained in the application in the presence of the bank representative in which the subscription was made. Each subscription application shall be clearly signed or certified by the Subscriber or his or her representative.

The Receiving Banks and the Joint Lead Managers may reject subscription applications submitted by any Subscriber in the First Tranche for any of the following reasons:

- If the subscription application form is not complete or is not correct with regard to the amount paid or submitted documents (and no Offer Participant takes responsibility for non-receipt of an allotment of Offer Shares if the address of the subscribers is not filled in correctly);
- If the subscription application amount is paid using a method that is not a permitted method of payment;
- If the subscription application amount presented with the subscription application does not match the minimum required investment or the increments set for the First Tranche offer;
- If the completed subscription application form is not clear and fully legible;
- If the Manager's Cheque is returned for any reason;
- If the amount in the bank account mentioned in the subscription application form is insufficient to pay for the application amount mentioned in the subscription application form or the Receiving Bank is unable to apply the amount towards the application whether due to signature mismatch or any other reasons;

- If the NIN is not made available to ADX or if the NIN is incorrect;
- If the subscription application is found to be duplicated (any acceptance of such duplicate application is solely at the discretion of the Company and the Selling Shareholders);
- If the subscription application is otherwise found not to be in accordance with the terms of the Offering;
- If the Subscriber is found to have submitted more than one application (it is not permitted to apply in more than one of the First Tranche or the Second Tranche, nor is it permitted to apply in either Tranche more than once), any acceptance of such duplicate/multiple application(s) is solely at the discretion of the Company and the Selling Shareholders;
- If the Subscriber is a natural person and is found to have submitted the subscription application other than in his or her personal name (unless he or she is acting as a representative for another Subscriber);
- If a Subscriber has not adhered to the rules applicable to the First Tranche or the Second Tranche offers;
- If it is otherwise necessary to reject the subscription application to ensure compliance with the provisions of the Companies Regulations, the Articles of Association, this Prospectus or the requirements of the UAE Central Bank, the SCA or the ADX; or
- If for any reason FTS/SWIFT/online/mobile/ATM subscription Channels transfer fails or the required information in the special fields is not enough to process the application.

The Receiving Banks and the Joint Lead Managers may reject the application for any of the reasons listed above at any time until allocation of the Offer Shares and have no obligation to inform the subscribers before the notification of the allocation of Shares to such rejected Subscribers.

2. Documents accompanying subscription applications

Subscribers shall submit the following documents along with their subscription application forms:

For individuals who are UAE or GCC nationals or nationals of any other country:

- The original and a copy of a valid passport or Emirates ID; and
- In case the signatory is different from the Subscriber:
- the duly notarized power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the country;
- the original passport/Emirates ID of the signatory for verification of signature and a copy of the original passport/Emirates ID; and
- a copy of the passport/Emirates ID of the Subscriber for verification of signature; or
- In case the signatory is a guardian of a minor, the following will be submitted:
    - Original and copy of the guardian’s passport/Emirates ID for verification of signature;
    - Original and copy of the minor’s passport; and
    - If the guardian is appointed by the court, original and copy of the guardianship deed attested by the court and other competent authorities (e.g. notary public).

For corporate bodies including banks, financial institutions, investment funds and other companies and establishments:

- **UAE registered corporate bodies:**
  - The original and a copy of a trade license or commercial registration for verification or a certified copy by one of the following UAE-regulated persons/bodies; a notary public or as otherwise duly regulated in the country;
  - The original and a copy of the document that authorizes the signatory to sign on behalf of the Subscriber and to represent the Subscriber, to submit the application, and to accept the terms and conditions stipulated in the Prospectus and in the subscription form; and
  - The original and a copy of the passport/Emirates ID of the signatory.
- **Foreign corporate bodies:** the documents will differ according to the nature of the corporate body and its domicile. Accordingly, please consult with the Joint Lead Managers to obtain the list of required documents.

3. Method of subscription and payment for the First Tranche

A. Method of payment for First Tranche

The subscription application must be submitted by a Subscriber to any of the Receiving Banks listed in this Prospectus and the NIN with ADX and the Subscriber's bank account number must be provided, together with payment in full for the amount it wishes to use to subscribe for the Offer Shares, which is to be paid in one of the following ways:

- Certified bank cheque (Manager's Cheque) drawn on a bank licensed and operating in the UAE, in favour of "**Alef Education Holding PLC IPO**";
- Debiting a Subscriber's account with a Receiving Bank; or
- Electronic subscriptions (please refer to the section on Electronic subscription below).

Details of the Subscriber's bank account must be completed on the subscription application form even if the application amount will be paid by Manager's Cheque.

The subscription amount may not be paid or accepted by a Receiving Bank using any of the following methods:

- In cash;
- Cheques (not certified); or
- Any other mode of payment other than mentioned above.

Please refer to Annex 3 for the Receiving Bank's participating branches.

B. Electronic subscription (E-subscription)

The Receiving Banks may also have their own electronic channels (ATMs, on-line internet banking applications, mobile banking applications, etc.) interfaced with the ADX eKtetab IPO system. By submitting the electronic subscription application, the customer submitting the application is accepting the Offering terms and conditions on behalf of the Subscriber and is the relevant Receiving Bank to pay the total subscription amount by debiting the amount from the respective bank account of the customer and transferring the same to the Offer account in favour of "**Alef Education Holding PLC IPO**" held at the Receiving Bank, as detailed in the subscription application. The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relation to applications set out elsewhere in this Prospectus will not apply to Electronic Applications under this section. Notification of the final allocation of Offer Shares and the refund of proceeds for unallocated Offer Shares (if any) and any profit thereon following the closing of the Offer Period and prior to the Listing of the Shares shall be performed solely by, and processed through, the Receiving Bank in which the electronic subscription application was submitted.

Subscription applications may also be received through UAE Central Bank Fund Transfer ("**FTS**") mode. The investor choosing the FTS method will be required to provide their valid NIN with ADX along with the value of Offer Shares subscribed for in the special instructions field.

ADX ePortal Subscription

For applying through ADX ePortal Subscriptions:

Please access -

For Arabic – https://www.adx.ae/Arabic/Pages/ProductsandServices/ipo.aspx

For English – https://www.adx.ae/English/Pages/ProductsandServices/ipo.aspx

Please refer to the "ADX IPO ePortal Subscription Instructions" page and follow the instructions.

Click on the IPO Subscription Link provided to subscribe for the First Tranche.

If you have any queries about any of the above, please reach out via telephone on 800-ADX(239) or via email on info@adx.ae.

FAB EIPO-Subscription

- Access

  English: https://www.bankfab.com/v1/en-ae/investment-banking/iposubscription

  Arabic: https://www.bankfab.com/v1/ar-ae/investment-banking/iposubscription

- Please refer to the "How to subscribe page" and follow the instructions and submit subscriptions for the First Tranche.

FAB Mobile Banking application is available for FAB clients.

If you need any support, please call FAB Call Centre at +971 2 616 1800.

Abu Dhabi Islamic Bank E-Subscription

ADIB's electronic subscription channels, including online internet banking, are accessible via ADIB's official website www.adib.ae and mobile banking app. These are duly interfaced with the ADX database and are only available to ADIB account holders.

ADIB account holders will access ADIB's electronic subscription channels with their relevant username and password and this will be deemed to be sufficient for the purposes of fulfilling the identification requirements.

ADIB account holders complete the electronic application form relevant to their Tranche by providing all required details including an updated ADX NIN, an active ADIB account number, the amount they wish to subscribe for, and by selecting the designated brokerage account.

By submitting the electronic subscription form, the ADIB account holder accepts the Offering terms and conditions, authorizes ADIB to debit the amount from the respective ADIB account and to transfer the same to the IPO account in favour of the issuer account held at ADIB, as detailed in the subscription application.

ADIB account holders with a successful subscription automatically receive an acknowledgement of receipt by email and have to keep this receipt until they receive the allotment notice.

In case of any issues or support, please contact ADIB call centre at +971 2 652 0878.

Abu Dhabi Commercial Bank E-Subscription:

Process Steps:

Step # 1 ADCB customers to visit the https://www.adcb.com/alef and click IPO Subscription Link

Step # 2 Complete login authentication (Customer ID, Mobile Number and OTP)

Step # 3 Enter NIN Number

Step # 4 Select Broker, Enter Subscription Amount, Select Account and Submit.

In case of any issues or support, please contact ADCB call centre at 600 502 030.

Mbank E-Subscription:

To subscribe through Mbank, download Mbank UAE app on your mobile device from Apple App store or Google Play or Huawei AppGallery. For instructions on the process of applying for the IPO through the app, access https://www.mbank.ae/IPO Refer to the section “How to subscribe” for step-by-step guidance.

Applications for Minors can also be made through the app.

Applicants can also issue ADX NINs from the Mbank mobile app.

Subscription applications through Al Maryah Community Bank LLC will only be accepted if made by UAE residents.

In case of any issues or for support, please contact Mbank call centre at 600 571 111.

Important dates relevant to the methods of payment of the subscription amounts

- Subscription amounts paid by way of cheque must be submitted by 12pm (midday) on 1 June 2024 (2 working days prior to the Closing Date).
- Subscription applications received through PGS, FTS and SWIFT must be made before 5pm on 3 June 2024 (1 working day prior to the Closing Date).

Subscription amounts

Subscribers in the First Tranche must submit applications to purchase Offer Shares in the amount of AED 5,000 (five thousand UAE Dirhams) or more, with any subscription over AED 5,000 (five thousand UAE Dirhams) to be made in increments of AED 1,000 (one thousand UAE Dirhams). Subscribers in the First Tranche shall accordingly apply for an AED subscription amount which shall be applied towards purchasing Offer Shares at the Final Offer Price, rather than applying for a specific number of Offer Shares.

Final Offer Price

The offer price at which all the Subscribers will purchase Offer Shares will be at the Final Offer Price.

The Offer Shares will be sold in a public offer and the Final Offer Price will be determined by way of the application of a book building process, where an application orders' ledger will be created through the application orders made only by the Second Tranche Subscribers (see details of who may apply in the Second Tranche). Second Tranche Subscribers will be invited to bid for Offer Shares within the Offer Price Range using price sensitive orders (as in, by indicating application amounts that vary in size depending on price). The Joint Lead Managers will use the information indicating the extent of the demand at various price levels provided by these Second Tranche Subscribers to determine and recommend to the Company and the Selling Shareholders the Final Offer Price (which must be within the Offer Price Range) for all participants in the Offering.

The Shares of the Second Tranche Subscribers must represent all of the Offer Shares used to calculate the Final Offer Price of the Offer Shares.

Subscription process

Subscribers must complete the application form relevant to their Tranche, providing all required details. Subscribers who do not provide the NIN with ADX and bank account details will not be eligible for subscription and will not be allocated any Offer Shares.

Subscribers may only apply for the Offer Shares in one Tranche. In the event a person applies for Offer Shares in more than one Tranche, then the Receiving Banks and the Joint Lead Managers may disregard one or both of such applications.

The Receiving Bank through which the subscription is made will issue to the Subscriber an acknowledgement of receipt which the Subscriber has to keep until the Subscriber receives the allotment notice. One copy of the subscription application after being submitted, signed and stamped by the Receiving Bank shall be considered as an acknowledgement for receipt of the subscription application. This receipt shall include the data of the Subscriber, address, amount paid, details of the payment method, and date of the investment. The acknowledgement in the case of Electronic Applications via online internet banking and ATM would provide basic information of the application such as NIN number, amount, date, and customer bank account details.

If the address of the Subscriber is not filled in correctly, the Company, the Selling Shareholders, the Joint Lead Managers and the Receiving Banks take no responsibility for non-receipt of such allotment advice.

4. Further information on various matters

Offer Period

Commences on 28 May 2024 for the First Tranche and the Second Tranche and closes on 4 June 2024 for the First Tranche and on 5 June 2024 for the Second Tranche.

Receiving Banks

- **Lead Receiving Bank:** First Abu Dhabi Bank PJSC.

- **Receiving Banks:** a list of banks attached in Annex 3 of this Prospectus.

Method of allocation of Offer Shares to different categories of Subscribers *(Under SCA CHAIRMAN OF THE BOARD RESOLUTION NO. (11/R.M) OF 2016 ON THE REGULATIONS FOR ISSUING AND OFFERING SHARES OF PUBLIC JOINT STOCK COMPANIES), AS AMENDED*

Should the total size of subscriptions received exceed the number of Offer Shares, then the Selling Shareholders will allocate the Offer Shares according to the allocation policy specified below and will refund to Subscribers the excess subscription amounts and any accrued profit resulting thereon.

Notice of Allocation

A notice to successful Subscribers in the First Tranche will be sent by way of SMS initially confirming allocation of offered Shares to them. This will be followed by a notice setting out each Subscriber's allocation of Offer Shares, which will be sent by registered mail or via e-mail to the registered address in the subscription application to each Subscriber.

Method of refunding surplus amounts to Subscribers

By no later than 10 June 2024 (being within five (5) working days of the Closing Date of the Second Tranche), the Offer Shares shall be allocated to Subscribers and, within five (5) working days of such allocation, the surplus subscription amounts*, and any accrued profit resulting thereon, shall be refunded to Subscribers in the First Tranche who did not receive Offer Shares, and the subscription amounts and any accrued profit resulting thereon shall be refunded to the Subscribers in the First Tranche whose applications have been rejected for any of the above reasons. The surplus amount and any accrued profit thereon are returned to the same Subscriber's account through which the payment of the original application amount was made. In the event payment of the subscription amount is made by certified bank cheque, these amounts shall be returned by sending a cheque with the value of such amounts to the Subscriber at the address mentioned in the subscription application.

*The difference between the subscription amount accepted by the Company and the Selling Shareholders for a Subscriber, if any, and the application amount paid by that Subscriber will be refunded to such Subscriber pursuant to the terms of this Prospectus.

Inquiries and complaints

Subscribers who wish to submit an inquiry or complaint with respect to any rejected requests, allocation or refunding of the surplus funds, must contact the Receiving Bank through which the subscription was made, and if a solution cannot be reached, then the Receiving Bank must refer the matter to the Joint Lead Managers. The Subscriber must remain updated on the status of any such inquiry or complaint. The Subscriber's relationship remains only with the party receiving the subscription request.

Listing and trading of Shares

Subsequent to the allocation of Offer Shares, the Company will list all of its Shares on the ADX in accordance with the applicable listing and trading rules as at the Listing date. Trading in the Shares will be effected on an electronic basis, through the ADX's share registry, with the commencement of such trading estimated to take place after completion of the registration and listing.

Voting rights

All Shares are of the same class and shall carry equal voting rights and shall rank pari passu in all other rights and obligations. Each Share confers on its holder the right to cast one vote on all

Shareholders' resolutions.

Risks

There are certain risks that are specific to investing in this Offering. Those risks have been discussed in a section headed "**Investment Risks**" of this Prospectus and must be taken into account before deciding to subscribe in Offer Shares.

5. Timetable for subscription and Listing

The dates set out below outline the expected timetable for the Offering. However, the Company and the Selling Shareholders reserve the right to change any of the dates/times, or to shorten or extend the specified time periods, upon obtaining the approval of the SCA and ADX and publishing such change during the Offering period in daily newspapers.

Event	Date
Price range announcement and offering commencement date (The Offer Period for the First Tranche shall continue for seven days, including Saturdays, for the purposes of accepting Subscribers' applications)	28 May 2024
Closing Date of the First Tranche	4 June 2024
Closing Date of the Second Tranche	5 June 2024
Announcement of Final Offer Price	6 June 2024
Allocation of First Tranche	10 June 2024
SMS Confirmation to all successful First Tranche subscribers	11 June 2024
Commencement of refunds of investment surplus to the Subscribers and commencement of dispatch of registered mail relating to allotment of shares	11 June 2024
Expected date of Listing the Shares on the ADX	12 June 2024

6. Tranches

The Offering of the Offer Shares is divided as follows:

The First Tranche:

Size:	112,000,000 (one hundred twelve million) Shares representing 8% (eight per cent) of the Offer Shares. The Selling Shareholders reserve the right to amend the size of the First Tranche at any time prior to the end of the subscription period at their sole discretion, subject to the applicable laws of the UAE and approval of the SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the subscribers in the First Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.
Eligibility:	First Tranche Subscribers (as described in the section of this Prospectus headed “*Definitions and Abbreviations*”).
Minimum application size:	AED 5,000 (five thousand UAE Dirhams), with any additional application in increments of at least AED 1,000 (one thousand UAE Dirhams.
Maximum application size:	There is no maximum application size.
Allocation policy:	In case of over-subscription in the First Tranche, at the outset, up to 2,000 Offer Shares will be allocated to each Subscriber, subject to the total number of Shares allocated pursuant to the minimum guaranteed allocation not exceeding the total number of Shares available in the First Tranche, and any additional Offer Shares will then be allocated to First Tranche Subscribers pro rata to each Subscriber’s subscription application amount based on the Final Offer Price. Applications will be scaled back on the same basis if the First Tranche is over-subscribed. Any fractional entitlements resulting from the pro rata distribution of Offer Shares will be rounded down to the nearest whole number. Shares will be allocated in accordance with the aforementioned allocation policy, based on the Final Offer Price. Each successful Subscriber will be allocated a minimum guaranteed allocation of up to 2,000 (two thousand) Shares. The minimum guaranteed allocation of up to 2,000 (two thousand) Shares is subject to (i) the total number of Shares allocated pursuant to the minimum guaranteed allocation in the First Tranche not exceeding the total number of Shares available in the First Tranche; and (ii) the number of Shares allocated to any single Subscriber in the First Tranche pursuant to the minimum guaranteed allocation in the First Tranche not exceeding the number of Shares applied for by the said Subscriber

in the First Tranche based on the Final Offer Price. The final minimum guaranteed allocation for each Subscriber in the First Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the First Tranche and the Final Offer Price. The Selling Shareholders reserve the right to amend the minimum guaranteed amount after obtaining SCA's approval.

Multiple applications in the First Tranche under the same NIN number will be aggregated and the minimum guaranteed allocation will be applied once only, with the balance allocated on a pro-rata basis.

Unsubscribed Offer Shares:	If not all of the Offer Shares allocated to the First Tranche are fully subscribed, such unsubscribed Offer Shares shall be made available for subscription by Professional Investors or, alternatively (in consultation with the SCA) the Selling Shareholders may extend the Closing Date for the First Tranche, and the Second Tranche and/or close the Offering at the level of applications received.

The Second Tranche:

Size:	1,288,000,000 (one billion two hundred eighty eight million) Shares representing 92% (ninety two per cent) of the Offer Shares. The Selling Shareholders reserve the right to amend the size of the Second Tranche at any time prior to the end of the subscription period at their sole discretion, subject to the applicable laws of the UAE and the approval of the SCA., provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the Subscribers in the First Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.
Eligibility:	Professional Investors (as described in the section of this Prospectus headed "*Definitions and Abbreviations*").
Minimum application size:	The minimum application size is AED 5,000,000 (five million UAE Dirhams).
Maximum application size:	There is no maximum application size.
Allocation policy:	Allocations within the Second Tranche will be determined by the Company and the Selling Shareholders, in consultation with the Joint Lead Managers. It is therefore possible that Subscribers who have submitted applications in this Tranche may not be allocated any Offer Shares or that they are allocated a number of Offer Shares

	lower than the number of Offer Shares mentioned in their subscription application.
Discretionary allocation:	The Selling Shareholders reserve the right to allocate Offer Shares in the Second Tranche in any way they deem necessary. It is therefore possible that Subscribers who have submitted applications in this Tranche may not be allocated any Offer Shares or that they are allocated a number of Offer Shares lower than the number of Offer Shares mentioned in their subscription application.
Unsubscribed Offer Shares:	If not all of the Offer Shares allocated to the Second Tranche are fully subscribed, the Offer will be withdrawn. If the Offer is withdrawn, the subscription amounts will be fully refunded to the Subscribers, along with any accrued profits.

Multiple applications

A Subscriber should only submit an application for Offer Shares under one Tranche. Multiple applications received under the same tranche will be combined for the purposes of minimum guaranteed shares and pro-rata allocation of shares. In the event a Subscriber applies for subscription in more than one Tranche, the Receiving Banks and the Joint Lead Managers (in consultation with the Company and the Selling Shareholders) may deem one or both applications invalid.

Important notes

Subscribers in the First Tranche will be notified of whether they have been successful in their application for, and allocation of, Offer Shares by means of an SMS.

Upon Listing of the Shares on the ADX, the Shares will be registered on an electronic system, as applicable, to the ADX. The information contained in this electronic system will be binding and irrevocable, unless otherwise specified in the applicable rules and procedures governing the ADX.

Subject to the approval of the SCA, the Selling Shareholders reserve the right to alter the percentage of the Offer Shares, which are to be made available to either the First Tranche, or the Second Tranche.

Second Section: Key details of the Company

1. Overview of the Company

Name of the Company:	Alef Education Holding plc. A free zone public company limited by shares incorporated in the ADGM pursuant to the Companies Regulations.
Primary objects of the Company:	The objectives of the Company are as follows: Activities of holding companies; Proprietary investment; and Activities of head offices.
Head office:	Office 2332, 23rd Floor, Sky Tower, Shams Abu Dhabi, Al Reem Island, Abu Dhabi, United Arab Emirates.
Branches:	None.
Details of trade register and date of engaging in the activity:	License No. 17843; Issue Date: 15 March 2024.
Term of the Company:	Not applicable for ADGM companies.
Financial year:	1 January to 31 December.
Major bank dealing with the Company:	First Abu Dhabi Bank PJSC.

Details of current Board Members:

Name	Year of Birth	Nationality	Capacity
H.E Abdulhamid Mohammed Saeed Alahmadi*	1957	Emirati	Chairman/Non-executive Director
H.E Ahmed Ali Al Sayegh*	1962	Emirati	Vice-chairman/Non-executive Director
H.E Noura bint Mohammed Al Kaabi*	1978	Emirati	Non-executive Director
H.E Jameela Al Muhairi*	1968	Emirati	Non-executive Director
Omar Abdulla Al Hashmi*	1979	Emirati	Non-executive Director
Rima Al Mokarrab*	1978	Emirati	Non-executive Director
Dr. Saeed Alghfeli	1970	Emirati	Non-executive Director

*denotes that the Director is considered "*independent*" under the Governance Rules.

The following members of the Board hold memberships in the boards of directors of joint stock companies in the UAE:

H.E Abdulhamid Mohammed Saeed Alahmadi	• Mubadala Investment Company PJSC • Abu Dhabi Development Holding Company PJSC
Ahmed Ali Al Sayegh	• Abu Dhabi National Oil Company PJSC
Omar Abdulla Al Hashmi	• Arabian Energy Company PJSC • Ruwais Energy Company PJSC

No bankruptcy ruling or a bankruptcy arrangement has been issued against any member of the Board or members of the senior management of the Company.

None of the members of the Board or the senior management and their first-degree relatives' own shares in the Company.

Summary of the remuneration of the board of directors and senior management team

The total aggregate remuneration to the Board and the senior management expensed in the 12 months ended 31 December 2023 is AED 12,291,674.

Business Description

Investors should read this section of this Prospectus in conjunction with the more detailed information contained in this Prospectus and in the Financial Statements, including the related notes, included elsewhere in this Prospectus.

Overview

The Group is an award-winning AI-powered learning solutions provider based in Abu Dhabi, United Arab Emirates. The Group's operations are primarily conducted through the Company's subsidiary, Alef Education Consultancy L.L.C ("**Alef Education**"). The Group, through Alef Education, provides digital and personalised learning solutions for K-12 education, with a strong focus on Arabic learning, and digital educational resources for governments, primary and secondary schools, students, their parents, and schoolteachers in the United Arab Emirates, the United States, and Indonesia.

Established in 2016, the Group integrates technology, data analytics, and pedagogy to redefine teaching and learning experiences, developing a leading K-12 digital education platform in the MENA region.

The first implementation took place in 2017, with one school and 200 students. The success of the first year of implementation paved the way for the subsequent expansion of Alef Education to all public schools in the UAE.

In 2018, the Group entered the United States and won the Forbes Ai Brave Award for industry-leading AI in education. The Group's entry into the United States was a result of its collaboration with a renowned United States based education institution.

Since then, Alef Education has continued to improve the quality of instruction in its core subjects: Math, Science, English, Arabic, Social Studies and Islamic Studies.

As COVID-19 became a global crisis, the Group used its digital learning solutions to support the United Arab Emirates government, allowing students in public schools across the country to continue their learning during the lockdown. It also launched the '*Alef Summer Program'* in 2020 to provide healthcare foundation courses, including infection control and pandemic awareness, in collaboration with Higher Colleges of Technology of the UAE and Capital Health Hospitals in Abu Dhabi.

Currently, the Group provides digital educational resources to all public schools and many private schools in the United Arab Emirates. It has a 100% penetration rate among Cycle 2 (Grades 5-8) and Cycle 3 (Grades 9-12) public schools in the UAE.

Through the Group's branded products, namely the Alef Platform, Alef Pathways (Math), Arabits (Arabic for non-native speakers), and Abjadiyat (Arabic for young native speakers), the Group has garnered attention for its potential to transform the educational landscape, particularly in the MENA region where there is a strong emphasis on innovation in education and technology.

The Group's goal is to improve educational outcomes by leveraging the latest in pedagogy and technology to address the diverse learning needs of students and to empower educators with practical tools for instruction and assessment.

In 2023, the Group's platforms served approximately 1.1 million registered students, 50,000 teachers and 7,000 schools, having captured approximately 16 million data points per day. As of February 2024, the Group had published a total of approximately 285,000 assessment questions and 15 academic publications, having produced approximately 17,000 digital lessons and 25,000 videos through its platforms.

History and development

An overview of the main events in connection with the history and growth of Alef Education's business is set out below.

The Group was founded in 2016 with the incorporation of Alef Education. In September 2017, with the mandate from the Department of Education and Knowledge of Abu Dhabi ("**ADEK**"), the education regulator for the Emirate of Abu Dhabi, Alef Education launched its first technology-enabled education solution at Al Asayel Abu Dhabi Public School in the UAE.

The following chart sets out the number of schools and geographical locations of the registered schools using Alef Education's digital education platforms. This also includes all students and schools under pilot phases which do not generate revenues:

Year	No. of registered schools	No. of registered students	Geographical location
2017	1 school	around 200	UAE
2018	62 schools	26,130	UAE and US
2019	194 schools	63,172	UAE and US
2020	587 schools	241,796	UAE and US
2021	2,779 schools	440,481	UAE, US and Indonesia
2022	6,522 schools	907,124	UAE, US, Indonesia and Morocco
2023	6,730 schools	1,100,379	UAE, US, Indonesia and Morocco

On 15 March 2024, the Company was incorporated in ADGM under the name Alef Education Holding Limited.

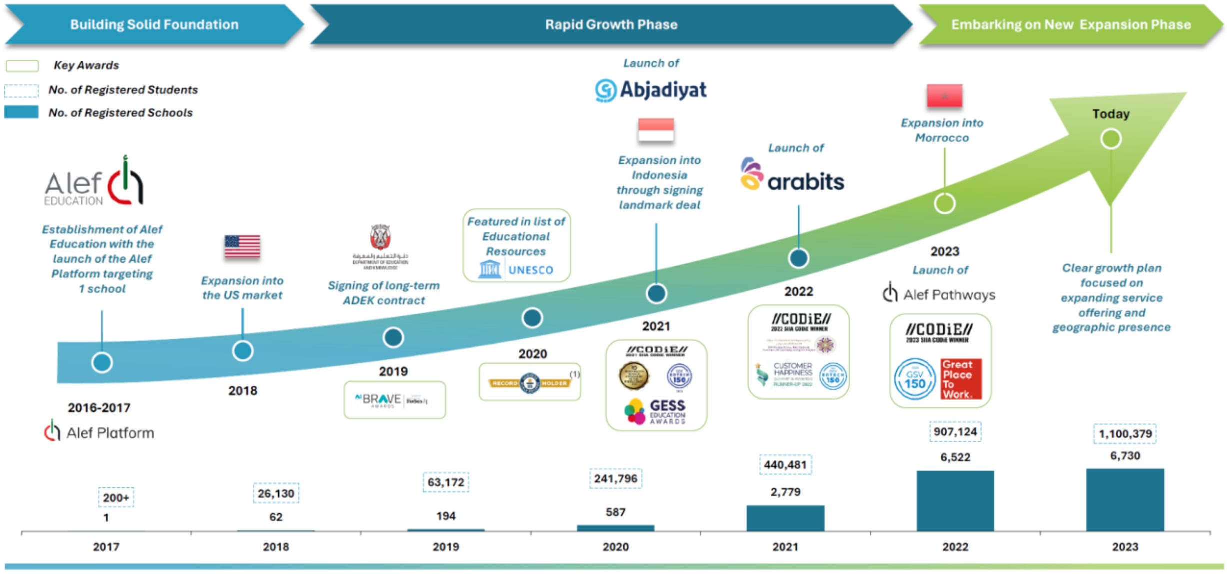
Brand expansion

Alef Education has developed integrated technology-powered education products and service offerings, aiming to offer culturally relevant digital educational resources catering to the learning needs of K-12 students, students, their parents, schoolteachers, principals and schools in the UAE and globally.

Alef Education has been expanding its portfolio of teaching, learning, and assessment solutions in multiple languages that leverage the latest data science, digital technology, and learning science.

The Group's education product and service offerings fulfil the full spectrum of applications for various education scenarios and offer an innovative learning experience. The Group, through Alef Education, currently operates a growing portfolio of products for schools and governments, consisting of the Alef Platform (2017), Abjadiyat (2021), Arabits (2022), and Alef Pathways (2023).

As at 31 December 2023, the Group had approximately 663 registered schools and 434,000 registered students in the UAE (including public and private schools), 6,016 registered schools and 649,000 registered students in Indonesia and approximately 37 registered schools and 15,600 registered students in the US.



Recognition and engagement by the UAE government

In September 2017, the Group launched its first technology-enabled education solution at Al Asayel Abu Dhabi Public School in UAE.

In June 2018, the UAE Ministry of Education ("**UAE MOE**") expanded its mandate to Alef Education and signed an agreement with Alef Education to apply the Alef Platform in ten Abu Dhabi-based public schools, namely Al Suqoor School, Al Asayel School, Fatima Bint Mubarak School, Sa'ad Bin Mo'ath School, Atika Bint Abdel Muttalib School, Makkah School, Al Dhaher School, Al-Khair School, Qatr Al Nada School, and Al Nokhba School on September 1, 2018.

Following the success of using the Alef Platform in the pioneer public schools in Abu Dhabi, Alef Education was awarded a long-term agreement with ADEK for *"Implementation of Education System in Abu Dhabi Schools"* in 2019. This agreement is valid from January 2019 until the end of the first trimester of the academic year 2030/2031. This long-term arrangement with ADEK has become a cornerstone of the Group's business model and cemented Alef Education's market share in the education technology sector in the UAE.

During the height of the COVID-19 pandemic, the Group launched the 'Alef Summer Program' initiative with Healthcare Foundation courses in collaboration with Higher Colleges of Technology of the UAE and Capital Health Hospitals in Abu Dhabi, which aimed at driving a deep understanding of the medical profession with practical hands-on experience by students from Grades 7-12, with a vision to increase the next generation's participation in the nursing profession in the UAE.

In October 2020, Alef Education further collaborated with the Arabic Language Centre/Department of Culture and Tourism – Abu Dhabi to commence cooperation in Arabic language education modernization and support. This memorandum of understanding established a framework focused on utilising modern technologies, data analysis, and a range of regional and international programs geared toward supporting Arabic language adoption and education.

In line with the objectives of the 28th Conference of the Parties of the UNFCCC (COP 28), hosted by the UAE in November and December 2023, Alef Education signed a memorandum of understanding with the UAE MOE in October 2023 to establish a framework for increased collaboration in environmental sustainability and climate education.

On January 19, 2024, Alef Education entered into a collaboration agreement with the UAE MOE in relation to the UAE MOE's initiative to educate 1,000 displaced students. Pursuant to this collaboration agreement, Alef Education has, amongst other companies, donated devices and provided access to the Alef Platform, including educational content for Grades 3-12, additional product offerings of Abjadiyat and Pathways Math, an AI tutoring system, and support in implementation of the platform for 1,000 students on a pro-bono basis.

Expansion outside of the UAE

In October 2018, Alef Education expanded its offering outside the UAE and launched the Alef Platform with a nonprofit organization for children and families in New York City, the United States.

In November 2020, Alef Education signed a cooperation agreement with the Ministry of Religious Affairs of Indonesia ("**MORA**"), granting schools access to its digital learning platform under its system. The agreement provides access for up to 500,000 students in madrasah schools in Indonesia, beginning in July 2021 at the start of the academic year. Madrasah schools are Islamic schools managed by the Ministry of Religious Affairs of Indonesia. These schools offer predominantly Islamic subjects alongside secular subjects; other madrasahs offer a wholly Islamic curriculum. As part of MORA's efforts to improve the quality of education in its madrasah schools, it approached Alef Education to enable students to access its AI-powered digital learning platform. The expansion is part of the Group's global growth plans, with Indonesia serving as an entry point in Asia.

In April 2021, the Group, through Alef Education, entered into a new partnership with MetaMetrics® regarding Math, which enabled teachers in the United Arab Emirates and the United States to access the robust data of MetaMetrics®.

In November 2022, the Group, through Alef Education, supported Moroccan Ministry of National Education in its digital transformation journey and quest to improve literacy and numeracy by distribution of Alef Platform and courses to a selection of 14 pilot schools, which covered more than 2,000 students, covering English and Math.

In March 2023, the Group, through Alef Education, entered into a memorandum of understanding with the Ministry of Preschool and School Education of the Republic of Uzbekistan ("**MPSE**"), under which the parties intended to collaborate to support the digital transformation of the schools in Uzbekistan, including the localization and distribution of the Alef Platform and courses across MPSE schools, including among other subjects, English language, Arabic as a second language, and STEM subjects in Uzbek and English.

In September 2023, the Group, through Alef Education, entered into an agreement with the American Samoa Department of Education (ASDOE) to implement Alef Pathways for 10,000 students across all public schools in Samoa. Alef Pathways is a student-centred, self-paced supplemental Math program that provides a comprehensive solution for improving Math instruction.

In March 2024, Alef Education further collaborated with MetaMetrics® to launch an Arabic reading scale to improve the literacy skills of K-12 Arabic speakers.

Recognition by major technology platforms and service providers

In September 2019, the Group, through Alef Education, entered into a memorandum of understanding with Microsoft, under which the parties agreed to integrate the Alef Platform with Microsoft Office 365 and Teams while exploring ways to leverage the recently launched Microsoft Azure UAE Datacentre.

In August 2019, the Group, through Alef Education, formed its strategic technology partnership with Google Ireland Limited for Education as the first content developer in the Middle East to hold a 'premium level' partnership in the Google for Education Partner Program.

In February 2020, the Group, through Alef Education, collaborated with Acer to provide approximately 45,000 devices to more than 100 public schools in the UAE, enabling students to enjoy the digitised learning experience offered by the Group. Acer is one of the world's top global information and communication technology companies. More than 1,000 teachers across public schools in the UAE were equipped and trained on how to use all Acer devices in collaboration with the Group. The partnership aligned with the UAE Vision 2021, which called for transforming the current education system and teaching methods. The strategy also aims for all schools to be equipped with smart systems and devices as a basis for all teaching methods.

In March 2020, Etisalat Digital and Alef Education signed a memorandum of understanding that will enable both entities to collaborate on a series of digital initiatives to empower the region's education sector, and identify opportunities to access leading-edge platforms, including IoT, Cloud technologies, and 5G networks.

In October 2020, the Group, through Alef Education, entered into a collaboration agreement in October 2020 with Amazon Web Services ("**AWS**"), which covered three main programs - AWS Educate, AWS Marketplace, and AWS EdStart. Alef Education will carry AWS Educate on its digital learning platform, giving students and educators zero-cost cloud computing learning content and access to the AWS Console to apply their knowledge by building in the cloud. Students can complete AWS Educate Cloud Pathways and Badges via an API integration on the Alef Platform to explore concepts like artificial intelligence, programming, and cybersecurity through interactive challenges and real-world examples. Alef Education joined AWS Marketplace to expand its sales channel. Alef Education was also working to join AWS EdStart, the AWS educational technology ("**EdTech**") startup accelerator, which enabled Alef Education to benefit from AWS as it builds new products and services with greater access to technical training and support and access to a global community of EdTech experts.

Awards and accreditations

In 2019, Alef Education won the Ai Brave Award for its innovative use of AI in education. The AI Brave Awards, organised by Forbes AI, celebrate innovative uses of artificial intelligence in various sectors, and recognise companies worldwide for their pioneering achievements in AI technology.

In April 2021, the Alef Platform was named a 2020 SIIA CODiE Award finalist in the Best Use of Emerging Technology for Learning in Education category. The CODiE Awards, founded in the USA, are world-class global excellence awards for software, education, information, and media products.

As a result of the Alef Summer Program initiative in partnership with the Higher Colleges of Technology of the UAE and Capital Health Hospitals in Abu Dhabi, Alef Education was awarded two Guinness World Records™ titles in November 2020 for ‘Most users to take an online infection control lesson in 24 hours’ in August 2020 and ‘Most users to take an online pandemic awareness lesson in 24 hours’ in October 2020.

In June 2022, Alef Education won two SIIA CODiE Awards for Best Science Instructional Solution for Grades 9-12 and Best Mathematics Instructional Solution for Grades 9-12.

In October 2022, Alef Education was awarded runner-up for Best Implementation of Technology to Enhance Customer Happiness.

In October 2023, Alef Education received the Platinum Award in the Education and Awareness category at the prestigious Global ESG Awards, underscoring its commitment to promoting sustainable development and advancing education in line with the United Nations Sustainable Development Goals. Still in October 2023, Alef Education won the Silver Award for Best Technology Initiative to Enhance Customer Happiness.

Alef Education has also obtained two International Organization for Standardization (ISO) certifications, in relation to Alef Education's information security management system (including services provided to internal and external customers), and IT services management (including services provided to internal and external customers customers). ISO 27001 is a specification for an information security management system, which is a framework of policies and procedures that includes all legal, physical and technical controls involved in an organisation's information risk management processes. ISO 20000-1 holds the international quality standard for IT service management. The certification focuses on the evaluation of quality-of-service level and delivery to ensure performance meets expectations.

Alef Education is certified for ISO/IEC20000-1:2018 and ISO/IEC 27001:2022.

Collaborations with UAE private schools

In March 2021, Alef Education signed a deal with iCademy Middle East for access to its AI-powered distance learning platform. More than 250 students from Grades 5-11 of iCademy, the UAE's only online K-12 school, had access to the Alef Platform which provides individualised learning modules and assessments in Arabic and Islamic subjects.

In October 2023, Alef Education entered into a memorandum of understanding with New Century Education, a recently established school group based in Abu Dhabi, to enable real-time data-driven insights and support digital transformation within New Century Education educational institutions in the UAE.

As of March 2024, Alef Education has onboarded 302 private schools in the UAE to use its digital education solutions.

Alef Education continues to adopt a growth-focused strategy, including organic and inorganic expansion in the UAE. It will consider further growth opportunities on a case-by-case basis as they become available.

Mission

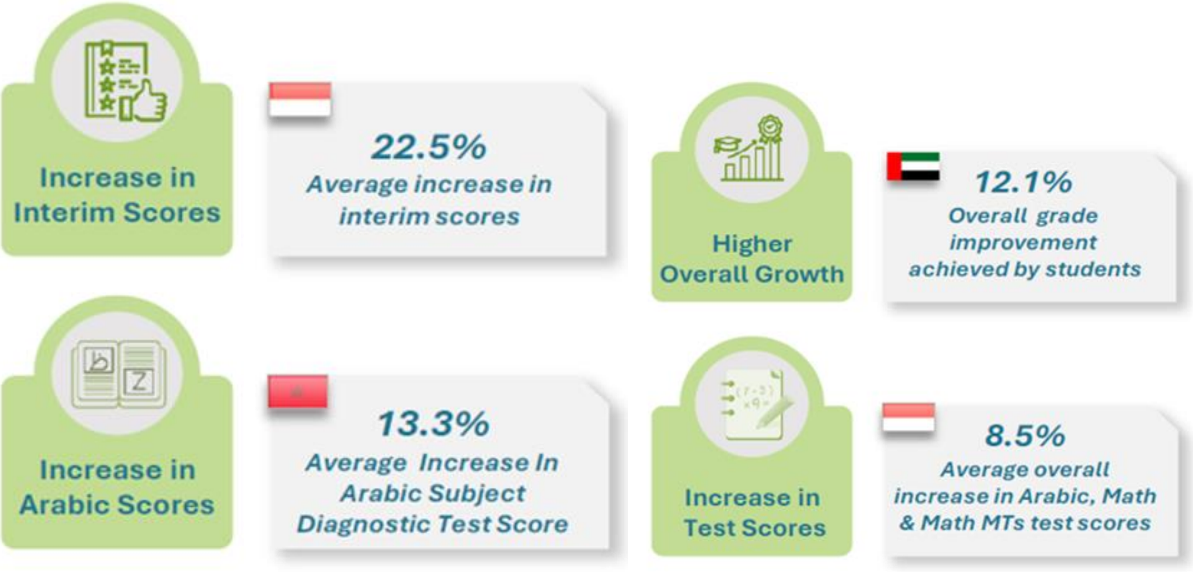
Alef Education was founded with a mission to redefine education, where every learner fulfils their unique potential.

Competitive Strengths

Established Edtech Player with Strong Track Record of Success Across Countries of Operation

Within the education sector, governments worldwide place a particular emphasis on partnering with companies that exhibit a track record of success, especially in improving student outcomes. Governments' ministries of education focus on providing the best quality education for the budgets available (including through a combination of curriculum, instructional materials, teacher supply and professional development) to upskill a nation's future workforce. They are often measured on how well students in their countries perform in standardised tests, such as the Program for International Student Assessment ("**PISA**"). As a result, companies like the Group, which have a strong track record in enhancing student performance are highly sought after by governments seeking to maximise educational outcomes.

Throughout its 7-year history, the Group has invested heavily in its in-house research functions, which serves to empirically assess performance to ensure and validate the efficacy of its offerings to acquire additional market share. The outcome of such research has demonstrated the Group's ability to improve student test scores across various geographies. In Indonesia, for example, the Group's platforms contributed to an increase in student scores by an average of 8.5% across Arabic, Math, and Math MT subjects, along with a remarkable 22.5% increase in interim test scores. As a result of its achievements in Indonesia, the Group had 339,000 onboarded students and 8,000 onboarded teachers in Indonesia as of June 2023 and 649,000 registered students as of December 2023. Similarly, in Morocco, where the Group conducted a 6-month period pilot-program in the 2022-2023 academic year, the Group's platforms contributed to a significant 13.3% increase in Arabic subject diagnostic test scores, a 22.7% increase in overall final exam test scores for students and a 27% increase in test scores for Grade 9 English students, with 465 monthly active users in March 2022. In the 2018-2019 academic year, Alef Education conducted a large-scale, controlled experiment in Abu Dhabi, UAE, analyzing final exam results from 357 public schools. The study revealed that students using the Alef platform demonstrated a 12.1% higher growth in their grades compared to their peers.



Additionally, experience gained across various geographies has enhanced the Group's multi-lingual abilities and has served as a proof of concept, showcasing its impact on international student learning, and allowing it to roll out services in various languages with ease, while catering to diverse student populations.

The Group has published several peer-reviewed papers, of which some have identified language difficulties as a leading barrier to student learning, particularly in Math. This research underscores the importance of the Group's multilingual abilities, which enables it to maximise student learning outcomes across different geographies and language backgrounds.

Due to the Group's strong track record of positive results, as well as positive impact on student's learning capabilities and in-house research capabilities and data aggregation, the Group enjoys high levels of customer satisfaction, with governments increasingly relying on the data and insights provided by the Group. This reliance has led to the establishment of a sticky long-term contract, further solidifying the Group's position as a trusted partner in driving educational excellence.

Redefining the Educational Experience Through Fully-Fledged AI-Powered Learning Solutions Catering to All Key Stakeholders in the Education Ecosystem

Classrooms today often struggle to cater to the diverse needs of students, leading to a standardised learning experience that can be ineffective and tedious for many. This lack of personalization is one of the leading problems currently facing the world of education, with some students lagging while others excel, underscoring the need for innovative solutions. Additionally, the traditional teaching model places considerable time constraints and administrative burdens on teachers, limiting their ability to provide individualised attention to those who need it most.

To address these significant hurdles, the Group set out to implement an AI-powered learning platform combined with interactive materials that keeps students engaged, allows teachers to focus on students who need additional support and gives parents visibility on their children's performance on a rolling basis. This approach ultimately addresses some of the most fundamental challenges facing modern education, which has long been in need of alignment with the unique requirements of the 21st century student.

The Group's AI-powered study companion is aiming to bring quality education to an increasingly wide audience whose educational needs were previously unmet, by providing tailored recommendations to students, and acting as an attentive personal tutor able to recognize the unique strengths and areas of weakness of each student. The AI tutor aims to analyse each student's performance to offer personalised study plans in order to maximise the students' learning outcomes. The system also features the added benefit of being connected with the student's learner profile allowing for better targeted instructions.

The Group's platform is distinctive in its cloud-based approach from the outset, which has allowed for improved scalability and reliability. This system – which has been built in-house with all intellectual property and digital assets belonging to the Group – boasts a modular infrastructure facilitating the roll out of select products to different customers, and which can be toggled on and off with ease.

Strong Growth, Profitability and Cash Flow Generation Leveraging Long-Term Contract

The Group has consistently delivered strong financial performance, with revenue from contracts with customers reaching AED 750 million for the financial year ended 31 December 2023, increasing by 12.4% from AED 667 million in the financial year ended 31 December 2021, underpinned by robust profitability margins, with Adjusted EBITDA and Adjusted Net Profit margins standing at 65% and 61%, respectively, for the financial year ended 31 December 2023. This is further underscored by the consistency of these margins, whereby the Group has managed to achieve a similarly high average Adjusted EBITDA margin of 62% between 2021-2023. The Group's financial stability is further bolstered by visibility on minimum revenue from the ADEK Agreement, supported by a minimum number of students of 80,000 students and a minimum fixed fee per student (subject to cost-based escalations), with seven years remaining plus an additional four years' extension being formalized. This arrangement provides a reliable revenue stream, enhancing the Group's financial predictability and resilience.

The Group's business model, which emphasises embedded technology and data-driven insights, results in sticky contracts with sound margins. As customers and educators increasingly rely on the data gathered by the Group's platform, the Group believes that there is an inclination to renew contracts, further solidifying the Group's revenue base. This sticky revenue model enhances the Group's financial sustainability and long-term growth prospects.

Furthermore, the Group currently maintains an un-levered balance sheet, which provides ample capacity for financing going forward. The Group plans to capitalise on financial flexibility in executing its ambitious growth plans, including expanding into new markets, investing in research and development, and acquiring complementary businesses. The Group's strong financial position and financing capacity position it well to capitalise on growth opportunities, with the aim to continue delivering significant value to its stakeholders.

The following chart provides an overview of the Group's financial performance as at and for the years ended 31 December 2021 and 31 December 2022 and 31 December 2023 and for the three months period ended 31 March 2024:

	As at the year ended 31 December 2021	As at the year ended 31 December 2022	As at the year ended 31 December 2023	As at the three months period ended 31 March 2024

(all amounts in AED millions, unless otherwise indicated)

Revenue from contracts with customers	667	773	750	177
Adjusted EBITDA	396	476	489	130
Adjusted EBITDA Margin (%)	59%	62%	65%	73%
Adjusted Net Profit	359	437	455	110
Adjusted Net Profit Margin (%)	54%	57%	61%	62%
Net cash used in operating activities	251	496	478	(73)
Lease liabilities	-	-	0.5	0.2
Cash Conversion	95%	94%	93%	57%
Capital Expenditure	18	33	37	57
OFCF	248	493	480	196
Dividend distributed	-	-	1,632(1)	-

Note:

(1) The dividends for the financial year ended December 31, 2023, were recommended by the board of Alef Education, approved by the Selling Shareholders on December 13, 2023, and beneficially assigned on December 17, 2023.

The total dividend distributed amounted to AED 1,632,095,378 which was settled on December 18, 2023, via transfer of financial assets carried at fair value through profit or loss amounting to AED 614,606,186, along with cash balances of AED 1,017,489,192 to the Selling Shareholders in full settlement of the dividend liability. The dividend was settled through receivables from a related party (Capital Investment L.L.C.) and financial assets recorded at fair value of AED 1.017 billion and AED 0.615 billion respectively. Dividends paid through a related party can also be compared with financing activities in the Group's Statement of Cash Flows. The movement in the relevant accounting items due to the payment of dividends is summarised below (please refer to Note 25 of the financial statements for further details):

Description	Amount before dividends	Dividends	Amount after dividends
Amount due from related party - capital investment (Note 15)	AED 1,126,891,526	AED (1,017,489,192)	AED 109,402,334
Financial assets recognised at fair value through profit or loss (Note 8)	AED 614,606,186	AED (614,606,186)	
		AED (1,632,095,378)	

(2) Adjusted EBITDA = Profit for the period/year + depreciation on property and equipment and right of use assets + amortization of intangible assets + interest expense on lease liability + income tax expense – income from financial assets carried at fair value through profit or loss – interest income.

(3) Adjusted EBITDA Margin = Adjusted EBITDA / revenue from contracts with customers.

(4) Adjusted Net Profit = Profit for the period/year – income from financial assets carried at fair value through profit or loss – interest income.

(5) Adjusted Net Profit Margin = Adjusted Net Profit / revenue from contracts with customers.

(6) OFCF = Adjusted EBITDA +/- Changes in Net Working Capital.

Seasoned Management Team with Extensive Experience in Education and Technology Backed by a Reputable Shareholder Base

The Group's management team is recognized for its deep industry expertise and strong leadership in the educational sector. The team consists of alumnus from key education sector companies including Pearson, McGraw Hill and Houghton Mifflin Harcourt. Comprised of professionals with diverse backgrounds in education, the team is well-equipped to drive the Group's success in the future. Management's extensive experience also allows them to develop innovative solutions that meet the evolving needs of educators, students and institutions.

Backed by strong shareholders, which indirectly include Abu Dhabi Capital Group, the Group's management team is well-positioned to unlock the next phase of growth. Their strategic vision and commitment to excellence have already propelled the Group to new heights, and their continued guidance and leadership are expected to drive sustained growth and value creation. With a proven track record of delivering results and a clear roadmap for the future, the management team plays a pivotal role in shaping the Group's success story.

Strategies

Large and Growing Addressable Market Underpinned by Strong Tailwinds

The Group operates within a sizeable market that is set to realize significant growth in the coming years, both on a regional and global basis, with the global K-12 education sector market size estimated at AED 14.75tn in 2020, projected to grow at a CAGR of approximately 5% between 2020 and 2030. Additionally, the global total addressable market for learning materials, which is defined as all spend on learning materials, print and digital, on all the subjects in each grade from Kindergarten through Grade 12 ("**TAM**") is estimated at AED 323 billion in 2023, and is projected to increase to AED 338 billion by 2027. Within that, the education technology ("**EdTech**") market's share of the industry is forecasted to increase from 36% to 65% across the same period, growing from AED 117 billion to AED 220 billion respectively (source: Industry Report).

Growth thus far has been strongly supported by - and continues to benefit from – the UAE government's focus on providing quality education to a wide student base, with the fiscal budget allocated to education representing 15% of the total federal budget, at approximately AED 10 billion in 2023 (source: Industry Report). Similarly, neighbouring GCC countries share the same vision of improving human capital development to drive a knowledge-based economy and have also allocated significant portions of GDP towards the education sector.

Beyond the GCC, the Group's future growth potential is also buoyed by the significant fiscal education spend across the wider MENA region - an area which the Group proudly calls home - a region which the Group estimates has allocated an average of 4% of GDP towards education spending in 2022. Additionally, the Group is also set to realize further growth in various other geographies which also underscore education as a key driver for long term social and economic empowerment.

The sector is further supported by increasing NGO spend, with UNICEF having invested USD 1.2 million in Egyptian K-12 market and unlocked an additional funding of USD 16.5 million from the UK and the GPE to advance the implementation of Education 2.0; meanwhile the World Bank loaned USD 500 million for its "Supporting Egypt Education Reform Project," which aligns with Education 2.0 (source: Industry Report).

Alongside sizable public spending in the sector, countries like KSA have seen a rapidly growing share of private sector involvement, both on a national and international level. With the region playing host to some of the world's top K-12 schools from various curricula including International Baccalaureate (IB), A-Levels, IGCSE and American AP system.

Ultimately, the Group aspires to be both a beneficiary and a proponent of the market's push towards EdTech, as it aims to increase its presence across several key markets, and within key segments including early childhood education, assessments for K-12 and teacher development.

Scalable Business Model Building on Strong Digital Foundation Well-Positioned to Harness Future Growth on the Back of Well-Defined Growth Strategy

The Group believes it is well positioned to achieve its strategy to become a global leader in the EdTech industry, with a scalable business model that leverages its various unique strengths including a proprietary multiplatform solution, a multi-lingual approach adaptable to many geographies, as well as a customizable core curriculum that can adapt to the unique requirements of local syllabi.

As part of its multi-pronged growth strategy, the Group has set out a strategy to super-serve the UAE's business-to-government ("**B2G**") and business-to-business ("**B2B**") markets, representing the first of its key growth pillars. Having already captured significant market share within the country's B2G market at the G5-12 level, the Group aims to unlock further growth by offering its services to a younger student base. On the B2B front, the Group currently serves approximately 40-50% of the UAE's private school market, offering a small handful of subject areas. To expand within this space, the Group plans to expand its offerings into more subjects and content areas, as well as catering to a wider range of age groups within the private market. The following chart illustrates the evolution of the number of B2B schools served by the Group in the UAE, Indonesia and the US between January 2023 and March 2024.

Evolution of No. of B2B Schools Per Country

Country	Jan 2023		Mar 2024
UAE	223	+85 schools	308
Indonesia	-	+200 schools	200
USA	8	+33 schools	41

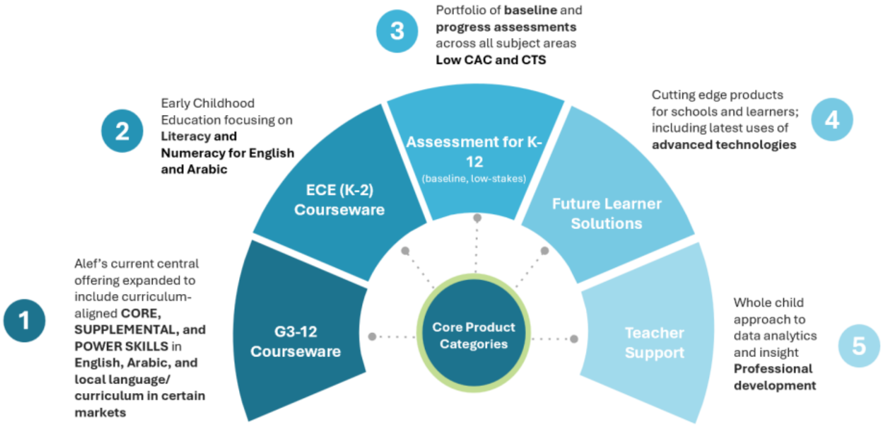
Another key pillar of the Group's growth strategy is its high-impact B2G strategy. The TAM for the high impact B2G market in focus geographies identified by the Group for its expansion strategy was estimated by the Group to amount to approximately AED 22 billion, inclusive of physical and digital instructional material. As mentioned, governments around the world are prioritizing educational improvement as a means for social and economic empowerment, presenting a significant opportunity for the Group while allowing it to make a tangible impact on students' lives. The Group has previously achieved immense success within the Indonesian market, whereby it was able to roll out its services to approximately 650 thousand students across approximately 6,000 schools as of 2023, offering a variety of subjects in the Bahasa Indonesian language, all from within its native multi-platform solution.

Furthermore, the Group has also tested its platform within the North African market, having completed a pilot program in Morocco, as well as various initiatives in certain Arabic speaking countries. The Group is also in discussions with several governments to expand its offering to other jurisdictions, highlighting its potential to become a global leader in this segment.

The final key growth strategy pillar centres on the Group expanding into the global B2B market to unlock additional growth, further strengthening its potential to become a global leader in EdTech. The TAM for the global B2B market in focus geographies identified by the Group for its expansion strategy was estimated by the Group to amount to approximately AED 25 billion, inclusive of digital instructional material. The Group operates on a software-as-a-service (SAAS) model catering to private education groups, which provides it with stable recurring revenues from thousands of potential clients. With a successful expansion into Indonesia and traction in the US market, the Group has demonstrated its ability to scale internationally. Additionally, the Group has recently onboarded an on-the-ground sales team in Saudi Arabia and Egypt, further enhancing its growth prospects within these two large markets.

To achieve its stated mission, the Group plans to focus on both organic and inorganic growth strategies. Organically, the Group aims to build its go-to-market capabilities and collaborate with distributors and resellers, while expanding its product offering. The Group's go-to-market plans are developed with the goal to achieve certain key objectives, namely maximising school penetration, optimising pricing, increasing products per school and minimising churn, through investing in targeted local sales and marketing, investing in product portfolio as well as customer success. Inorganically, the Group will pursue a strategy similar to that of successful peer companies (including some in the US), by either acquiring or investing in companies either with products or capabilities that complement its own (Capability Targets), or those which would allow the Group to cross sell its services to a wide customer base (Distribution Targets). This approach will enable the Group to expand its reach and enhance its distribution capabilities, accelerating its growth trajectory.

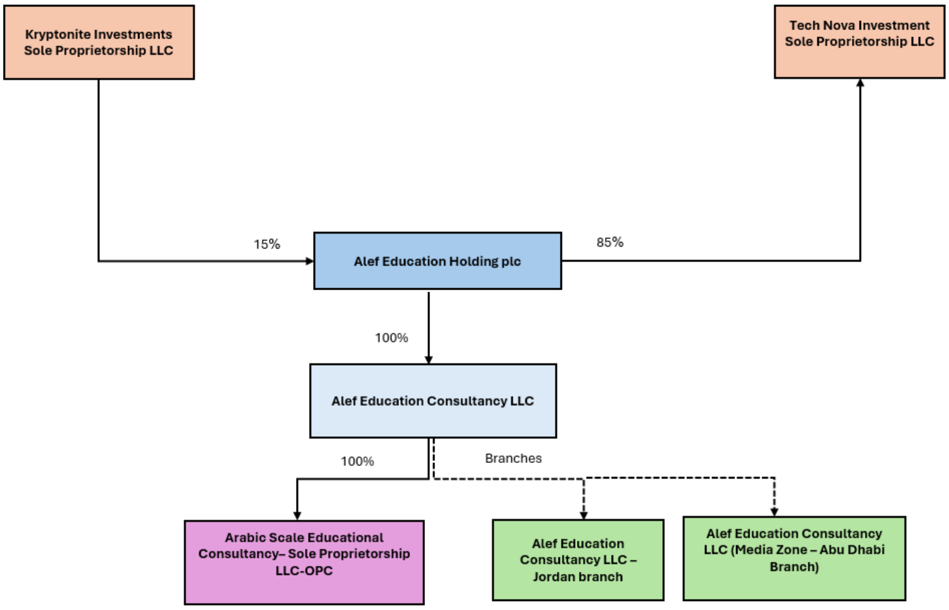
The Group's strategic focus areas include the UAE as its core market, where there is ample room for growth. The Group will also target home markets that share cultural, language, and pedagogical similarities, as well as developed markets where EdTech adoption is high. Additionally, in time and when the economics are satisfactory, the Group will focus on high-growth emerging markets. This multi-faceted approach to market targeting positions the Group as a formidable player in the global EdTech landscape. The following chart provides an overview of the Group's product portfolio expansion strategy through organic and inorganic means:



Corporate structure and main subsidiaries

Corporate structure

The following structure chart provides an overview of Alef Education's current corporate structure:



Main subsidiaries

The Company's main subsidiaries are:

1. **Alef Education Consultancy L.L.C**., a limited liability company incorporated in Abu Dhabi, which is the main subsidiary through which the Group operates. Alef Education Consultancy L.L.C owns and operates its digital education platforms through its branch in Jordan and Abu Dhabi Media Zone., and its wholly owned subsidiary Arabic Scale Educational Consultancy Sole Proprietorship L.L.C.

2. **Arabic Scale Educational Consultancy L.L.C. - O.P.C.**, a sole proprietorship limited liability company incorporated in Abu Dhabi, and is the operational subsidiary through which Alef Education plans to use this subsidiary to facilitate the cross-border commercial partnership with MetaMetrics®.

Branches

Alef Education Consultancy L.L.C. maintains a branch office in Western Amman, Jordan from May 20, 2021, and a team in Jakarta, Indonesia from August 12, 2022.

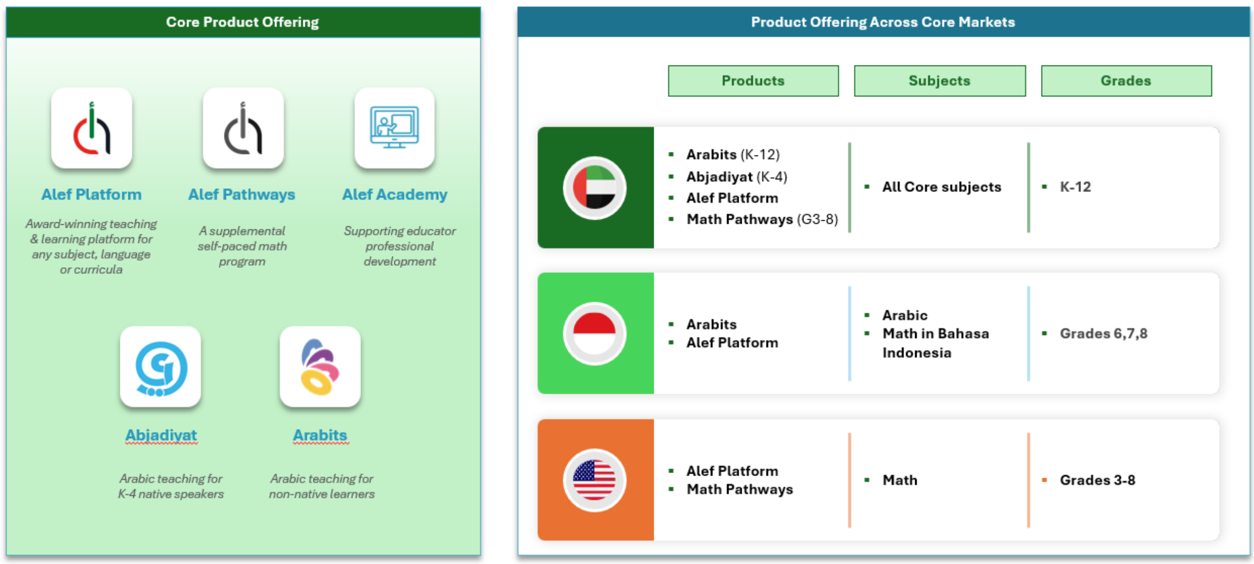
Alef Education Consultancy L.L.C. maintains a branch office in Media Zone, Abu Dhabi (formerly known as Media Zone – Abu Dhabi) from 18 February 2019.

Operations

Overview of key technology-powered education products and service offerings

The Group has developed integrated technology-powered education product and service offerings, aiming to offer curriculum-aligned and culturally appropriate digital educational resources catering to the learning needs of primary and secondary school students, their parents, and schoolteachers in the UAE and beyond. The Group's education product and service offerings are able to fulfil the full spectrum of applications for various education scenarios by offering an innovative learning experience. Currently, the Group has the following digital education solutions:

Alef's Current Product Portfolio in Perspective



1. **Alef Platform**

   This is a fully comprehensive digital learning solution for Grades 5-12 in the MENA region. It covers the UAE Ministry of Education Curriculum.

2. **Abjadiyat (Arabic for young native speakers)**

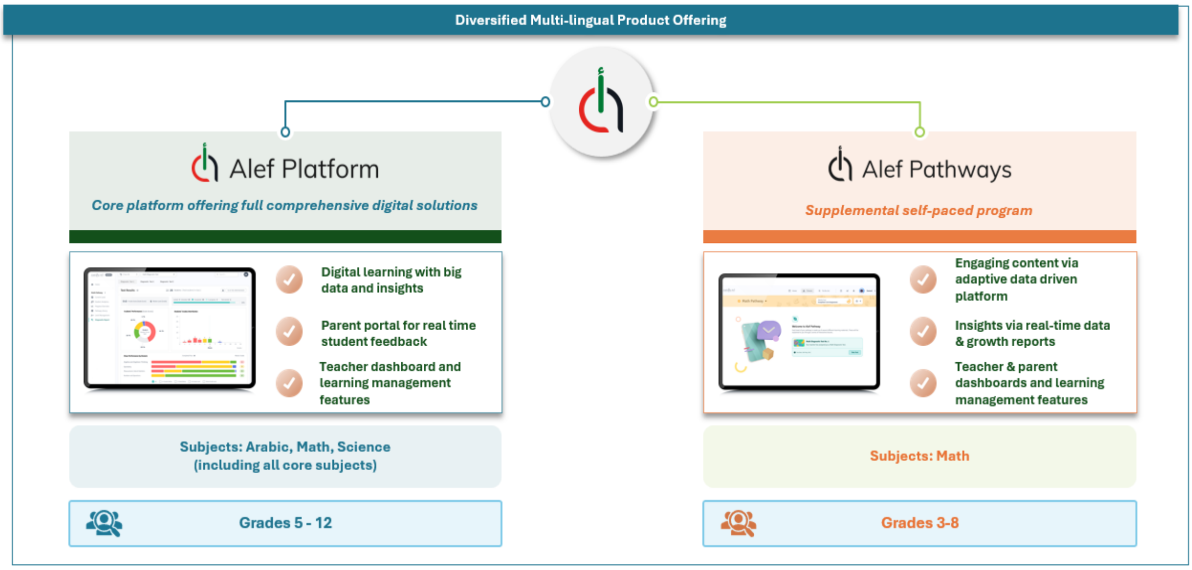
   Abjadiyat is an Arabic learning platform for early Kindergarten to Grade 4 learners. It is a mobile application interface for students that contains a series of interactive lessons and practice. It also provides an interactive Arabic language program for native-speaking early learners.

3. **Arabits (Arabic for non-native speakers)**

   Arabits is a mobile application interface that aims to help non-native speakers learn Arabic and help students pass their grade-level examinations in Arabic. This is a native Android and iOS application optimized for mobile devices.

4. **Alef Pathways**

   Alef Pathways is a supplemental self-paced Mathematics programme for Grade 3 to 8 learners enriched with engaging lesson content that aims to help students to work on their Mathematics learning objectives. The Alef Math Ability Test (AMAT) is available to determine the student's level and provide the best learning path forward. Teachers and parents have access to the platform dashboard with the details of the learning progress of each student.



The learning platforms operated by the Group share the following characteristics:

Personalized learning

The Group's platforms provide personalised learning experiences for all students, so they learn at their own pace, anytime and anywhere. Artificial intelligence allows students to receive individualised instruction and gives them the choice of how they prefer to learn.

Engaging content

The Group's platforms give students innovative ways to comprehend difficult lessons by breaking down content and using effective learning techniques such as engaging videos, activities, and games. Subjects include Mathematics, English, Science, Arabic, Islamic Studies, and Social Studies.

As of academic year of 2023/2024, the Group had published 285,000 assessment questions and produced 25,000 videos, 2,750 English lessons, 10,250 Math and Science lessons, 1,825 Arabic lessons and 1,270 Islamic Social Studies lessons.

Immediate feedback

The Group's platform provides immediate feedback to teachers about students' attainment. Teachers can use the data to address specific areas and help students with individual needs.

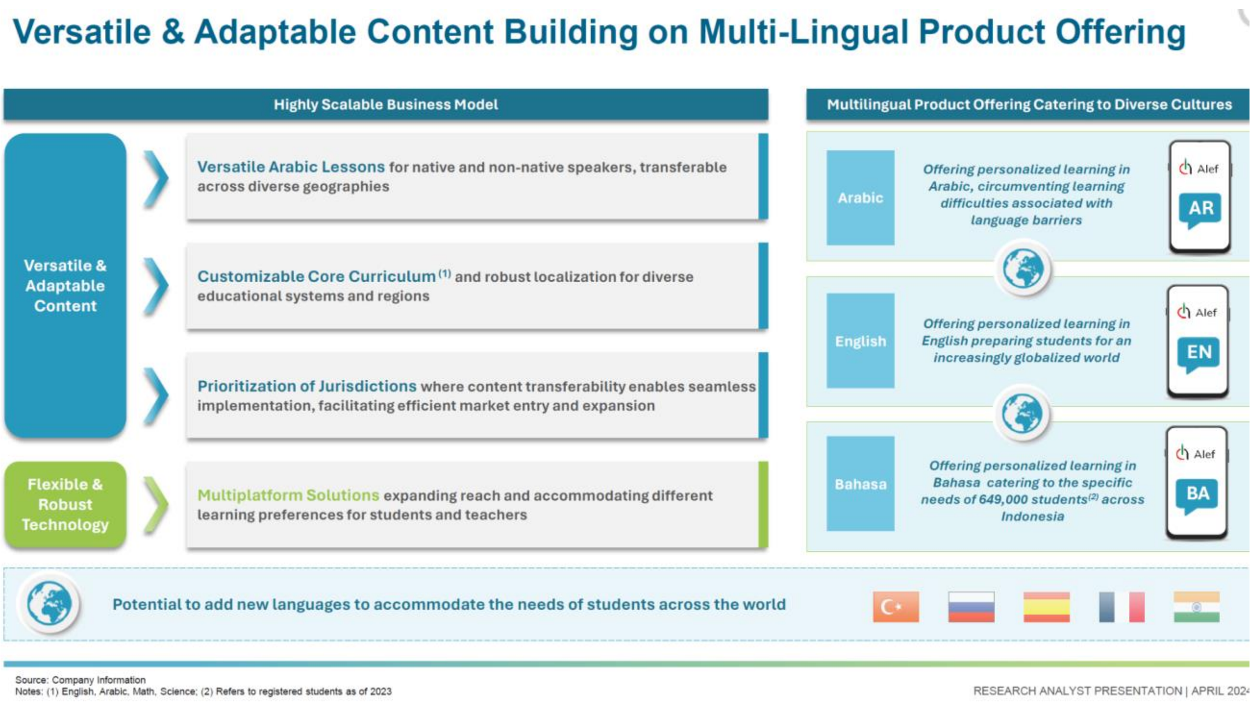
The students also benefit from the real-time feedback from the Group's platform, which allows them to catch and correct mistakes early on.

Real-time data

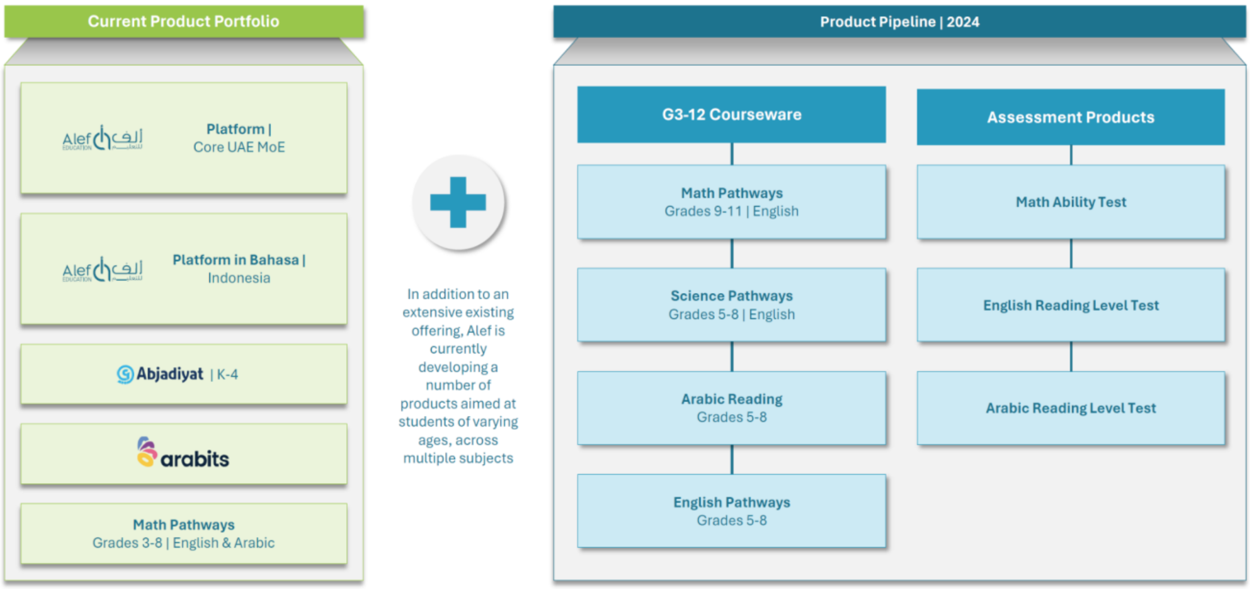
The Group's platform provides advanced school monitoring and feedback systems. This data tracks progress on a district, school, grade, subject, class, and student level for teachers, principals, and guardians.

Relevant curriculum

Curriculum aligned lesson plans and culturally appropriate media built into all the digital lessons help save teachers time in lesson planning and preparation.



The following chart illustrates the current product portfolio covered by the Group's digital learning solutions, as well as the Group's product pipeline for 2024 as part of its growth strategy:

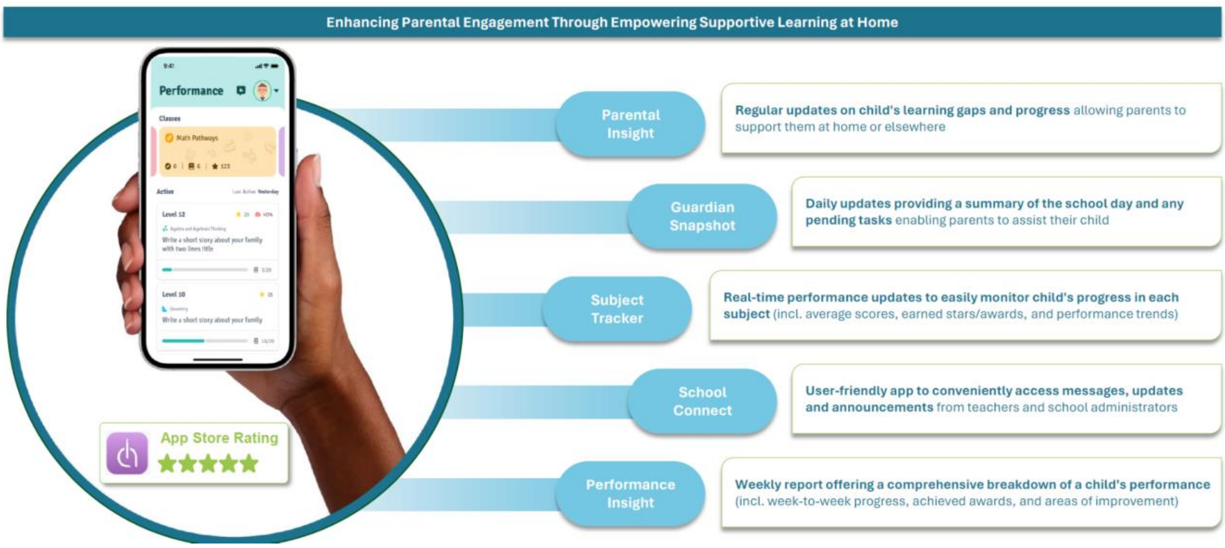


5. Alef Academy

Alef Academy is a unique and customized platform providing educators (teachers and school leaders) with self-paced learning opportunities, toolkits, and tailored resources. It consists of professional learning courses supporting the implementation of digital learning for effective teaching and learning, and includes on demand resources, videos, lesson plans, and other features that support the Alef platform users to maximize learning outcomes.

Alef Guardian app

The Group has developed a mobile guardian application allowing parents to participate in their child's learning journey.



Student's performance

In the performance screen, the parent/guardian can see how well the child does in each subject. The parent or guardian will see an alert message if they fall behind in the number of lessons completed for any particular subject. The parent/guardian can click on any lesson to see the performance each time the child attempts the lesson, as well as view the Lesson Introduction video.

Weekly reports

In the report screen, there is a summary of how the child performed in each subject over the last week. It shows the parent/guardian which subjects the child excels in and which subjects the child needs to work on. The parent/guardian also sees lessons the child can re-attempt to achieve a pass mark.

Product design and services

Incidental to the operation of the Alef Platform, Alef Pathways, Arabits, and Abjadiyat digital learning platforms, Alef Education has specialised teams to carry out the following activities:

Learning design

Curriculum design

Learning journeys are designed with outcomes in mind, aligning with various curricula and international standards and their end-of-year expectations for student growth and achievement.

Assessment writing

Assessments are designed according to the required depths of knowledge and proficiencies associated with skill mastery. They are balanced and continuous and used as opportunities to reflect upon student progress, motivation, and choice of strategies.

Content development

The contents of the Alef Platform guide students through inquiries and problem-solving. The platforms also include built-in tools that guide teachers through responsive instruction and intervention facilitated by data and evidence.

The Group has in-house educators and outsourced content designers who create quality content with care for cultural sensitivity, accuracy, and an appropriate level of challenge.

Digital production

The Group's digital products are highly interactive and engaging, making online and experiential learning fun.

Professional Support

To support schools in their digital transformation journey:

Professional development

The Group provides onsite and offsite training and professional development support to help teachers adopt new technology tools in their classroom, utilising the Group's digital education solutions. To that extent, the Group runs a ratio of one Digital Learning Implementation Specialist ("**DLI Specialist**") for around 210 teachers. The DLI Specialists visit schools on a regular schedule to run observations and walkthroughs to assist the teachers with the usage of the Alef Platform as well as support them with any new pedagogical approach to digital learning. The DLI Specialists also conduct three Professional Learning Communities ("**PLCs**") at the beginning of each academic term with the teachers (virtual, hybrid, or physical sessions), which account for the teachers' credits. During school observation and walkthrough, the DLI Specialists establish a corrective action plan that helps the teacher identify areas for improvement with recommended tasks to be performed within a set amount of time. The DLI Specialists then follow up with the teacher on the progress achieved.

Teachers can also access the Alef Academy online via their credentials, where they can access training materials and lessons at their leisure to acquire new skills or competencies.

IT installation (specific to the ADEK Agreement)

The Group provides onsite IT installation and configuration services to schools in the UAE within the scope of the ADEK Agreement to ensure that they are fully IT-ready for the digital transformation brought by the Group's digital education solutions. As per the ADEK Agreement, the Group is providing laptops, mice, and headsets for Grade 5 and Grade 9 at the beginning of each new academic year. The student keeps this equipment for four years. The Group also provides repair support for devices. To minimise disruption in the student's learning, the Group has spare devices to swap the defective devices in schools. Once the faulty device is repaired, the Group returns it to the student and place the loaned item back into available stock. The Group also provides school infrastructure, such as access points, firewalls, servers, and connections. Contractually, the Group is required to replace these devices every five years by upgrading them with new and more effective technology that meets the minimum requirements set in the ADEK Agreement.

The Group provides one onsite support technician per school in the Abu Dhabi emirate and back-office teams, such as network and server teams and system administrators, to implement and support the entire IT service. The onsite support technician is dedicated to the schools and works with other teams to provide relevant support in troubleshooting for server and network equipment, stock management of spare devices, follow-up with repair centres, and asset logistics.

Project management

The Group has dedicated project management service teams to manage the successful roll-out of the Group's digital education solutions at the schools and facilitate the end-to-end transformation of schools to embrace a modernised and conducive learning environment.

For every client, a dedicated or shared account manager, depending on the account size, is appointed to manage the relationship with the client and support the client through the contract's term. The account managers usually drive the governance meetings with the client, documenting all discussions and decisions. The account managers engage with all departments internally to drive improvement and improve management and service delivery. The account managers act as a single point of contact for the client for anything related to the contract, its delivery, and renewal from an operational perspective. They also collaborate with the Growth and Product departments to support any growth within the account and manage any new projects the client is procuring.

Service hotline

The Group operates a service desk five days a week to answer any queries, feedback, or concerns from teachers or parents regarding Alef Education products and services. It can be reached through phone with an interactive voice response to select language, email, or chat via the platform. The service desk is a triage centre that routes the clients' queries to the proper resolver group. It assigns the ticket and priority to trigger the corresponding SLA and ensure resolution.

Today, the Service Desk operates in two languages: Arabic and English. Spanish and French were recently added for a special project run with the UAE MOE.

The Service Desk also provides frequently asked questions via a chatbot for some clients to help them resolve their issues themselves. The service expedites resolution and empowers users to become more inclusive in the troubleshooting process, which tends to increase user satisfaction, with seats currently at around 95% on average.

The service desk operates during standard working hours in the UAE but can respond to Priority One tickets 24/7. On average, the service desk handles about 5,500 incidents and 5,000 requests per month.

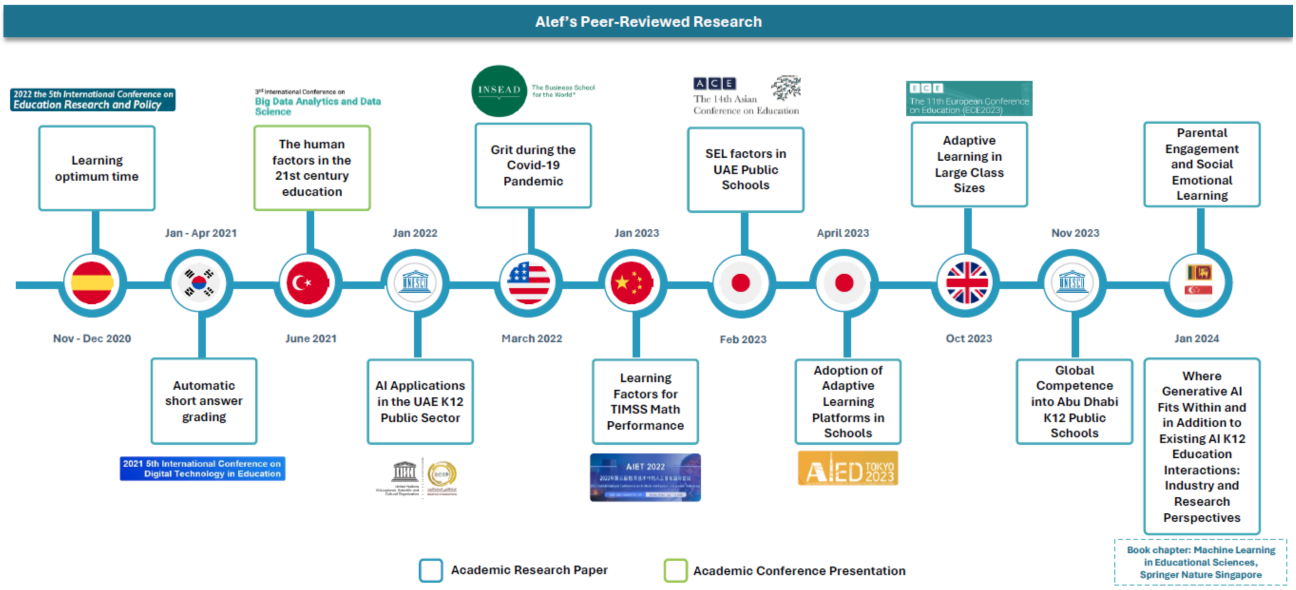
Research

The Group is passionately committed to transforming education through innovative technology and artificial intelligence. The Group's mission is to enhance human development across all K-12 stages by overhauling the education system and utilising AI to foster creative and impactful learning experiences. The Group dedicated to building capacities that align with the dynamic needs of students, empowering them with the skills and knowledge required to thrive in a rapidly evolving world.

The Group's approach is grounded in evidence-based methodologies, with the aim to drive the contribution of the Group's initiatives in educational research to effective problem-solving and making an impact. By integrating cutting-edge research and learning sciences, the Group innovates products and services that help drive significant improvement in learning outcomes. The Group's efforts extend to rigorously assessing the impact of these innovations on all stakeholders within the education ecosystem. The Group's strategy is to become beacon of thought leadership, playing a pivotal in shaping the educational landscape, driving forward-thinking policies, and setting new benchmarks for the AI in Education ("**AIED**") sector in the UAE and across the MENA region.

The Group's research team has made substantial academic contributions, authoring over 15 academic papers, and showcasing their findings at numerous international conferences.

Peer-Reviewed Research and Partnerships With Top Universities Further Endorsing Alef's Content



Notably, some of the Group's research has been distinguished as the best study at these conferences, a testament to the Group's pioneering work in the field. These studies, which are summarised in the chart above, reflect the Group's commitment to excellence and innovation in education and AI, and offer valuable resources to educators, researchers, and policymakers.

Delivering quality education and strong student outcomes

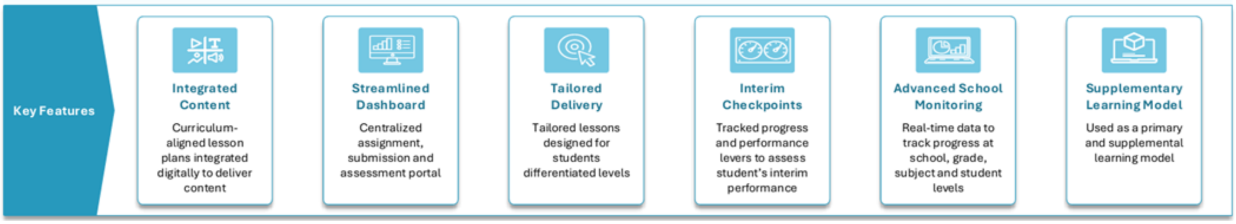
The Group's AI-powered digital learning solutions offer interactive content, assessments, and analytics to support both students and teachers in the learning process and benefit different stakeholders in the education ecosystem in the following ways:

A. **Decision Makers**

Decision makers, such as governmental institutions, benefit from the Group's AI-powered digital learning solutions by gaining access to a real-time dashboard providing AI enabled insights to assist in their decision-making processes. The real-time dashboard offers a wide range of insights to decision makers, including trend analysis, machine learning tools, research questions, correlation analysis, predictive models, efficacy studies, as well as historical data analysis and progress reporting. This comprehensive toolset empowers decision makers to make informed and strategic decisions to drive positive outcomes and enhance the overall education experience.

B. **Teachers**

For teachers, the Group's capabilities provide invaluable insights into student performance and progress. Teachers receive real-time analytics on each student's level, allowing them to adapt their teaching strategies to meet individual needs. This personalised approach not only helps improve student outcomes but also enhances the overall teaching experience by empowering educators with the tools to make data-driven decisions. The Group's platform solutions help reduce teachers' administrative burdens and preparation time, allowing teachers to focus on their primary role of facilitating student learning. Teachers are also able to track student performance across subjects, allowing them to pinpoint cross-subject weaknesses and giving them a more holistic view of learners' unique skillsets. The following chart illustrates the key features available for teachers.



C. **Students**

The Alef Platform offers culturally relevant coverage of English and Arabic subjects through a unified and student-friendly platform experience, leveraging creative research and development initiatives that focus on student engagement and interest and provide well-structured remediation programs for gaps identified. By providing immediate feedback and real-time data, the Alef Platform enables students to identify and correct mistakes early on, fostering a more efficient and effective learning experience. To support student development, the Group launched a new mobile application in January 2023, the Alef application, which provides support for Arabic, English and Bahasa Indonesian language and is designed to increase students' engagement and motivation.

D. **Parents/Guardians**

Parents are also key beneficiaries of the Group's technology. The platform allows parents to track their child's performance and progress, providing a deeper understanding of their academic strengths and areas for improvement. Moreover, parents can communicate directly with teachers through the platform, facilitating collaboration and enabling them to play a more active role in their child's education. The Group's platform enhances parental engagement and involvement in the student's education by providing (i) daily updates and summary of the school day and any pending tasks, (ii) real time performance updates to easily monitor the student's progress in each subject (e.g. average scores and performance trends), (iii) a user-friendly application to conveniently access updates and announcements from teachers and school administrators; and (iv) weekly report providing a comprehensive breakdown of the student's performance (e.g. week-to-week progress, awards achieved and areas of improvement).

E. **School principals**

School principals benefit from the Group's capabilities through access to comprehensive data and insights. The platform provides school leaders with a holistic view of student performance across various subjects and classes. The Group's platform offers principals overall school performance reports that cover real-time and historical performance, as well as custom insights into individual grade levels, and quantification of class performance to identify high achievers and students who need additional assistance. By leveraging AI technology, the platform empowers school administrators to create a more effective and responsive learning environment for students.

Key business models

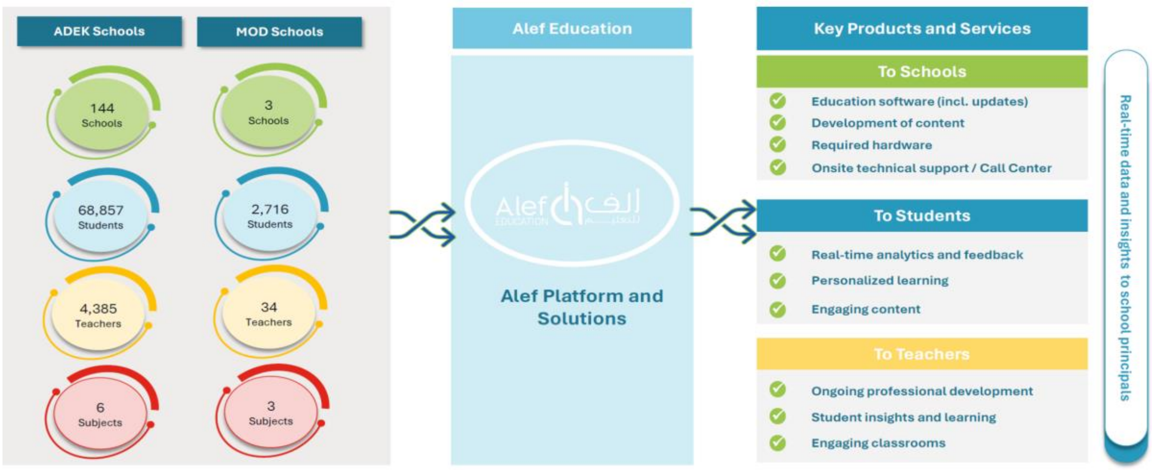
The Group currently operates through two different business models: (i) B2G model, targeting Government-partnerships, which includes all the public schools in the UAE, other UAE government-related organisations, and public schools in Indonesia, and (ii) B2B model, targeting individual schools, as further described below.

For the financial year ended December 31, 2023, the Group's government-partnership segment represented its core business segment, contributing 99% of revenue from contracts with customers, while the partnership with ADEK represented the highest contributor to Alef Education's gross fees among all, contributing 99% of the Group's government-partnership segment gross fees.

Government-partnerships overview

Riding on the success of the pilot program in public schools in Abu Dhabi from 2017 to 2019, the UAE Ministry of Education announced the implementation of the Alef Platform in all UAE public schools. This will allow the ministry to use the Alef Platform to achieve its goals of developing a digital education system.

The Group contributes significantly to digitalisation learning in Abu Dhabi public schools and the schools run by UAE Ministry of Defence ("**MOD**")



Below is an overview of the arrangements in place with ADEK and UAE MOD, focusing on certain elements that govern the relevant contracts. For details see *"Material Agreement" in this prospectus.*

1. ***ADEK***

Alef Education entered into a 10-year agreement for *"Implementation of Education System in Abu Dhabi Schools*" with ADEK, effective from 1 January 2019 ("**ADEK Agreement**"). The ADEK Agreement has been amended subsequently since 2019. Pursuant to an amendment in the ADEK Agreement in 2021, the term of the ADEK Agreement is now valid for a 12-year period, to end on 30 December 2030, unless it is terminated in accordance with its terms or extended by the parties.

Under the ADEK Agreement, Alef Education provides comprehensive digital education solutions through its platform ("**Education System"**) in government funded schools for students in grade 5 to grade 12 in the UAE ("**ADEK Schools**").

As part of its offering under the ADEK Agreement, Alef Education supplies the following in order to provide the Education System to ADEK:

- Education software (including updates and new versions of the same) created by the Company;

- Educational content developed by the Company (collectively the "Software Materials"); and

- Supplementary hardware and other equipment.

Alef Education's education software program is currently stored in two parts: (a) cloud hosted microservices architecture; and (b) local content servers in each ADEK school. The equipment supplied by the Company includes laptops and related accessories, charging carts, network IT infrastructure, local content server, amongst others.

Alef Education also supplies third-party software required to operate such hardware, equipment and networking in order to integrate the Software Materials.

The educational content developed by Alef Education is subject to changes that may be requested by ADEK. Up to 15% of the rework (determined based on the time and effort involved in making changes vis-à-vis the time and effort involved in developing the original education content) undertaken is complementary for ADEK. Any additional requirements in excess of 15% of the rework are subject to an agreed standard consultancy charge.

Alef Education is also providing training to teachers who form part of the ADEK Schools, through Alef Education's "Digital Learning Implementation Specialists" who support ADEK Schools with ongoing professional development. These coaches are certified teachers, bilingual (where possible) who specialize in one or more subjects.

Under the ADEK Agreement, Alef Education is also providing technical support services during the duration of the ADEK Agreement. These services include technical support for the equipment and the software (including the required maintenance), as well as providing onsite specialists and help-desk support.

Payment and payment terms

In connection with the services provided by Alef Education, ADEK is required to pay an education solutions fee ("**Education Solutions Fee**") to the Company, which is calculated based on the number of students enrolled in an academic year, subject to a contractual minimum commitment of students, using ADEK's official enrolment register in the respective grades in ADEK Schools.

In addition to the Education Solutions Fee, Alef Education also receives a fee for procuring certain equipment/related services to ADEK. The fee for such equipment/related services are divided as follows (collectively, the IT Infrastructure Solution Fee):

a) IT start-up costs per ADEK School (including servers, network equipment, network passive components and accessories);

b) IT start-up costs per student (charging cart, wireless access point, student and teachers' laptop and accessories); and

c) IT maintenance cost.

The amounts due to Alef Education under each invoice are subject to 5% retention to be released by ADEK and paid to Alef Education at the end of each academic year (which may be subject to performance related deductions in accordance with the ADEK Agreement.

The ADEK Agreement contains standard indemnity provisions in favour of ADEK against all actions, suits, claims, demands, losses, charges, costs and expenses which ADEK may suffer in connection with property damage, death or personal injury to any person resulting from negligent or wrongful act or omission of Alef Education.

2. UAE Ministry of Defence

Alef Education entered into an agreement with the UAE Ministry of Defence for "providing a digital platform for teaching academic subjects in military high schools" on 18 April 2021 ("**MOD Agreement**"). The term of the MOD Agreement is for a period of 4 years, beginning from the 2021-2022 school year.

Pursuant to the MOD Agreement, Alef Education is required to implement the Alef Platform in the military high schools from the beginning of the 2021-2022 academic year. These include the military high schools in Al Ain, Al Dhafra and Al Dhaid City and any other schools that may be added by the MOD.

As part of its service offering under the MOD Agreement, Alef Education has been providing and maintaining the content of Alef Platform for three Arabic subjects in line with the curriculum set out by the MOE.

Under the MOD Agreement, Alef Education is required to appoint:

a) three academic trainers and assign to each school a trainer to hold workshops and provide training courses for students, teachers, and coordinators from the military schools. Such trainers will also make classroom visits to provide best practices in classroom management. Alef Education is also required to train any new student, teacher or any other person assigned by the commanders of the military high school to work on the Alef Platform during the term of this MOD Agreement; and

b) three engineers for technical and technological support.

Under the MOD Agreement, based on the request of the MOD, Alef Education may be required to transfer the Alef Platform to the electronic cloud infrastructure of military high schools. The MOD imposes comprehensive supervision by the MOD on the services offered by Alef Education, including forming a joint committee to review the functioning of the Alef Platform, holding periodic meetings, and reviewing weekly reports prepared by the Company, amongst others.

Payment and Payment Terms

The MOD Agreement provides that the annual fees for the subscription to the Alef Platform (for the subjects being subscribed to) is paid in instalments in arrears at the end of each semester, with each academic year consisting of three semesters. The fee is calculated for the student annual subscription fee for each semester for which the instalment is paid, based on the actual number of subscribed students in the relevant semester under an agreed formula.

See "Risk Factors — Risks Relating to the Group and its business — Alef Education is a party to a *number of supply contractual arrangements and any breach of the terms of these agreements could cause financial and operational risks to the Group."*

Distribution channels

The Group has utilized various distribution channels to make its educational technology solutions and platforms available to schools, educators, and students. Some of the distribution channels that Alef Education has employed include:

Government and institutional contracts: The Group has successfully secured a number of contracts with government entities, educational ministries, or large institutional clients to provide its educational technology solutions at scale, often as part of broader educational initiatives.

Direct sales: The Group engages in direct sales efforts, where its sales teams directly contact schools, educational institutions, and decision-makers within the education sector to promote and sell its educational platforms and solutions.

Partnerships with educational institutions: The Group has established partnerships and collaborations with schools, school districts, and educational organizations to integrate its technology into their academic programs. These partnerships can involve tailored deployments, training, and ongoing support.

Online platforms and portals: The Group offers its educational technology solutions through online platforms and portals, to expand its sales channel, allowing schools and educators to directly access and acquire the tools they need for their classrooms.

Reseller and distribution partners: The Group works with authorized resellers and distribution partners in the United States, Indonesia, and Qatar to expand its reach and make its products and services available to a broader range of educational institutions.

These distribution channels enable the Group to reach its target audience of schools, educators, and students, making its innovative educational platforms and tools accessible to a wide range of academic stakeholders. By leveraging diverse distribution channels, the Group can effectively deliver its technology solutions and support the integration of advanced educational resources in diverse learning environments.

Below is an overview of the arrangements with such distributors, focusing on some of the elements that govern the relevant contracts.

USA

On March 7, 2022, the Group, through Alef Education, entered into a distribution agreement (as amended from time to time) ("**Distribution Agreement**") with the Framework Development Group LLC ("**Framework Group**"), a company established in the USA, under which Alef Education has appointed the Framework Group as its non-exclusive distributor for distribution of the Group's educational solutions (including Alef *Pathways*) in certain South-Eastern States in the USA. Under the Distribution Agreement, the Framework Group is entitled to appoint resellers to distribute the Alef Platform on its behalf, subject to Alef Education's prior approval. The Framework Group is restricted from distributing or creating any software that directly or indirectly competes with the Alef Platform or any other product of the Group. Under the Distribution Agreement, Alef Education is required to provide help desk support to end-users, and training and consultancy for the Framework Group's employees. The Group has also provided Framework Group a discretionary market development fund monthly for effective promotion and sale of Alef Education products. In accordance with the Distribution Agreement, The Group is entitled to a percentage of the suggested retail price (which will be provided by the Company) for the Alef platform based on the subscription sales to new end users.

Indonesia

On October 11, 2023, the Group, through Alef Education, entered into a reseller agreement (as amended from time to time) with PT Berkat Utama Sejati, a company incorporated in Indonesia, under which Alef Education has appointed PT Berkat Utama Sejati as its non-exclusive distributor for distribution of the Alef Platform in Jabodetabek, Indonesia.

Qatar

On November 6, 2023, the Group, through Alef Education, entered into a reseller agreement (as amended from time to time) with Techno Lab WLL, a company incorporated in Qatar, under which Alef Education has appointed Techno Lab WLL as its non-exclusive distributor for distribution of Alef products (including Alef Platform, Alef Pathways, Abjadiyat, and Alef Guardian app) in Qatar.

Fee structure of the Group

Education Solutions fees

The education solutions fees of the Group correspond to all revenue received from customers for the right of access to the Group's learning solutions. The services rendered (including access to the Group's platform, the availability of learning content, onsite support, and other ancillary services) are considered one performance obligation as they are highly interdependent or interrelated.

IT set-up services fees

The Group provides a combination of procurement and installation of IT equipment to provide its education system solutions to schools and students.

IT maintenance services

This service relates to maintenance work that may be required on IT equipment for the duration of the contract, which generally covers a period of five years. Maintenance service is considered a distinct service as it is available to customers from other providers in the market.

Inorganic expansion through mergers and acquisitions

From time to time, the Group identifies and capitalizes suitable opportunities for mergers and acquisitions as part of the Group's growth and integration strategy. The Group goes through the following process in general to enable its inorganic growth:

1. The Group carefully assesses compatibility and potential synergies of the target company, with the aim of successful integration and long-term value creation.

2. The Group conducts a thorough valuation of the target company to determine a fair deal value before proceeding with the offer making process.

3. Following offer acceptance, the Group commences comprehensive due diligence process encompassing the review of financial, legal, commercial, human resources and other pertinent aspects.

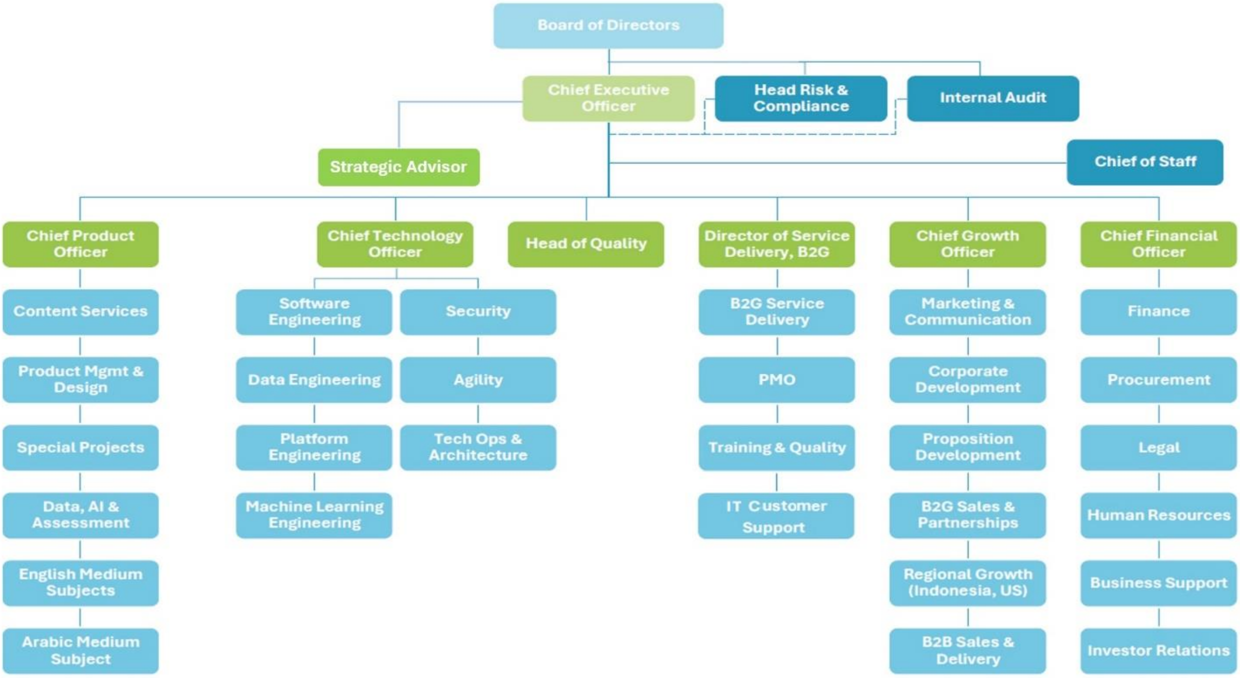
4. The Group negotiates for deal closure and finalizing agreements with a focus on legal compliance and risk protection.

To ensure the continuous success of the integration of the acquired target within the Group, the Group establishes integration objectives and a dedicated team, as part of its due diligence process. The Group conducts a thorough assessment of itself and the acquired target, and develops a detailed integration plan, including systems, processes, and cultural alignment. Such integration plan will be communicated effectively with stakeholders. The Group continues to monitor the progress, make necessary adjustments, evaluate the success of the integration.

The integration of Abjadiyat, an Arabic education platform for K-Grade 4 native speakers is one of the successful inorganic expansions of the Group in the UAE. Following the acquisition, the Group initially maintained Abjadiyat's original team, leveraging their expertise in early education. The Group then implemented a structured reporting system, and streamlined the team, structure to refocus on B2B and deliver cost synergies, margin improvement and revenue growth. As a result of the successful integration of Abjadiyat in 2021, the Group's customer base of Abjadiyat has grown from 2,000 to 26,500 users in 4 years, which cemented the Group's position as a leader in the early years Arabic language education market. The Group also acquired and integrated Arabits which is positioned as a B2B product for non-Native Arabic speakers and launched in 2022.

Organisational Structure

The chart below outlines the organisational structure of the Group's directors and senior managers (the "**C-Suite**"):



The C-Suite team retains decision-making control on several aspects of the Group's strategy, including resource allocation, procurement, day-to-day operations, marketing, and establishing the five-year strategy plan in compliance with the governance for Alef Education. Certain key functions, such as the approval of the budget, the development of the growth strategy (both organic and inorganic), and the determination of management compensation, require the approval of the Board of Directors.

The Group's organisation structure is comprised of (i) the C-Suite (i.e., the Senior Executive Board), (ii) the Product team, (iii) the Technology team, (iv) the Service Delivery team, (v) the Growth team, (vi) the Operations team, and (vii) the Head of Quality.

Product Team:

- The Product Team is responsible for the development and management of the Group's educational technology products or services.
- Functions include product ideation, design, development, testing, and ongoing enhancement.
- Collaborates with other divisions to ensure products meet market needs and adhere to the Group's standards.
- Drives the product vision across different geographies.
- Builds the roadmap of every product across different geography.
- Develops and executes the product strategy to enable growth division to meet its targets.
- Builds the data research and efficacy capabilities to validate impact.

Technology Team:

- The Technology Team focuses on the technological infrastructure that supports the Group's products and services.

- Responsibilities include software development, IT infrastructure management, cybersecurity, and data analytics.

- Ensures the Group's technological resources are efficient, scalable, and secure.

Service Delivery Team:

- The Service Delivery Team is responsible for delivering the Group's products or services to customers.

- Functions include customer support, implementation, training, and ongoing service management.

- Focuses on ensuring a positive customer experience and maximising the value customers derive from the Group's offerings.

Growth Team:

- The Growth Team is responsible for strategic planning and execution of initiatives aimed at driving the Group's expansion, revenue growth, and market penetration. It also handles the promotion and positioning of the Company's products or services in the market.

- Functions include market analysis, identifying growth opportunities, developing strategies to capitalise on them, branding, advertising, lead generation, and customer engagement.

- Conducts research to understand market trends, customer needs, and competitive landscapes.

- Develops and executes marketing campaigns, partnerships, and sales initiatives to acquire new customers and expand the Group's reach.

- Evaluates potential mergers, acquisitions, or strategic partnerships that align with the Group's growth objectives.

- Collaborates with other divisions to align growth strategies with product development, marketing, and sales efforts.

- Monitors key performance indicators and metrics to assess the effectiveness of growth initiatives and adjust strategies as needed.

- Works closely with senior management to provide insights and recommendations for long-term growth and sustainability.

- Works to attract and retain customers, build brand awareness, and drive revenue growth through strategic marketing initiatives.

Operations Team:

Finance Team

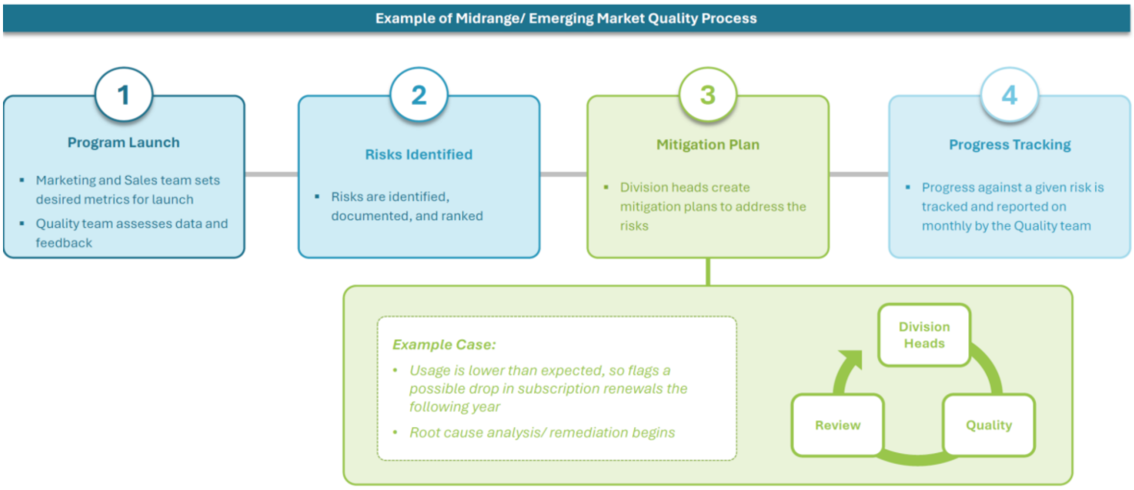
- The Finance Team manages the Group's financial resources and oversees financial planning and reporting.
- Responsibilities include budgeting, financial forecasting, accounting, taxation, and financial analysis.
- Ensures that the company operates within budgetary constraints, maximises profitability, and complies with financial regulations.

Human Resources Team

- The Human Resources Team maximises human capital value through strategic alignment, policies, systems, and schemes.
- Responsibilities include talent acquisition, training and development and talent retention.
- Offers development programs with opportunities to gain specialised certifications and new skills through ongoing training.
- Offers training and development plans to empower employees to enhance performance through courses on health, safety, cybersecurity and more.

Head of Quality

- The Head of Quality oversees the quality assurance processes across all aspects of the Group's operations.
- Responsibilities include defining quality standards, implementing quality control measures, and conducting audits or inspections.
- Works closely with product development, technology, and other divisions to ensure that products and services meet quality benchmarks. Example of quality assurance process is set out below:



Each business team plays a crucial role in the Group's overall performance and success. They collaborate to develop innovative products, deliver high-quality services, and effectively market and manage the business.

Properties and real estate

The Group operates its office premises on a leasehold basis only. The following table provides information regarding the premises leased or managed by the Group:

Facility	Ownership	Lessee
Office 2332, 23rd Floor, Sky Tower, Al Reem Island, Abu Dhabi, United Arab Emirates	Leased	Alef Education Holding plc (formerly known as Alef Education Holding Limited)
Unit 101, 2-42, 301A, Building No. 2, Al Khaleej, Al Muntazah Zone1, Ministries Complex, Abu Dhabi	Leased	Alef Education Consultancy L.L.C
C-40-P2-0206, Yas Creative Park, Building 40, Block 40, South Yas, Abu Dhabi.	Leased	Alef Education Consultancy L.L.C, Media Zone – Abu Dhabi Branch
Third Floor, Complex built on Plot No. 1066, Muraba's Musa Zone No. 10, Wadi al-Seer Village, Western Amman, Jordan	Leased	Alef Education Consultancy L.L.C, Jordan Branch

Health and safety

The Group is committed to protecting the health, safety, and welfare of its employees, contractors, and visitors. It recognizes health and safety as an integral part of its business performance. The Group has devised an overarching Health and Safety ("**H&S**") policy that prioritizes the following elements to establish positive health and safety practices:

1. promoting a culture of responsibility and accountability towards human health and safety;

2. pursuing best practices and allocating necessary resources to achieve, maintain, and develop H&S objectives;

3. appropriate provision and use of resources to minimize health and safety hazards and risks arising from the Group's activities and operations;

4. preventing injury and ill health of employees, contractors, and visitors;

5. creating a positive H&S culture through effective communication and consultation with all stakeholders to promote awareness and encourage participation;

6. providing effective H&S training;

7. enhancing the health and well-being of staff;

8. complying with all H&S legal and regulatory requirements applicable to the Group's operations;

9. striving for improvement of H&S performance in response to changing situations;

10. identifying workplace hazards and providing a system of H&S risk management;

11. carrying out regular audits basis at central office level to monitor compliance with the H&S policy;

12. engaging reputable service providers to support best practice in their specific field, such as security; and

13. maintaining a high level of cleanliness in all work premises.

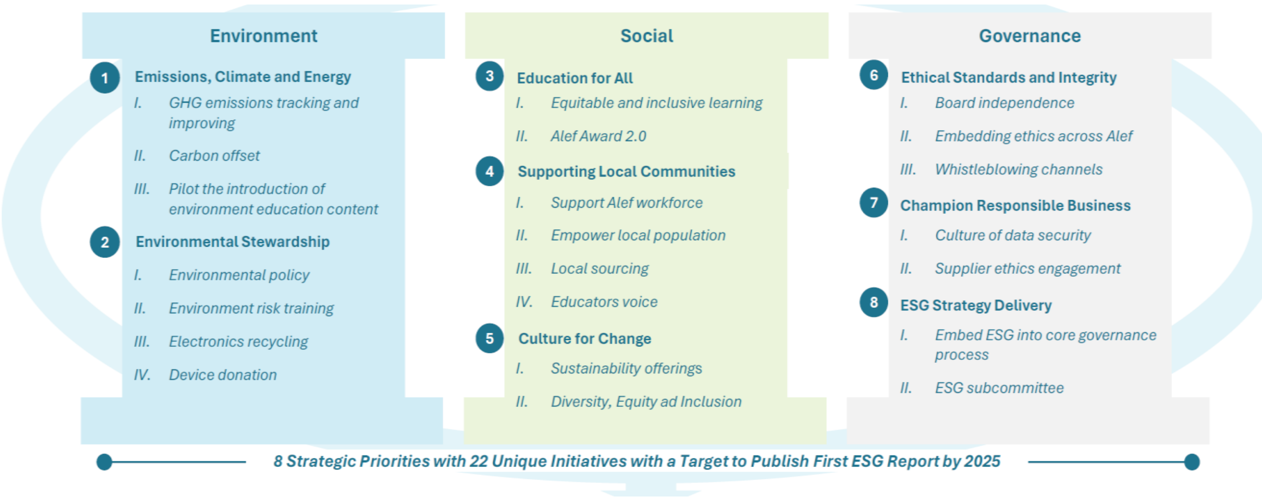
In order to supplement its H&S policy, the Group's business support division has developed a comprehensive emergency response plan.

Non-government partners

Apart from its strong relationships with various government departments and organizations in the UAE, the Group maintains strong relationships with non-government organizations and technical partners to support its business growth.

Environmental, Social and Governance (ESG)

The Group is committed to building a responsible and sustainable education ecosystem encompassing social inclusion and ethical governance. The Group is in the process of developing of its strategy, which has not yet been formalised, to advance its environmental, social, and governance ("**ESG**") responsibility contributions in line with the UAE's ESG goals:



	Initiatives	Targets
Environmental	1 *Emissions, Climate and Energy*	I. ***AED 0.5 MN[1] investment** for environment risks and opportunities* II. *Explore **green cloud** computing opportunities and **optimize energy consumption** in data center* III. ***Explore carbon offset** opportunities*
Environmental	2 *Environmental Stewardship*	I. *Develop and communicate **Alef environment policy amongst employees** by 2024* II. *Recuring trainings for employees **related to environment risk** by 2024* III. ***Minimize** e-waste footprint by 2030* IV. *Maintain **device donation programme** – In place*
Social	3 *Education for All*	I. *Champion education for all into **underserved communities totaling AED 1 MN[1]*** II. *Work with **global NGOs and local partners*** III. *Support **access to education of underprivileged students***
Social	4 *Supporting Local Communities*	I. *Support **education of employees' children** by 2024* II. *Support **UAE national employment and development** – In place* III. ***Increase local suppliers** within total procurement budget by 2024* IV. *Support **educators' professional development** – In place*
Social	5 *Culture for Change*	I. ***3,000 people upskilled** in sustainability each year[1]* II. ***50% women representation** across the organization*
Governance	6 *Ethical Standards and Integrity*	I. *Maintain the share of **Independent Directors** on the Board in line with SCA requirements* II. ***100% signature rate of Code of Conduct** and 100% participation to conflict-of-interest declaration* III. *100% completion for trainings in **Ethical Standards and Whistleblowing policies***
Governance	7 *Champion Responsible Business*	I. ***100% completion rate** of trainings related to information security by 2024* II. ***90% supply chain spend** to be allocated to suppliers who have signed the Supplier Code of Conduct by 2026*
Governance	8 *ESG Strategy Delivery*	I. ***ESG strategy** to be embedded into Alef's core decision making processes* II. *ESG subcommittee to monitor **ESG strategy implementation***

Contribution to UAE MOE's initiatives in COP 28

The Group, through Alef Education, signed a memorandum of understanding with the UAE Ministry of Education in October 2023 to establish a framework for increased collaboration in environmental sustainability and climate education. The framework includes:

1. Carbon Literacy Course: EcoChamps Program

UAE MOE's crucial support has led to policy changes and the establishment of constructive Green Education standards.

The Group, a strategic partner, significantly contributed to the program's success by introducing a groundbreaking Carbon Literacy Course. This curriculum not only aligns with COP28's sustainability goals but also empowers students with the knowledge needed to be environmentally responsible global citizens.

2. Alef Metaverse Experience

This Alef Education interactive platform transforms the educational landscape, immersing students in a dynamic virtual environment and enhancing their understanding of complex subjects.

3. Educators' Voice Community

The collaboration between the UAE MOE and the Group is evident in the creation of the Educators' Voice platform.

This platform underscores the Group’s commitment to empowering educators. It provides a space for sharing insights, best practices, and collaborative efforts to enhance the overall teaching and learning experience.

4. Data Showcase Project

With UAE MOE data-associated partner projects, the Group’s technology support has been pivotal in developing and implementing the Data Showcase Project to show UAE's achievements in Green Learning and contribution to climate change. The analysed data and visualisations were showcased at the COP 28 event in the Education hub.

Employees

For the financial year ending December 2023, the Group employed a total of 400 staff members across its operations. The table below details the total number of the Group ’s employees by division for the financial year ended 31 December 2023:

Sector	**As at December 31, 2023**
Education	67
Growth	39
Operations	53
Product	40
Service Delivery	96
Technology	105
Total	**400**

As of December 31, 2023, the Group employed a total of 400 staff members across its operations. The table below details the total number of Alef Education’s employees by countries for the financial year ended 31 December 2023:

Country	**As at December 31, 2023**
UAE	345

Jordan	31
Indonesia	14
Other Countries	10
Total	**400**

The Group's total headcount expanded from 97 employees in 2017 to 359 employees in 2020 and 400 employees in 2023, in line with the expansion of the Group's operations. The headcount includes certain employees who are legally contracted by third parties in different jurisdictions.

Alef Education's operations are subject to various federal and Emirate level laws in the UAE, which govern wages, hours, benefits and other terms relating to employment. The UAE Labor Law is the main regulation governing employment relations in the UAE and it governs except for certain specific groups, such as individuals employed by Government bodies and individuals employed by companies registered in the financial free zones, such as the DIFC. Under the UAE employment laws, all non-UAE national employees are required to have a valid residency visa and work permit with their registered employer in the UAE.

'NAFIS' (National Program for Emiratisation) is a federal program that increases the competitiveness of Emirati human resources and empowers them to occupy jobs in the private sector. Launched as part of 'Projects of the 50', the program aims to accelerate the UAE's development journey and boost the economy.

As part of the reforms, the Emiratisation Program, in line with the national strategies and directives of the UAE government, directs all employers under the purview of the Ministry of Human Resources and Emiratisation to increase the Emiratisation rate in private sector operations and retain a minimum percentage of nationals each year. Although most of the company's workplaces are in a free zone and are therefore exempt from this requirement, the company strives to comply with these rules voluntarily. Currently, it maintains a 6% Emirati nationality rate in the UAE. Alef Education continues to work towards increasing the proportion of Emirati nationals by 2% each year until at least 10% of its employees in the UAE are Emirati nationals.

Alef Education is also subject to various federal and local laws in Jordan, Indonesia and other countries where employees work and live. Although most of these countries do not focus on hiring nationals, the company strives to maintain diversity in accordance with, or at a higher level than, state requirements. Alef Education is committed to complying with the laws in these locations and monitors regional changes by working with outside consultants.

Intellectual property

Alef Education has registered the wordmark of "Alef", "ARABITS" and "ABJADIYAT" in English and other languages in various countries.

Details of the registration are summarized below:

Country	Trademark/ Wordmark		Application Date	Application Number	Classes	Registration Status

Canada	ALEF EDUCATION Logo		January 28, 2019	1942969	41,42	Application filed. Under examination
China	ALEF EDUCATION logo (English & Chinese)		October 22, 2018	34171265 34171266	41 42	Registered Published
Egypt	ALEF EDUCATION (English & Arabic)		January 11, 2018	379793 379794	41,42	Appealed, awaiting approval
India	Alef & logo		June 15, 2017	3571576	42	Appealed, awaiting approval
Oman	Alef logo		June 11, 2017		35	Registered
Pakistan	ALEF EDUCATION (English & Arabic)		October 29, 2018	512265 512264	41,42	Approved, pending publication
Singapore	ALEF EDUCATION logo (series of 2)		September 20, 2018	40201819000U	41, 42	Registered
Syria	ALEF EDUCATION		November 6, 2018	148777	42	Registered
USA	ALEF	Wordmark	June 5, 2018	67948853	41	Registered
UAE	ALEF EDUCATION (series of 2)		October 17, 2018	300149, 300150	41,42	Registered
Yemen	ALEF EDUCATION (series of 2)		October 30, 2018	87172, 87174	41,42	Registered
Saudi	ARABITS	Wordmark	January	271986	41	Application

Arabia			24, 2021			filed, under examination
Oman	ARABITS	Wordmark	January 4, 2021	142178, 142179	9,41	Registered
Kuwait	ARABITS	Wordmark	January 4, 2021	2021/000004, 2021/000003	9,41	Published
Bahrain	ARABITS	Wordmark	January 14, 2021	130992, 130993	9,41	Application advertised. Opposition period closed on February 27, 2021
Indonesia	ARABITS	Wordmark	December 22, 2020	DID2020083110, JID2020083116	9,41	Registered
Canada	ARABITS	Wordmark	December 16, 2020	2071287	9,41	Application filed, under examination
USA	ARABITS	Wordmark	December 15, 2020	90383606	9,41	Application filed, under examination
Turkey	ARABITS	Wordmark	December 15, 2020	2020/158751	9,41	Application filed, under examination
Australia	ARABITS	Wordmark	December 16, 2020	2143483	9,41	Published
Algeria	ABJADIYAT	Wordmark	October 25, 2017	103412	9,35,41, 42	Registered
Bahrain	ABJADIYAT	Wordmark	October 26, 2017	120743, 120745, 120746, 120748	9,35,41, 42	Registered
Egypt	ABJADIYAT	Wordmark	October 23, 2017	358951, 358952, 358953, 358954	9,35,41, 42	Registered

Kuwait	ABJADIYAT	Wordmark	October 24, 2017	167322, 158911, 157390, 157389	9,35,41, 42	Registered
Libya	ABJADIYAT	Wordmark	Decembe r 4, 2017	34204,3 4205,34 206,342 07	9,35,41, 42	Registered
Oman	ABJADIYAT	Wordmark	October 25, 2017	113841, 113840	9,35	Registered

See "*Risk Factors — Risks Relating to the Group and its business — The Group's brand is dependent upon its intellectual property rights, and any failure or inability to protect those rights could reduce the value of Group's services and brand.*"

Information technology systems

Alef Education has an established comprehensive, unified, and modern information technology ("**IT**") infrastructure that offers a credible IT delivery model to support the management and operation of its business.

The Group's business and operations include computer systems and software design activities necessary to provide its customers with digital education solutions.

The Group owns no data centers but has a hosted scalable infrastructure primarily with AWS. In relation to its business applications, Alef Education's products are cloud-based, with most of the information technology business-critical systems based on the "Software as a Service" model.

The Group's information technology systems are essential to several critical areas of its business operations, including its digital platforms and product portfolio, billing, electronic document management systems, and learning management systems. Further, the Group's information technology systems are predominantly cloud-based, with local content servers operating in selected schools and institutions.

The Group relies mainly on the following:

- Microsoft Dynamics 365 (ERP) for accounting, reporting, and procurement.
- SalesForce CRM for customer information, sales pipeline, renewal, and contract management.
- DarwinBox HRIS for personal/employee data.
- ManageEngine ITSM for incidents, requests and change management.
- Other third-party software providers, such as Google Suite and Microsoft Office 365, for identity management, emails, collaboration, and conferencing.

- Tableau for data reporting and analytics.
- Jira for Agile project management and a few others to monitor its entire operations.

The Group relies on the IT and telecommunication infrastructure provided by the following third parties to support its operations.

Etisalat by e&

The Group has entered into an agreement with Etisalat by e&, a leading telecommunications and internet service provider company in the UAE, to ensure that the Group receives high-speed internet access. The agreement was entered into on December 26, 2023, and expires on December 25, 2026, but can be extended upon mutual agreement between the parties.

E& Enterprise Cloud – Sole Proprietorship L.L.C

The Group is supplied with various IT support resources by E& Enterprise Cloud – Sole Proprietorship L.L.C ("**E&**") pursuant to a contract entered into by both parties on July 21, 2023. The contract is valid for two years and can be extended upon mutual agreement between the parties.

The services provided by E& under the contract include the supply and onsite management of IT support to different remote sites and schools to support the Group's business.

See '*Risk Factors — Risk Factors relating to the Group and its business — Significant disruptions of the Group's information technology systems, breaches of the Group's data security, unauthorised disclosures or manipulation of sensitive personal data, could expose Alef Education to litigation or could adversely affect its business or reputation.*'

Proprietary education platform utilising advanced technology

With the support of its in-house research team and subject matter experts, the Group has developed its proprietary digital learning platforms which harness advanced technologies to create an engaging and effective learning environment. Some of the latest data science, key digital technology and learning science employed by the Group include:

1. **Artificial intelligence** (AI): The Group utilises AI to provide personalised learning experiences for students. AI algorithms may analyse student performance data and adapt the learning content and pace to suit individual needs, thus optimising the learning process.
2. **Data analytics**: The platform leverages data analytics to track student progress, identify learning gaps, and provide insights to educators. This data-driven approach allows for personalised interventions and targeted support for students based on their specific learning needs.
3. **Interactive multimedia content**: the Group's platform includes interactive multimedia content such as videos, simulations, and interactive exercises to enhance student engagement and comprehension. These resources are designed to make learning more dynamic and interactive.
4. **Cloud computing**: The use of cloud computing technology allows for scalable and flexible access to educational resources and tools. It enables seamless delivery of content and services while also facilitating collaboration and communication within the platform.

5. **Mobile and web technologies**: The platform supports access from various devices, including mobile phones, tablets, and desktop computers. The Group does not develop its own hardware devices for accessing its digital learning solutions. This flexibility enables students to engage with the learning materials across different environments and devices.
6. **Adaptive learning algorithms**: The Group employs adaptive learning algorithms to customise the learning experience for each student based on their strengths, weaknesses, and learning styles. These algorithms help tailor educational content and exercises to suit individual student needs.
7. **Learning Management System (LMS)**: The platform may incorporate a robust learning management system to organise educational content, assessments, and student data, thereby providing educators with tools to monitor student progress and manage the learning process effectively.

By integrating these technologies, the Group pioneered in providing a comprehensive digital learning experience that is tailored to the needs of individual students, supported by data-driven insights and personalised educational content.

Insurance

The Group maintains insurance coverage for various insurable risks under a range of insurance policies, including in relation to fidelity guarantee insurance, money takaful insurance, property all risk insurance, public liability insurance, workmen’s compensation and employer’s liability insurance, cyber primary layer insurance, excess layer insurance and professional indemnity insurance. Alef Education also maintains group medical insurance coverage for its staff members.

Litigation

At the date of this Prospectus the Group is not involved in any threatened or pending litigation. However, in the ordinary course of the Group’s business activities, the Group may, from time to time, have disputes with customers, contractors and suppliers. The Group has not been involved in any other governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Group’s management is aware) during the 12 months preceding the date of this Prospectus that may have, or have had, a significant effect on the Group’s financial position or profitability.

2. Statement of capital development

Company's current share capital structure before the commencement of the Offering

The capital of the Company has been fixed at AED 70,000,000, divided into 7,000,000,000 (seven billion) Shares with a nominal value of AED 0.01 (one Fils) each. All Shares are equal in respect of all rights.

The following table illustrates the Company's ownership structure before and after completion of the Offering:

As at the date of this Prospectus –

Before Offering:

Name	Nationality / Country of Incorporation	Type of shares	Number of shares owned	Total value of shares owned*	Ownership proportion
Tech Nova Investment – Sole Proprietorship L.L.C	UAE	ordinary	5,950,000,000	AED 59,500,000	85%
Kryptonite Investments L.L.C	UAE	ordinary	1,050,000,000	AED 10,500,000	15%

*Based on the nominal value.

After Offering:

Name	Nationality / Country of Incorporation	Type of shares	Number of shares owned	Total value of shares owned*	Ownership proportion
Tech Nova Investment – Sole Proprietorship L.L.C	UAE	ordinary	4,760,000,000	AED 47,600,000	68%
Kryptonite Investments L.L.C	UAE	ordinary	840,000,000	AED 8,400,000	12%
Successful Subscribers at Listing	Various	ordinary	1,400,000,000	AED 14,000,000	20%

*Based on the nominal value.

Company's capital structure upon completion of the Offering

Upon the completion of the Offering and subject to no increase in the Offer Size, the Company's paid-up share capital shall be AED 70,000,000 (seventy million), divided into 7,000,000,000 (seven billion) Shares with a value of AED 0.01 per Share.

Assuming all of the Offer Shares are allocated and the Offer size is not increased, the Selling Shareholders will hold in aggregate 80% (eighty per cent) of the total share capital of the Company, assuming that the Selling Shareholders sells all of the Shares being offered and the Offering size is not increased. The Company has presented its plan to SCA for the Selling Shareholders to offer 20% (twenty per cent) of the total share capital of the Company. The Selling Shareholders reserve the right to amend the size of the Offering and size of any Tranche at any time prior to the end of the subscription period at their sole discretion, subject to the applicable laws of the UAE and the SCA's approval.

No. of Selling Shareholders' Shares:	**5,600,000,000 (five billion six hundred million) Shares**
No. of total Subscribers' Shares (assuming all Offer Shares are allocated including all Tranches mentioned under the Prospectus):	**1,400,000,000 (one billion four hundred million) Shares**
Total:	**7,000,000,000 (seven billion) Shares**

3. Statement of the status of litigation actions and disputes with the Company over the past three years

The Company has not been involved in any material, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) preceding the date of this Prospectus which may have, or have had, a significant effect on its financial position or profitability.

4. Statement of the number and type of employees of the Group and of its subsidiaries:

As at 31 December 2023, the Group employed 400 employees broken down by division as follows:

Sector	**As at December 31, 2023**
Education	67
Growth	39
Operations	53
Product	40
Service Delivery	96
Technology	105

Total	**400**

5. Accounting policies adopted at the Company:

The Company prepares its accounts in accordance with IFRS as issued by the International Accounting Standards Board.

6. Statement of Company's financings, credit facilities and indebtedness and the most significant conditions thereof:

None.

7. Statement of current pledges and encumbrances on the Company's assets:

None.

8. Investment Risks:

Investing in and holding the Shares involves financial risk. Prospective investors in the Shares should carefully review all of the information contained in this Prospectus and should pay particular attention to the following risks associated with an investment in the Company and the Shares that should be considered together with all other information contained in this Prospectus. If one or more of the following risks were to arise, our business, financial condition, results of operations, prospects or the price of the Shares could be materially and adversely affected, and investors could lose all or part of their investment. The risks set out below may not be exhaustive and do not necessarily include all of the risks associated with an investment in the Company and the Shares. Additional risks and uncertainties not currently known to the Company or which it currently deems immaterial may arise or become material in the future and may have a material adverse effect on the Company's business, results of operations, financial condition, prospects or the price of the Shares.

Risk Factors

Risks Relating to the Group and its business

The Group's revenues and financial performance is currently highly dependent on a single client which means the Group faces a prolonged period of operational and economic reliance on this single contractual relationship for its revenue stream. Any violation of the terms of this agreement will have a detrimental effect on the Group.

Alef Education's agreement with ADEK for the "*Implementation of Education System in Abu Dhabi Schools*" ("**ADEK Agreement**") is a cornerstone of its business model, binding the Group's financial health to the successful execution and continuity of this agreement. Given ADEK Agreement's duration from January 1, 2019, until December 30, 2030, Alef Education faces a prolonged period of operational and financial reliance on this single contractual relationship for its revenue. For the financial year ended 31 December 2023, revenue generated from the ADEK Agreement represented 99% of the Group's revenue from contracts with customers. Please read the risk factor: ***A significant portion of the Group's revenue is generated from a business relationship with Presidential Court (PC) without a formal written agreement. The reliance of the Group on informal***

agreements places the Group in a vulnerable financial situation. The nature of Alef Education's business and contractual arrangement with the Government of Abu Dhabi inherently subjects the Group to a higher degree of operational and financial risk. Should the Government of Abu Dhabi decide to alter its educational strategy, shift towards a different vendor, or if there is a significant change in policy affecting online education provision, the ADEK Agreement could be at risk of non-renewal or early termination. Additionally, failure on Alef Education's part to meet the performance standards or deliverables stipulated in the ADEK Agreement could also lead to its discontinuation.

The ADEK Agreement sets out certain requirements and guidelines for the provision of the services for a fixed term of 12 years, which can only be renewed by the decision of both parties, in good faith, and may be terminated by ADEK without cause, if termination is considered by ADEK in its interest. The ADEK Agreement may also be terminated by either party, if the other party fails to perform its obligations within the timelines of the ADEK Agreement which has not been cured, commits any material breach of the ADEK Agreement which has not been remedied, becomes bankrupt or insolvent, tries to deceive or defraud in its dealing with the other party, or assigns or subcontracts any part of ADEK Agreement without the consent of the first party. ADEK is also entitled to terminate the ADEK Agreement on the change of control of Alef Education. While the ADEK Agreement provides Alef Education with a stable revenue source, it also exposes the Group and Alef Education to a spectrum of operational, economic, and financial risks. These challenges include maintaining high operational standards, managing cost overruns, adapting to regulatory changes, and dealing with broader market and economic fluctuations, all of which could significantly impact the Group's financial health and success throughout the term of the agreement. Furthermore, the ADEK Agreement, which is set for a fixed duration and subject to renewal upon mutual agreement, contains specific requirements and guidelines for service provision. However, there is no guarantee that the Group will meet all obligations or maintain the requisite operational standards as outlined in the agreement. Failure to adhere to these obligations could lead to a breach of contract, potential damages, or reputational harm to the Group. Additionally, the possibility of non-renewal by ADEK or the decision to terminate the agreement without cause introduces further uncertainty. This uncertainty, coupled with the inability to ensure compliance with the agreement's terms or guarantee its renewal, underscores the risk of adverse effects on the Group's reputation, financial standing, and operational performance.

The potential non-renewal or termination of the ADEK Agreement would not only result in the loss of the Group's key source of revenue but could also impact the Group's share price and future financing capabilities. It would necessitate a rapid strategic realignment to identify and secure alternative revenue sources, which could involve significant investment and lead time to achieve. This arrangement subjects Alef Education and the Group to significant economic and financial risks, in particular:

Revenue Concentration Risk: The ADEK Agreement is the primary source of Alef Education's and the Group's revenue, introducing a high degree of concentration risk. This dependency means that any fluctuations in the agreement's stability, whether through renegotiations, scope adjustments, or premature termination, could directly impact the Group's financial performance. The reliance on a singular revenue source limits diversification and increases vulnerability to the ADEK Agreement's dynamics and the broader economic environment affecting the education sector and government funding priorities.

Operational Execution Risk: The comprehensive nature of services Alef Education commits to under the ADEK Agreement, including software development, content creation, hardware provision, and ongoing technical support, requires significant operational resources and expertise. The Group and Alef Education's financial stability is contingent upon its ability to continually meet or exceed the contractual obligations and performance metrics. Failure to do so could result in financial penalties, reduced payments, or, in the worst case, contract termination, which could have a material adverse effect on the Group’s business, financial condition, results of operations and prospects.

Cost Overruns and Scalability Challenges: The ADEK Agreement stipulates Alef Education's responsibility for developing and supplying educational software and content, along with hardware and technical support. This arrangement exposes the Group and Alef Education to risks of cost overruns, especially if the development or provision of these services encounters unexpected challenges or if ADEK requests changes exceeding the complementary rework threshold. Additionally, scalability challenges could arise if the number of students or schools expands beyond initial projections, requiring the Group and Alef Education to invest more resources without proportionate increases in revenue under the fixed fee structure.

Regulatory and Compliance Risk: Alef Education's operations under the ADEK Agreement must adhere to evolving educational regulations and standards within the UAE. Changes in regulatory requirements or educational policies could necessitate unforeseen adjustments in its online platforms, potentially incurring additional costs or requiring rapid operational pivots that could strain financial resources and impact profitability.

Market and Economic Conditions: The long-term nature of the ADEK Agreement also exposes Alef Education and the Group to broader market and economic conditions that could affect its financial stability. Economic downturns, shifts in government education funding, or changes in educational technology trends could alter the contract’s value or feasibility. Furthermore, inflationary pressures could erode profitability if the costs associated with delivering the contractual obligations rise faster than the compensation received under the ADEK Agreement, especially given the fixed nature of the Education Solutions Fee (which is calculated as a fixed fee for education content per student per academic year and varies depending on the level of enrolment) (“**Education Solutions Fee**”) and the IT Infrastructure Solution Fee.

The requirement within the ADEK Agreement to adapt and rework up to 15% of the educational content without additional compensation introduces a nuanced layer of financial and operational risk, namely:

Content Reworking Related Risks: The ADEK Agreement provides that up to 15% of the educational content may be reworked at no extra charge places a potential financial burden on Alef Education and the Group, as the Group would be required to incur and absorb significant operational costs that would not be recouped through additional fees, unless the volume of changes requested by ADEK surpasses the 15% mark, at which point standard consultancy charges apply. This arrangement potentially subjects Alef Education and the Group to unforeseen financial strain, especially if the need for content adaptation is consistently at or near this cap, thereby squeezing margins and impacting profitability. Additionally, content reworking exposes the Group to additional operational burden, especially if they are extensive or require specialized input, which can in turn divert resources away from other critical areas such as innovation, development of new content, or enhancement of the platform’s features. This could consume significant operational bandwidth and limit the Group’s and Alef Education's ability to invest in areas that are crucial for maintaining competitive edge and meeting evolving educational needs.

While the provision for standard consultancy charges beyond the 15% rework threshold offers a mechanism to recoup some costs, consistently exceeding this limit could signal deeper issues with the alignment of expectations between Alef Education and ADEK, including on content strategy, which could lead to potential contractual disputes, particularly on the parties' interpretation of what constitutes the threshold for additional charges. Any of these factors could strain the relationship with ADEK, disrupt the smooth execution of the ADEK Agreement or impact the financial outcomes of the ADEK Agreement, which would in turn adversely impact the Group's reputation, financial position and operational outcomes.

Market Competitiveness and Innovation Risks: The operational focus on adapting and reworking existing content to meet ADEK's requirements could inadvertently constrain Alef Education's capacity to innovate and respond to market trends. In a fast-evolving educational technology landscape, the necessity to allocate significant resources towards content adaptation may hinder the Group and Alef Education's ability to invest in new technologies, develop innovative teaching methodologies, or expand its service offerings, potentially affecting its competitive position in the market.

The ADEK Agreement sets forth strict performance timelines and deliverables, incorporating a framework for liquidated damages that enforces financial penalties for any delays in service provision. These penalties are stipulated to reach up to 10% of the annual Education Solutions Fee for the students affected by such delays. This contractual provision introduces several risks to the Group and Alef Education, encompassing economic, legal, and financial matters, particularly:

Financial Risks from Liquidated Damages:

- *Profitability and Cash Flow Impact*: The imposition of liquidated damages for delays directly impacts the Group's and Alef Education's profitability. Given that these damages can amount up to a maximum of 10% of the annual Education Solutions Fee, recurring delays, or failure to meet specified timelines could significantly erode the Group and Alef Education's profitability and operational margins and also strain the Group and Alef Education's cash flows, especially if such payments become frequent or if multiple projects experience delays simultaneously. This is particularly consequential in a high-volume, low-margin environment where even minor reductions in revenue can have amplified effects on net income. Additionally, the requirement to pay liquidated damages can also strain the Group and Alef Education's cash flows, especially if such payments become frequent or if multiple projects experience delays simultaneously. This could necessitate the diversion of financial resources from critical areas such as research and development, marketing, or expansion initiatives to cover the penalties, which could have a negative effect on the Group's cash flow and the Group may require additional working capital or third-party funding.

Legal Risks from Indemnification Obligations:

- *Exposure to Liability*: Alef Education's obligation to indemnify ADEK against damages arising from negligence, wrongful acts, or infringement of third-party intellectual property rights introduces substantial legal risks. This indemnification can lead to significant financial liabilities, especially in cases involving substantial claims related to intellectual property rights violations, where the costs of litigation and potential damages awarded could be extensive.

- *Reputational Damage*: Legal disputes or findings of liability could also tarnish the Group's and Alef Education's reputation, potentially affecting its ability to secure future contracts or partnerships. The legal risks associated with indemnification obligations could deter prospective clients or collaborators, especially those for whom stringent compliance and risk management are priorities.

Operational and Strategic Risks:

- *Resource Diversion*: Meeting the stringent performance timelines and managing the indemnification obligations may require Alef Education to allocate substantial operational and managerial resources to compliance and risk mitigation efforts. This diversion of resources could detract from the Group and Alef Education's focus on strategic initiatives, innovation, and market expansion, limiting its ability to capitalize on new opportunities.

- *Contractual Rigidity*: The strict contractual requirements and the potential for financial penalties may also make the Group and Alef Education more risk-averse, potentially leading to conservative decision-making that prioritizes compliance over innovation. This could inhibit the Group's agility and responsiveness to market changes, impacting its competitive edge and long-term growth prospects.

The stringent performance timelines, liquidated damages provisions, and indemnification obligations within the ADEK Agreement introduces a complex web of economic, legal, and financial risks for Alef Education. These risks not only threaten Alef Education's financial health and operational efficiency but also pose broader strategic challenges that could affect its market position and long-term viability.

The governance structure and renewal provisions outlined in the ADEK Agreement, coupled with specific conditions for termination, including early termination provisions fee that could reach the value of the Education Solutions Fee due up to the end of the term of the ADEK Agreement, weave a complex tapestry of uncertainties and vulnerabilities for the Group and Alef Education, impacting its long-term revenue continuity and stability. These aspects of the ADEK Agreement introduce several economic, legal, and financial risks:

Economic Risks:

- *Uncertainty in Revenue Continuity*: The requirement for renewal discussions twelve months prior to the ADEK Agreement's' expiry, which is due on December 31, 2030, injects a degree of uncertainty into Alef Education's long-term financial and strategic planning. The inability to secure a renewal well in advance of the ADEK Agreement's' termination could hinder the Group's and Alef Education's ability to make informed strategic decisions, allocate resources efficiently, and plan for sustained growth, affecting overall economic stability.

- *Vulnerability to Market Dynamics*: The stipulated conditions for termination, particularly in response to changes in the Alef Education's control, underscore a heightened sensitivity to external market conditions and shifts in the business environment. Change in Alef Education's control which could lead to termination of the ADEK Agreement, may be through acquisition, sale or purchase of either the voting rights attaching to 50% or more of the voting shares of Alef Education; or power to direct or cause direction and management of policies of Alef Education in accordance with the acquirer's wishes, whether as a result of ownership of shares, control of board of directors, contract or any powers conferred by articles of association of Alef Education. Such provisions expose Alef Education and the Group to economic risk if market-driven control changes, such as mergers, acquisitions, or significant shifts in share ownership, are perceived negatively by ADEK, potentially leading to premature contract termination.

Legal Risks:

- *Contractual Compliance*: The detailed governance structure and the prerequisites for contract renewal and termination necessitate meticulous legal compliance and strategic foresight. Failing to adhere to these stipulations or to effectively navigate the legal complexities of governance and control changes could lead to breaches of contract, invoking legal disputes or termination proceedings.

- *Exposure to Litigation*: Changes Alef Education control that trigger termination provisions could also expose Alef Education to litigation risks, not only with ADEK but also with third parties affected by the sudden halt in operations or service delivery. Such legal challenges could incur significant expenses, distract management, and further destabilize Alef Education's operational framework.

Financial Risks:

- The uncertainty surrounding the renewal of the ADEK Agreement, coupled with the possibility of its termination due to changes in the control of Alef Education, significantly impacts the Group's and Alef Education's financial position and their ability to secure financing. This perceived contract volatility may lead investors and creditors to consider it a risk factor, potentially resulting in a higher cost of capital or challenges in accessing financial markets for essential growth capital. Concurrently, the requirement to commence renewal discussions twelve months before the agreement's expiry places a substantial demand on the allocation of managerial and financial resources to ensure the contract's continuation. This allocation involves not just direct costs but also significant opportunity costs, as the resources committed to these negotiations could have been utilized for other strategic pursuits or operational enhancements, highlighting the intricate balance between managing contractual relationships and pursuing broader business objective.

The governance provisions, renewal requirements, and termination conditions within the ADEK Agreement present a multifaceted risk profile. These elements introduce economic uncertainty, legal compliance challenges, and financial vulnerabilities, particularly relating to long-term revenue continuity, market valuation, and Alef Education's ability to adapt to and mitigate the repercussions of external business environment changes and control shifts. These risks necessitate vigilant management and strategic agility to navigate potential disruptions and safeguard Alef Education's operational and financial integrity.

Alef Education is party to a number of supply agreements that subject the Group to various economic, legal, and financial risks that could materially impact the Group's operations and reputation.

Alef Education has entered into a private pricing addendum with Amazon Web Services EMEA SARL ("**AWS**"), effective from April 12, 2022, until April 30, 2026 (as extended), which is an addendum to AWS's standard customer agreement, as available on AWS' website. While this addendum provides financial benefits, including discounts and credits for Alef Education using AWS's webservices, it also subjects Alef Education and the Group to various economic, legal, and financial risks that could materially impact its operations and reputation.

Financial Risks:

- *Dependency on AWS Services*: The financial incentives provided under the addendum may lead to increased reliance on AWS for critical services. This dependency could limit Alef Education's ability to switch to alternative providers or negotiate more favourable terms in the future, potentially affecting its operational costs and strategic agility. This could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Legal Risks:

- *Broad License to Use Alef Education's Name and Logos:* The addendum grants AWS and its affiliates a non-exclusive, worldwide, royalty-free license to use Alef Education's name and logos to identify Alef Education as an AWS customer. This broad license, especially the inclusion of an extensive range of affiliates, could result in the Group's brand being associated with entities and services beyond the Group's control or approval, potentially diluting its brand value or aligning it with services or standards not in line with Alef Education's ethos. This creates a reputational risk.

Financial Risks:

- *Termination and Revocation Rights*: Although the agreement includes provisions for terminating the use of Alef Education's name and logos by AWS with a 30 day written notice, any misuse or undesirable association prior to such termination could have lasting negative effects on Alef Education's brand reputation and shareholder value.

- *Operational Costs Related to Brand Management:* Managing and monitoring the use of Alef Education's name and logos by AWS and its wide network of affiliates may incur significant operational costs, including potential legal expenses to address any misuse or to dissociate Alef Education's brand from undesirable affiliations.

While the private pricing addendum with AWS offers certain immediate financial benefits, the broader implications of the licensing provisions introduce significant risks. These include potential challenges in maintaining brand integrity, negotiating future service agreements, and ensuring that Alef Education's brand associations align with its strategic goals and values, and the Group may become subject to negative publicity and lose users as a result of a loss of their confidence in the Group's brand, and may also become subject to litigation or other proceedings. Any such proceedings could divert management attention and Alef Education's and the Group's other resources from its business and cause the Group to incur significant unplanned losses and expenses. Clients' perception of the Group's brand could also be negatively affected by these events, which could further adversely affect the Group's business and results of operations of the Group.

Also, Alef Education has committed to a telecommunications and internet services agreement with Etisalat by e& ("Etisalat"), one of the foremost providers in the United Arab Emirates, to secure high-speed internet access at preferential rates. This agreement, which commenced on December 26, 2023, and is set to conclude on December 25, 2026, represents several economic, legal, and financial risks that could materially affect the Group's operations, financial condition, and prospects, in particular:

Economic Risks:

- *Operational Dependency*: The agreement underscores Alef Education’s reliance on Etisalat for critical internet and telecommunications services essential for its daily operations. Any disruptions or deteriorations in service quality could adversely impact Alef Education’s and the Group’s operational efficiency and productivity.

- *Cost Implications of Early Termination*: Should the Group opt to terminate the agreement prematurely, Etisalat is entitled to impose financial penalties, including the revocation of discounts and potentially other penalties. Such costs could significantly affect Alef Education’s and the Group’s financial planning and economic standing.

Legal Risks:

- *Termination Rights and Penalties*: The condition that allows Etisalat to levy penalties for early termination by Alef Education introduces a legal obligation that could lead to substantial financial liabilities, particularly if the termination is necessitated by unforeseen business needs or strategic shifts.

- *Unilateral Termination by Etisalat*: Etisalat’s authority to terminate the agreement without notice on specific grounds, such as contract breach or operational concerns, and its right to end the agreement with thirty days’ notice for any reason, places Alef Education and the Group in a vulnerable position. This could lead to sudden loss of services and necessitate rapid sourcing of alternatives, potentially under less favourable terms.

Financial Risks:

- *Impact on Financial Planning:* The potential for financial penalties and the loss of discounted rates in the event of early termination by either party could have a material adverse effect on the Group’s business, financial condition, results of operations and prospects. Moreover, the necessity to find alternative services could result in higher operational costs.

- *Liability for Breach of Contract:* The agreement’s terms regarding breach and termination expose Alef Education and the Group to potential liabilities and financial burdens. This includes not only penalties for early termination but also costs associated with any legal disputes or litigation arising from alleged breaches of contract terms.

The reliance on a single provider for telecommunications services, combined with the contractual terms governing termination and penalties, poses significant risks to the Group's operational stability and financial health. These factors could constrain the Group’s operational flexibility, impact strategic decision-making, and impose unexpected financial burdens, all of which investors should carefully consider.

Alef Education is a party to a number of supply contractual arrangements and any breach of the terms of these agreements could cause financial and operational risks to the Group.

Alef Education is party to an agreement ("**MOD Agreement**") with the Ministry of Defence ("**MOD**") for the purposes of providing Alef Education's online educational platform for teaching academic subjects to K7-12 students in military high schools of Al Ain, Al Dhafra and Al Dhaid City for a term of 4 years, beginning from 2021-22 school year, which includes provisions for a performance bond and stipulates specific damages and limitations of liability that introduce substantial financial and operational risks to *Alef Education*. These provisions could materially impact the Group's financial condition and operational capabilities, in particular:

Performance Bond Risk: Alef Education has issued a performance bond equivalent to 10% of the contract value of the MOD Agreement. This bond is a guarantee of Alef Education's performance under the MOD Agreement and must remain in effect for a minimum of 120 days beyond the agreement's expiry. The requirement to maintain such a bond represents a significant financial commitment and could affect the Group's liquidity by tying up capital that could otherwise be used for operational needs or growth initiatives. Furthermore, if the MOD claims the performance bond due to perceived non-performance or delays by Alef Education, this could lead to a substantial financial loss to the Group.

Damages and Liability Risks: The MOD Agreement holds Alef Education liable for compensating the MOD for any damages or liabilities incurred to their or any third-party's property, or for death and/or injury, resulting from the misconduct, negligence, or failure of delivery of services by Alef Education. This encompasses damages arising from the misconduct of Alef Education's employees and includes any failure, damage, or breakdown of devices, equipment, facilities, and buildings at MOD work sites. The broad scope of this liability, which extends to a vast array of potential incidents, poses a significant risk. While the MOD Agreement caps the total aggregate liability to the total student subscription fees paid by the MOD during the 6 months immediately preceding the date on which the claim arose, this limitation may not fully mitigate the financial impact of large claims or the potential for multiple claims within a short period. Additionally, reputational damage resulting from any such incidents could have long-lasting effects on Alef Education's business prospects and relationships with other clients.

Operational Execution Risk: The comprehensive nature of services Alef Education commits to under the MOD Agreement, including software development, content creation, hardware provision, and ongoing technical support, requires significant operational resources and expertise. The Group and Alef Education's economic stability is contingent upon its ability to continually meet or exceed the contractual obligations and performance metrics. Failure to do so could result in financial penalties, reduced payments, or, in the worst case, contract termination, thereby straining the Group and Alef Education's financial position and operational capability.

Moreover, the process of addressing claims for damages or liabilities could divert management's attention from its core operations and strategic objectives, leading to operational inefficiencies. It may also necessitate significant legal and financial resources to resolve disputes or claims, further impacting its financial condition and operational performance. Additionally, failure on Alef Education's part to meet the performance standards or deliverables stipulated in the MOD Agreement could also lead to its discontinuation.

Risks relating to regulatory oversight and the licensing requirements in the UAE and the Group is subject to a wide variety of regulations and is required to obtain and maintain various licenses and permits, any failure of which may have a material adverse effect on us.

The Group's business and operations are subject to various laws, rules, regulations, and licensing requirements in the United Arab Emirates ("**UAE**"). They are overseen by several regulatory bodies, specifically the Ministry of Education ("**MOE**") established by virtue of Federal Law No. 1 of 1972 (as amended).

The MOE is the overarching federal authority governing education in the UAE, including all stages of education at the national level, including schools, colleges, universities, and post-graduation programs, as well as other educational service providers and platforms. The MOE plays a crucial role in regulating and overseeing education across the UAE, ensuring quality standards and safety for students in both private and public schools. While it does not directly control private school curricula (except for Arabic, social studies, and Islamic studies), it sets overall guidelines that private schools must adhere to its Quality Assurance and Inspection Division.

Emirates School Establishment ("**ESE**"), an independent federal entity established by virtue of Federal Decree-Law No. 15 of 2016, with the aim of enhancing the efficiency of public schools across the UAE. It focuses on creating a positive learning environment enriched with innovation, knowledge, and skills. ESE manages responsibilities related to teaching staff, student well-being, exam management, and operational matters.

In November 2017, the MOE and ADEK, aligned the Abu Dhabi education system to standardise policies and curriculum in public schools across the UAE to ensure proper and unified management that is in line with the Emirati School Model ("**ESM**").

ADEK, the education sector regulator across the Emirate of Abu Dhabi is responsible for licensing all private educational bodies and monitoring their obligations to provide the highest quality of services as well as controlling and overseeing institutions with respect to, inter alia, budget disbursements, revenue and approving their strategic and operational plans.

Also, Alef Education's operations under the ADEK Agreement must adhere to evolving educational regulations and standards within the UAE. Changes in regulatory requirements or educational policies could necessitate unforeseen adjustments in its online platforms, potentially incurring additional costs or requiring rapid operational pivots that could strain financial resources and impact profitability.

The Knowledge and Human Development Authority ("**KHDA**") is the government authority responsible for the growth and quality of private education in Dubai. Similarly, the Sharjah Private Education Authority ("**SPEA**") serves as the education sector regulator in the Emirate of Sharjah, regulating and supervising private educational institutions, including nurseries, schools, centres, and institutes. Also, The Federal Authority for Quality and Standards of Education, affiliated with the UAE Cabinet, is tasked with measuring educational outcomes, student performance, and the efficiency of the educational process. This authority was established in 2022 by virtue of Federal Decree-law No. 44 of 2022 on the Establishment of the National Centre for Education Quality.

Regulations constantly evolve and are subject to regular review and amendment by the regulatory authorities and the Group is unable to predict the future course of regulations. In case of failure to comply with existing laws and regulations, meet any licensing requirements or comply with the directives contained in the findings of any regulatory inspections, the authorities may suspend or revoke licenses, impose fines or other restrictions on online educational platforms and their operators.

Any termination or suspension of any license or permit or non-renewal of any of the Group's licenses or permits for whatever reason could result in the cessation of the respective license, significantly curtailing the relevant the Group's ability to enrol new students or offer educational services. Any such event may cause the relevant online educational platforms and therefore the Group, to incur costs to fulfil their obligations to the enrolled students and may expose the online educational platforms and the Group to claims, which may have a material adverse effect upon the Group's reputation and its ability to attract or retain its existing business or the Group's ability to expand in the future. Also, the Group is required to comply with applicable education related regulations and a variety of other laws and regulations in relation to its operations process. Considering the complexity and magnitude of the laws and regulations, compliance with them may be burdensome or require a significant amount of labour, financial or other resources. These laws and regulations change from time to time and thus the relevant UAE government authorities might impose additional or more stringent laws or regulations that might lead to significantly increased compliance costs, which the Group may not be able to pass on to end users. Failure to comply with the licensing or other regulatory requirements may lead to withdrawal of business license(s), or potentially criminal liabilities, which will materially and adversely affect the Group's reputation, as well as its business, financial condition, results of operations and prospects.

The Group's financial performance depends on the level of student enrolment in the Group's online educational platforms.

Whilst the Education Solutions Fee under the ADEK Agreement has a minimum commitment clause with 80,000 students, the levels of student enrolment in the Group's online educational platforms are critical to the Group's financial performance. As per the ADEK Agreement, the Education Solutions Fees are calculated on the basis of the number of enrolled students using ADEK's official enrolment register in the respective grades at the schools. Additionally, the IT Capital Expenditure (CAPEX) per student, IT CAPEX, and IT maintenance fees, which are directly based on the actual number of enrolled students, also represent significant financial considerations that can fluctuate and potentially increase with varying enrolment numbers, adding another layer of financial risk. Furthermore, the termination clause within the ADEK Agreement introduces additional risks that could have potential impacts on future revenue streams and the strategic positioning of the Group's online educational platforms.

In addition, if the Group fails to maintain the quality of its educational products, parents may choose not to enroll or re-enroll their children or may remove their children from the Group's online educational platforms. If the Group is unable to attract or retain students in its online educational platforms, its business, results of operations, financial condition and prospects could be materially and adversely affected. Any reduction in the numbers of students, schools, or government programs enrolling in or attending the Group's online educational platforms could have an adverse effect on the Group's reputation, business, prospects, results of operations and financial performance.

Furthermore, Alef Education acknowledges that there is a risk associated with the transition of schools from being under the supervision of ADEK or the MOE to becoming charter schools during the term of ADEK Agreement. This transition introduces a degree of uncertainty regarding the continued implementation of the Alef Education System within these schools.

Upon a school's transition to charter status, the decision to continue the use of the Alef Education System will be solely with the charter school operator. Should a charter school operator decide against the implementation of the Alef Education System, ADEK is not obligated to cover any costs associated with the services for the affected schools, post-transition. This could result in a reduction in expected revenue for the Group, potentially impacting the Group's financial performance and projections. Also, the minimum number of students outlined in the roll-out plan will be adjusted downwards to account for the total number of students enrolled, or planned to be enrolled, in the Alef Education System at the schools undergoing transition. Any such downward adjustment would result in a corresponding reduction in Group's revenue receivable under the ADEK Agreement, which may affect the Group's ability to meet previously set targets, potentially impacting long-term planning and resource allocation. Any such event may have a material adverse impact on the Group's business, prospects, results of operations and financial condition.

The Group is providing services to Northern Emirates and Dubai Public schools without any revenue and incurring costs. The Group's inability to monetize these services could significantly impact its financial performance over the long term, potentially affecting its ability to sustain operations and achieve.

The Group is currently engaged in providing services to public schools within the Northern Emirates and Dubai without generating any revenue, while simultaneously incurring related costs. Although there are ongoing discussions aimed at formalizing these engagements through agreements or Memoranda of Understanding ("**MOU**"), no definitive arrangements have been finalized to date. Additionally, the Group extends its services beyond the borders of the United Arab Emirates under similar non-revenue conditions to countries such as Indonesia and Morocco.

The continuation of providing services without revenue generation, both within the Northern Emirates and Dubai public schools and internationally, poses a substantial risk to Alef's financial sustainability. While efforts are being made to start monetizing some of these contracts, there is no guarantee that these efforts will result in successful revenue generation in the near future. The Group's inability to monetize these services could significantly impact its financial performance over the long term, potentially affecting its ability to sustain operations and achieve planned growth objectives. Investors should consider the potential for ongoing costs without offsetting revenue, which could adversely affect the Group's profitability and financial condition.

A significant portion of the Group's revenue is generated from a business relationship with Presidential Court (PC) without a formal written agreement. The reliance of the Group on informal agreements places the Group in a vulnerable financial situation.

Alef Education's revenue model is dependent on an informal financial arrangement with the Presidential Court (PC) ("**PC Arrangement**") for a significant portion of its revenues. While Alef Education has a formal agreement with ADEK that outlines the fee structure for its online educational platforms, PC, without a formal written agreement, contributes 40% of these fees. The ADEK Agreement provides for an Education Solutions Fee per student per academic year payable to Alef Education of AED 4,847.70 for more than 75,000 students. Further, the Group receives an additional amount of AED 3,232 per student through invoices paid by the PC under the PC Arrangement without a formal written agreement.

This arrangement requires Alef Education to divide its invoicing to reflect the 60%-40% payment distribution between ADEK and PC, yet all invoices are directed solely to ADEK. On 17 April 2024, PC issued a letter addressed to Alef Education confirming that PC undertakes to pay five invoices accrued until the date of this Prospectus as set out in the letter. This relates to the additional 40% payable to PC, on top of the fees payable by ADEK.

While the written commitment by PC to pay the accrued fees associated with the ADEK Agreement until the date of this Prospectus reduces the financial vulnerability of the payment of the associated fee as at the date of this Prospectus, the absence of a documented agreement with PC introduces a level of financial vulnerability and threatens the operational sustainability of Alef Education. With respect to the future payments, relying on informal agreements and the goodwill of PC for almost 40% of its revenue stream places the Group in a vulnerable financial situation. This reliance on unwritten understandings and historical precedents lacks the legal framework protection afforded by a legally binding agreement, making the Group's financial inflows from PC uncertain and potentially unreliable. Accordingly, the absence of a written contract in place with PC may impair the Group's ability to collect future fees from PC and enforce protections afforded under written contracts (including the right of recourse in case of PC's failure to make due payments).

This impacts the Group's ability to forecast and plan its financial operations with certainty. In the event of a dispute or change in the PC's commitment, the Group may find itself without recourse or a clear mechanism to ensure the continued flow of funds, thereby affecting its operational capacity and financial position.

The Group's financial performance depends in part on its ability to increase its fixed or capped fees and maintain the profitability of the Group's online educational platforms.

While the ADEK Agreement provides for a price escalation provision, the Group may need to raise the level of fixed or capped fees for its online educational platforms from time to time to keep pace with inflation and rising costs, and/or to maintain its profitability and carry out its strategy. There can be no assurance that the Group will be able to raise its fees on a timely basis or at all, or that it will be able to control costs to maintain the profitability of its online educational platforms.

Factors that could have an adverse impact on the Group's ability to maintain or increase its fees include (i) reductions or discounts to the applicable fees by other online educational platforms that seek to compete in the Group's markets and lower fees of new competitor online educational platforms; and (ii) negative perceptions by parents, and in turn the schools, of the quality of the educational offering or value for money.

Furthermore, adverse reactions from ADEK or schools to proposed increases may result in demands for higher spending by the Group's online educational platforms on academic programmes or student services that could offset the increase in profitability sought by the enrolment fee increase. If the Group is unable to increase its fees or maintain the profitability of its online educational platforms, this could have a material adverse effect on its business, financial condition, results of operations and prospects.

If the pattern of payment of fees in the Group's Online educational platforms materially changes, this may have a negative effect on the Group's cash flows and operations.

Pursuant to the ADEK Agreement, the Alef Education's fees are paid in arrears on a trimester basis in each academic year (beginning on 1 October), in the following manner:

(a) For the first trimester – 30 December;

(b) For the second trimester – 31 March; and

(c) For the third trimester – 31 July.

Additionally, the Group's IT set-up fees are payable at the start of the academic year only and are accordingly subject to cyclical payments that are typically recorded in the third quarter of the financial year. Further, any change to the pattern of the collection of fees or delay in payments from the Group's customers, including ADEK or PC, may negatively impact the Group's cash flows and operations. For example, payments by ADEK under the ADEK Agreement are subject to 30 day payment terms, while PC payments have typically been collected within 45 to 60 days, subject to certain delays in the past, including for services rendered in connection with the financial year ended 2023. If the payment terms are amended or adjusted under the ADEK Agreement or if the Group was required by the Government of Abu Dhabi or due to market conditions to collect education fees other than as described above, this could have a negative effect on the Group's cash flow and the Group may require additional working capital or third-party funding to finance its operations. Such financing may not be available upon request, at commercially reasonable rates, or at all. Any future increase in defaults and/or significant delays in the payment of the Group's fees may impact the Group's cash flows and its ability to meet its obligations, which may in turn have an adverse effect on its business, prospects, results of operations and financial condition.

***The Group faces competition, which could divert schools and students to the Group's competitors, lead to pricing pressure and loss of market shares, and significantly reduce the Group's results of operations*.**

The smart learning device service market in UAE and across the Middle East is competitive, and the Group expects competition in this sector to persist and intensify. Some of the Group's current or future competitors may have longer operating histories, a larger group of educational resource development crew, greater brand recognition, or greater financial, technical or marketing resources than the Group does. The Group competes with these smart learning providers across a range of factors, including, among others, product quality, scope of digital educational resources, technology infrastructure and data analytics capabilities, students' learning experience, brand recognition and scope of the device offerings. Moreover, as the demand for smart learning device services increases, the Group expects more new market entrants will participate in the industry, resulting in more intense competition. These competitors may adopt similar product and marketing approaches, with different pricing and service packages that may have greater appeal than the Group's offerings. Management believes one of the Group's current competitive advantages is successful applications of advanced technologies and strong AI, big-data and cloud related capabilities in the Group's product research and development processes. However, such technologies are subject to rapid evolution and commoditization. The constant and rapid technological developments and advancements may render the Group's product models in the common forms and with the common functionalities that are generally available today outdated or obsolete, and merging products with new functions may substitute existing product models or products quickly. If the Group is not able to catch up with the latest and the most advanced technologies in a timely manner while maintaining sufficient and competent technical staff, the Group may lose its existing technological competitiveness to competitors and the attractiveness of the Group's products will be materially reduced. The Group cannot assure investors that the Group will maintain its competitive advantages in developing high quality smart learning devices with digital educational resources and compete effectively with new or existing market players. Lastly, some of the Group's competitors may have more resources than the Group does and may be able to devote greater resources than the Group can to the development and promotion of their services and respond more quickly than the Group can to the changes in student preferences, market needs or new technologies. If the Group reduce selling prices or increase spending in response to competition in order to retain or attract schools and students and high quality educational resource development staff, or pursue new market opportunities, the Group's costs and expenses may increase as a result of such actions, and may lead to a decrease in net profit, which may adversely affect the Group financial position and results of operations. If the Group is unable to successfully compete for schools and students, maintain or increase the Group's selling prices, attract and retain competent educational resource development staff or other key research and technology personnel, maintain the Group's competitiveness in terms of the quality of the Group's smart learning devices in a cost-effective manner, the Group's results of operations may be materially and adversely affected.

The Group's business depends heavily on the strength of the Group's brand awareness and reputation, and end users' recognition and their trust in the Group's smart learning may be materially and adversely affected if the Group fails to maintain and enhance the Group's brand and reputation.

The Group considers the popularity and recognition of its brand, which is important to its marketing and promotional efforts, as well as its overall reputation linked to its product offerings, to be fundamental to its success. Known for its technology-driven educational solutions, the brand enjoys a strong standing within the UAE's education sector. The Alef Education's brands are recognized as a reputable technology-powered education brand in the UAE. Therefore, maintaining and enhancing the recognition and image of the Group's brands is critical to the Group's ability to differentiate its services and products to compete effectively. The Group's brands and reputation may be harmed by defects, ineffective customer services, product liability claims, consumer complaints, intellectual property infringement or negative publicity or media reports. Any negative claim against the Group, even if meritless or unsuccessful, may divert the Group's management's attention and other resources from day-to-day business operations, which may adversely affect the Group's business, results of operations and financial condition.

Negative media coverage regarding the safety, price-level or quality of Alef Education's products, and the resulting negative publicity, may materially and adversely affect the level of consumer recognition of, and trust in, Alef Education and its products. In addition, adverse publicity about any regulatory or legal action against the Group may damage the Group's reputation and brand image, undermine the end users' confidence in the Group and reduce long-term demand for the Group's services or products, even if the regulatory or legal action is unfounded or immaterial to its operations.

Furthermore, as the Group continues to grow, expand its product offerings, extend the geographic reach of the distribution network, maintaining product quality and consistency may be more difficult and the Group cannot guarantee that it can maintain the end users' confidence in its brand name. If end users perceive or experience a reduction in the quality of the Group's products, or consider in any way that the Group fails to deliver consistently high-quality products, its brand value could suffer, which could have a material and adverse effect on its business.

The Group has registered the logo of its "*Alef*" trademark under several classes in UAE, along with the "*Alef Education*" trademark. Additionally, the Group has also registered wordmarks for several of its product offerings in the UAE. These include "*Arabits*" and "*Abjadiyat*". However, the Group cannot guarantee that the Group may from time to time be involved in lawsuits brought against it by third parties for trademark infringement. The Group may have to incur significant expenses and divert substantial management time and resources to respond to those cases. Such legal proceedings may materially and adversely affect the Group's brand image and damage its brand value, regardless of their merits. The Group considers trademarks and brand name to be material to the Group's business. If the Group is unable to adequately protect these intellectual property rights, the Group may lose these rights, the brand image may be harmed, and the competitive position and business may suffer.

The Group depends on its dedicated and capable educational resource research and development crew and other research staff, and if the Group is not able to continue to hire, train and retain such qualified staff, it may not be able to maintain consistent quality of the courseware, pre-recorded video resources and other digital educational resources. As such, the Group's brand, business and operating results may be materially and adversely affected.

The Group's educational resource research and development crew and other research staff are critical to maintaining the quality of the courseware, pre-recorded video resources and other digital educational resources, which in turn, is essential for maintaining its brand and reputation.

It is critical for the Group to continue to attract and retain qualified educational resource research and development crew and other research staff who have a strong command of the subject areas and meet its qualifications. The number of such personnel in the UAE with the necessary experience and proficiency in developing digital educational resources that meet the Group's needs and standards is limited and the Group must provide competitive compensation packages to attract and retain such qualified personnel. In addition, criteria such as commitment and dedication are difficult to ascertain during the recruitment process, in particular as the Group continues to expand and acquire educational resource research and development crew to further complete and upgrade its content offering. The Group must also provide continuous training to them so that they can stay up to date with changes in student demands, admissions and assessment tests, admissions standards, curriculum, and other key trends necessary to effectively proceed with the development of their respective courses. The Group may not be able to hire, train and retain enough qualified educational resource research and development crew to keep pace with its anticipated growth while maintaining consistent quality across its services in different geographic locations.

Introducing new products or developing new digital educational resources involve significant development and research costs on one hand, and inherent risks on the other, such as over-estimated market demand, unsatisfied product quality, unsuccessful pricing strategy. Failure to successfully diversify and expand the Group's product and brand portfolio to adapt to the constantly changing learning needs and preferences and market trends may cause the results of its operations to decrease as the Group will not be able to recoup the associated costs, may jeopardize the Groups competitive advantage and market share, and may result in continued reliance on the Group's existing products and brands. Any of these events could materially and adversely affect the Group's business, financial condition, results of operations and prospects.

However, there is no assurance in the future that any of the Group's staff may be required to apply for and obtain permits or licenses due to the change of laws and regulations or other reasons beyond the Group's control. The failure of the Group and/or any of the relevant staff may subject the Group to administrative penalties, such as rectification of such non-compliance promptly. Shortages of qualified educational resource development crew or decreases in the quality of the Group's instruction, whether actual or perceived, in one or more of the Group's markets may have a material and adverse effect on the Group's business.

The Group's development strategies may not achieve the expected goals in the near term, or

at all.

The Group focuses on the long-term development and interests of the Group and the participants in its product and service offerings. The Group from time to time develops and adjusts its business strategies in order to adapt to the competitive industry and maintain the Group's market position. However, the Group's strategies may not achieve the expected goals as planned.

In addition, the Group may consider exploring new business initiatives from time to time, the development of which may not always achieve its initial expectations. Even if the Group is able to launch a new business initiative in the future, there is no assurance that it will be accepted by the market and achieve the Group's initial expectations, such as driving additional revenue streams or attracting more end users. Moreover, to support the Group's future development, the Group may plan to recruit a significant number of IT, product and technical development staff and educational resource development staff in the near future, which may, in the short term, increase its operating costs and expenses significantly. As a result, its business, financial condition, results of operations and prospects may be materially and adversely affected.

Alef Education has entered into several related party agreements. These agreements carry specific legal, economic, and business risks that could materially impact the Group's operations, financial performance, and strategic objectives.

Alef Education has entered into several related party agreements, including an agreement with New Century Education – Sole Proprietorship LLC ("**NCE**"). These related party agreements introduce a complex web of economic, legal, and business risks stemming from operational dependencies, financial liabilities, investment performance, subcontractor reliability, and strategic alignment. The economic impact of indemnification obligations, potential legal disputes over contractual terms or intellectual property, and the business implications of subcontractor performance and strategic commitments could adversely affect the Group's operational efficiency, financial health, and market position. Also, these agreements include obligations to indemnify related parties against claims and liabilities, except in cases of breach or gross negligence, which may result in unforeseen financial burdens on the Group.

The Group is subject to risks associated with international market expansion and diversification.

As part of the Group's growth strategy, it is actively pursuing opportunities for international expansion to diversify revenue streams and capitalize on new market potential. While this strategy presents a significant opportunity for growth, it also introduces a variety of risks associated with entering and operating in unfamiliar markets. Any delay in executing the expansion plan in the international market will also have adverse impact on the Group. The Group's expansion efforts could encounter challenges related to regulatory compliance, cultural nuances, and geopolitical dynamics, among others. These factors may necessitate substantial investments and the allocation of considerable resources, which could impact its financial performance and operational efficiency. In particular:

Regulatory and Compliance Risks: Each new market that the Group enters will have its own set of regulatory frameworks governing the industry. These can vary significantly from the Group's home market, requiring it to navigate complex legal landscapes. Compliance with local laws and regulations, including those related to licensing, data protection, and labour, will be crucial. Failure to adhere to these regulations could result in fines, penalties, or restrictions on the Group's operations, adversely affecting its business and reputation.

Cultural and Consumer Behaviour Differences: Understanding and adapting to the cultural nuances and students' and parents' behaviours in new markets is critical for the Group's success. What works in one country may not necessarily resonate with students and parents in another due to differences in language, preferences, educational practices, and technological adoption. Tailoring the Group's offerings and products to meet the specific needs and expectations of each market requires significant market research and product development efforts, which entail both time and investment.

Geopolitical and Economic Stability: The geopolitical climate and economic stability of new markets can pose additional risks. Political unrest, economic downturns, or changes in government policies related to foreign businesses can adversely affect the Group's operations. Such environments may lead to unpredictable changes in market conditions, impacting the Group's ability to sustain and grow its business in these regions.

Operational and Strategic Risks: Expanding internationally involves complex operational challenges, including establishing local partnerships, setting up supply chains, and recruiting a local workforce. Each of these steps requires careful planning and execution to avoid missteps that could delay the Group's market entry or lead to increased operational costs. Moreover, the strategic focus on international expansion might divert attention and resources from the Group's core markets, potentially impacting its overall competitiveness and market position.

Any errors, inaccuracies, or outdated materials in the educational content could lead to customer dissatisfaction, regulatory penalties, or legal liabilities.

Any errors, inaccuracies, or outdated materials in the Group's educational content could lead to customer dissatisfaction, regulatory penalties, or legal liabilities, in particular:

The integrity, quality and accuracy of the educational product offerings provided by the Group is fundamental to the Group's value proposition and critical for maintaining its reputation and market position. Accordingly, risks of inaccuracies and outdated material in the highly competitive and rapidly evolving online educational sector is considered a significant risk to the Group's operations and reputation. Errors, inaccuracies, or the presence of outdated materials within the Group's platforms could significantly affect customer satisfaction, potentially leading to a decline in student engagement and enrolment renewals. Moreover, such content-related deficiencies may expose the Group to regulatory penalties and legal liabilities, especially given the stringent standards for educational content in many of the jurisdictions the Group operates in.

Failure to meet these expectations can lead to customer dissatisfaction, negatively impacting the Group's brand loyalty and user retention rates. In a digital environment where alternatives are readily accessible, maintaining content excellence is crucial for sustaining and growing the Group's user base.

Regulatory Compliance and Legal Exposure: The online educational industry is subject to comprehensive regulation, including standards for content accuracy and educational value. Non-compliance with these regulatory requirements could result in sanctions, fines, or other penalties, affecting the Group's financial condition and operating results. Additionally, inaccuracies or misleading content could lead to legal claims from users or other stakeholders, further impacting the Group's financial stability and brand reputation.

The Group's future prospects are subject to the development of population structure in the UAE and its ability to penetrate the private school sector.

The Group's growth strategy and future prospects are significantly dependent on its ability to penetrate the private school sector among other factors, as well as the development of the population structure in the UAE. While the Group currently commands a 100% share in the public school market in Abu Dhabi, its expansion potential in the UAE is critically limited by its success in establishing a presence within private schools. The UAE's education industry's evolution is intricately linked to the primary and secondary (K-12) school population, which is influenced by both the overall population and its demographic composition. As of 2023, the total number of K-12 students in the UAE is approximately one million one hundred thousand, with projections suggesting an increase to one million two hundred thousand by 2026. This demographic trend initially suggests promising prospects for the Group's current operations. However, without successful penetration into the private school sector, the Group faces a ceiling on its growth potential within the UAE. Any failure to expand into the private schools, coupled with an unexpected downturn in the K-12 student population, could materially and adversely impact the Group's operations and future growth trajectory.

The Group's IT systems and infrastructure is reliant on third party vendors and as such could experience unexpected system failures, interruptions, inadequacies or security breaches, outside of its control.

The Group's business relies on the proper functioning of the Group's IT systems and network infrastructure to effectively manage its business processes. The Group's continuing growth is also dependent on its big-data capacities, which in turn, relies on its IT ability to collect and analyse a huge amount of industry insights and experience, student data, including complex students' learning behaviour and performance data, and extensive data on developing educational resources. As such, any damage to or failure of the Group's IT systems or network infrastructure that causes an interruption to the Group's operations could have a material and adverse effect on the business and results of its operations. The Group's IT systems may be vulnerable to damage or interruption from circumstances beyond its control, including power outages, fire, natural disasters, systems failures, security breaches and viruses. The Group also needs to constantly upgrade and improve the Group's IT systems to keep up with the continuous growth of the Group's operations and business. Although the Group has not experienced any material IT system breakdown, the Group cannot assure you that IT systems will always operate without interruption in the future. Moreover, the Group's end users rely on telecommunication operators to supply internet network service in their regions, the quality and supply of which is beyond the Group's control. If the internet network service experiences any interruption, the Group's end users may not be able to connect online to obtain cloud-based digital educational resources in a timely manner, which may significantly and adversely affect the user experience. In addition, the roll-out of the 5G infrastructure in the UAE is largely subject to the execution of the government, progress of which may vary significantly from place to place. As such, not all of the Group's end users are able to take advantage of its latest product models powered by 5G technologies in a timely manner. Lack of 5G network coverage does not compromise any material functionality of the Group's materials, but it may cause unsatisfying user experience, such as lower data speed and slower response time.

Furthermore, the Group faces a significant risk due to its dependency on other vendors for essential services and products that support its IT systems and network infrastructure. This dependency risks the continuity, quality, and cost of these essential services that are out of the Group's control.

Disruptions in the services provided by these vendors, whether due to performance issues, financial instability, management changes, or geopolitical factors, could adversely affect the Group's operations and service delivery. Such disruptions could also lead to increased costs, delays, or the inability to provide services.

Moreover, the Group's business generates and processes a large quantity of user behavioural, transaction and demographic data. The Group faces risks inherent in handling and protecting large volumes of data. The Group cannot guarantee that the information security measures it currently maintains are adequate or that the Group's IT systems can withstand intrusions from or prevent improper usage by third parties. If the Group's network security is compromised and such information is stolen or obtained by unauthorized persons or used inappropriately, the Group may be subject to negative publicity and lose users as a result of a loss of their confidence in the Group and may also become subject to litigation or other proceedings brought by relevant consumers and financial institutions. Any such proceedings could divert management attention and the Group's other resources from its business and cause the Group to incur significant unplanned losses and expenses. Clients' perception of the Group's brand could also be negatively affected by these events, which could further adversely affect the Group's business and results of operations. In addition, the UAE government has been implementing more stringent regulations and policies relating to data collection, storage, transfer, disclosure and privacy protection, which may subject the Group to additional potential risks and further increase the Group's compliance costs by enhancing the Group's IT systems or improving its information security measures.

The Group business is subject to complex and evolving laws and regulation regarding data security and privacy.

UAE regulatory authorities have implemented and might consider implementing further legislative and regulatory proposals with more stringent requirements concerning data security and privacy. In addition, the interpretation and application of data security and privacy laws in the UAE may be uncertain and in flux. Existing or newly introduced laws and regulations, or their interpretation, application or enforcement, could require the Group to change its data security and privacy practices and other business activities, including but not limited to data collection, storage, transmission and exchange or other data usage activities.

Compliance with the data security and privacy related laws and regulations as well as additional or amended laws and regulations that UAE regulatory bodies may enact in the future, may result in additional expenses to the Group. Although the Group has not received any penalty due to breach of data privacy, failure to comply with any data security and privacy laws and regulations might lead to administrative penalties and negative publicity that could materially and adversely affect the Group's reputation and results of operations.

The Group's reliance on modern third party SAAS products in its day to day running of operations, its own Cloud Hosted products, and the general usage of internet connected work devices exposes it to cybersecurity risks such as data breaches, hacking, malware attacks, or system failures, which could compromise user data, disrupt operations, or damage its reputation.

In today's digital landscape, where businesses heavily rely on interconnected networks and data storage systems, cybersecurity threats pose a significant risk to companies across industries. As technology advances, so too do the capabilities and sophistication of cybercriminals, making it imperative for companies to continually assess and fortify their cybersecurity measures. This is particularly true for the Group, whose operations heavily depend on its digital infrastructure. One of the most prevalent and concerning cybersecurity threats faced by the Group is the risk of data breaches. These breaches can occur due to various vulnerabilities within the Group's network, software, or human error. Cybercriminals may exploit these vulnerabilities to gain unauthorized access to sensitive information, including customer data, intellectual property, or financial records. A data breach not only compromises the confidentiality and integrity of this information but also undermines customer trust and can lead to regulatory penalties and legal repercussions.

In the past, hackers have probed for weaknesses in the Group's digital defences to gain unauthorized access to its systems or manipulate data for malicious purposes. Advanced Persistent Threats (APTs) or sophisticated hacking techniques can bypass traditional security measures, posing a significant risk to the Group's sensitive data and critical infrastructure. These attacks can disrupt operations, steal valuable information, or even cause financial losses through extortion or ransom demands.

Malware, including viruses, ransomware, and trojans, presents another grave cybersecurity risk for the Group. Cybercriminals deploy malware through various vectors such as phishing emails, malicious downloads, or compromised websites, targeting vulnerabilities in the Group’s systems. Once inside the network, malware can spread rapidly, encrypting files, disrupting operations, or even rendering systems unusable until a ransom is paid. Additionally, malware-infected devices within the Group’s network can serve as launch pads for further attacks, exacerbating the risk and potential damage.

Despite robust cybersecurity measures, the Group remains vulnerable to system failures, whether due to technical glitches, hardware malfunctions, or human error. These failures can result in service interruptions, data loss, or operational downtime, impacting the Group’s productivity, revenue streams, and customer satisfaction. Furthermore, prolonged system failures may erode investor confidence, tarnish the Group’s reputation, and incur substantial financial losses, especially if critical systems are affected.

The Group’s failure to detect or prevent fraudulent or illegal activities or other misconduct by its employees, distributors, suppliers or other third parties may have a material adverse effect on its business.

If the Group is exposed to fraudulent or illegal activities or other misconduct by its employees, suppliers or other third parties, that could subject the Group to liabilities, fines and other penalties imposed by government authorities and negative publicity. If the Group fails to identify the third-party content to be illegal or restrictive as stipulated by applicable laws and regulations, the Group may be required to rectify or be imposed administrative penalty, and its reputation may be adversely affected.

Also, there can be no assurance that the Group’s controls and policies will prevent any fraud or illegal activity by such persons or that similar incidents will not occur in the future. Any illegal, fraudulent, corrupt or collusive activity by the Group’s employees, suppliers or other third parties, including, but not limited to, those in violation of anti-corruption or anti-bribery laws, could subject the Group to negative publicity that could severely damage the Group’s brand and reputation and, if conducted by the Group’s employees, could further subject the Group to significant financial and other liabilities to third parties and fines and other penalties imposed by government authorities. Accordingly, the failure of the Group to detect and prevent fraudulent or illegal activities or other misconduct by the Group’s employees, suppliers or other third parties could materially and adversely affect the Group’s business, financial condition, results of operations and prospects.

The Group's revenues are concentrated in the UAE and are affected by the economic and political conditions in the markets in which it operates.

99% of the Group's revenue from contracts with customers for the year ended 31 December 2023 were derived from the ADEK Agreement and the PC Arrangement. Therefore, the revenues of the Group are, and will continue to be, affected by economic and political developments in or affecting the UAE and the Middle East and North Africa (**"MENA"**) region, and more generally the global economy. Almost all of the Group's current operations and interests are in the UAE, with a particular focus on Abu Dhabi. As the vast majority of the Group's revenues are derived from operations in the UAE, any changes in the political, social, economic or other conditions in the UAE, including events that impact the UAE's attractiveness as a business or living destination, as well as any factors that result in a decline in the population of the UAE, may lead to a fall in demand for the Group's online educational platforms and services, result in a decrease in the number of student enrolments at existing Group online educational platforms, and/or a freeze of education fees, which may have an adverse effect on the Group's business, prospects, results of operations and financial condition.

There can be no assurance that either the economic performance of, or political stability in, the UAE can or will be sustained. To the extent that economic growth or performance in the UAE or the MENA region slows or begins to decline, or political conditions become sufficiently unstable, the Group's operations in the UAE may be adversely affected. This could cause the Group to suspend its expansion plans in the UAE and the Group's business, prospects, results of operations and financial condition may be adversely affected.

Any damage to the reputation of any of the Group's online educational platforms may adversely affect the Group's business.

The Group's reputation could be adversely affected under many circumstances, including the following:

- inappropriate or illegal behaviour conducted by staff or students, or perceptions of such;
- failure to obtain, or the loss of, a license, permit, or other authorisation required to operate an online educational platform;
- the use by lower-quality operators of brands or names that create confusion with the Group's online educational platforms, or the fraudulent use by third parties of the Group's brands or the names of its online educational platforms;
- failure by the Group to maintain consistent educational content quality or deliver strong academic results or outcomes;
- perception of the curricula in the online educational platforms as not being sufficiently high quality;
- failure of the Group's online educational platform to meet the standards expected by parents and students of premium online educational platforms including regulatory inspection outcomes and ratings;

- significant disruptions to the Group's information technology systems or breaches of the Group's data security;
- closure of one or more of the Group's online educational platform; or
- negative press coverage or legal proceedings involving the Group, whether or not founded, relating to any of the above or other matters.

The likelihood that any of the preceding occurs increases as the Group expands its network of online educational platforms. These events could influence the way the online educational platforms are viewed not only by the Group's customers, but also by the regulators, other constituencies in the education sector and the general public. If the reputation of the Group's brands and online educational platforms declines, the overall business, financial condition, results of its operations and prospects could be harmed.

The consistency and quality of the Group's educational programmes and services are critical to its brand and reputation. As the Group continues to grow and expand its presence and geographical reach, it may be more challenging to maintain the quality and consistency of its services. Any negative publicity about the Group's programmes, services, and online educational platforms, regardless of its validity, could harm the Group's brand image. In addition, the Group's ability to attract and retain students depends on the Group's ability to make significant expenditure maintaining and enhancing its positive brand image and brand loyalty. The Group may not be able to maintain current levels of marketing expenditure or successfully execute its brand promotion plan and, as a result, the Group's reputation and business may be materially and adversely affected.

If the Group fails to help its students achieve their academic goals, student and parents' satisfaction with the Group's services and online educational platforms may decline.

The success of the Group's business depends on its ability to deliver quality educational experiences and outcomes to help its students achieve their academic goals. The Group's online educational platforms may not always be able to meet the expectations of its students and their parents in terms of student performance and outcomes. A particular cohort of students may not be able to attain the level of academic improvement that they sought, or their performance may otherwise not progress or decline due to reasons beyond the Group's control. The Group may not be able to provide educational outcomes that are satisfactory to all of its students and their parents, which may result in a decline in student and parent satisfaction with its services. In addition, the Group cannot guarantee that its students will be admitted to higher levels of education or institutions of their choice. Any of the preceding could result in a student's withdrawal from the Group's online educational platforms, and dissatisfied students or their parents may attempt to persuade other students or prospective students not to attend the Group's online educational platforms. If the Group's ability to retain students decreases significantly or if the Group otherwise fails to continue to enrol and retain new students, its business, financial condition, results of operations and prospects may be materially and adversely affected.

If the Group's online educational platforms lose or fail any of the regulatory inspections, or if there be a change in regulatory approach leading to the implementation of performance and quality evaluations and the Group experiences a downgrade in ratings or fail to obtain international curriculum accreditations required to provide any of its international programs and curricula, the attractiveness of the online educational platforms may decline.

The Group is subject to annual inspections by the MOE, as mandated by the Department of Economic Development. These inspections are a requirement for maintaining the Group’s MOE license, which is necessary for several of the Group’s registered activities, including Education Consultancy. Unlike the comprehensive inspections conducted for private schools in Abu Dhabi, which assess various aspects of school performance and quality, the Group’s inspections by the MOE are focused on compliance with specific regulations pertinent to its licensed activities. Currently, online educational platforms do not undergo the same type of performance evaluations or rating systems as physical schools. However, should there be a change in regulatory approach leading to the implementation of performance and quality evaluations similar to those for schools, it could introduce a new dimension of oversight to the Group’s operations. If this happens and the Group does not meet the required standards in such evaluations, there could be negative implications for the Group’s reputation and the perceived quality of the Group’s products. This change could potentially impact student enrolment and the Group’s ability to attract qualified professionals, and thus affect the Group’s business and operational outcomes.

Moreover, there is no requirement for the Group to obtain or maintain international curriculum accreditations from specific accrediting bodies that cater to various educational curricula to offer its educational programs or operate its online educational platforms, whether British, International Baccalaureate (IB), or American curricula. These accreditations, traditionally associated with ensuring the quality and credibility of educational offerings, are not currently mandatory for the Group's operations. If in the future the Group is required to apply for accreditation from these educational organizations, bodies or associations and fails to meet any criteria set by the relevant accreditation body or any of the relevant inspections the attractiveness of these online educational platforms would be harmed, and student enrolments could decline. To obtain and maintain these accreditations and permits in the future, the Group will be required to meet standards related to, among other things, academic performance, governance, institutional integrity, education quality, staff qualifications, administrative capability, resources and financial stability on an ongoing basis. Furthermore, these standards are subject to change, and complying with them may require additional and unplanned investments by the Group that may be significant. In the future, if the Group fails to meet these standards, it could fail to obtain accreditations or permits, and the Group may be unable to provide or expand offerings and curricula that are popular among students and their parents, which could materially and adversely affect the Group’s business, financial performance, results of operations and prospects.

The Group may fail to successfully develop and introduce new education technology services and programmes or launch and diversify new products and educational resources to adapt to changing customer demands in a timely manner.

One of the Group’s growth strategies is to continue to maintain and introduce diversified and innovative educational programmes and pursue strategic initiatives in the education technology sector. The Group may also need, from time to time, to introduce additional educational technology services and programmes to meet market demand. The future success of the Group’s business depends partly on its ability to develop new education technology services and programmes and deliver high pedagogical and curriculum standards.

In addition, significant investment of human capital, financial resources and management time and attention may be needed if the curriculum of the Group’s online educational platforms need to change. The planned timing or introduction of new education technology services is subject to risks and uncertainties. Actual timing may differ materially from any originally proposed timeframes. Unexpected operational, technical or other issues could delay or prevent the introduction of one or more of the Group’s education technology services and programmes.

Also, the Group has consistently devoted its efforts to developing new products in order to not only adapt to evolving learning needs and preferences, but also to influence market trends with innovation. The Group may develop new brands to explore more market opportunities. In light of the highly competitive and volatile environment, the Group’s future growth depends on the ability to continue to introduce a product and brand portfolio that are welcomed by the market.

If the Group fails to quickly adapt to changing market or regulatory demands or developments in education technology services or fails to manage the expansion of its portfolio of education technology programmes and services efficiently and cost-effectively, the Group’s business could be negatively affected. Moreover, the Group cannot guarantee that any of its new services and programmes will achieve market acceptance or generate incremental revenue or that its operation of such new services or programmes will comply with applicable licensing requirements. If the Group’s efforts to develop, market and sell its new education technology services and programmes to the market are not successful, the Group’s business, financial position and results of operations could be materially and adversely affected.

The Group’s success depends on its ability to recruit, train, retain and motivate qualified and dedicated professional educational staff.

The Group’s success depends, in large part, on its ability to attract well-trained and sufficiently qualified staff and other qualified employees to work on and with the Group’s online educational platforms, train, retain and motivate them and compensate them competitively. Well-trained and sufficiently qualified personnel are critical to maintaining the quality of the academic programmes offered by the Group’s online educational platforms. The Group’s ability to deliver high-quality education across a range of curricula is directly related to, and dependent on, the availability of qualified teachers and the Group’s ability to continue to recruit, employ, train and retain such calibres.

The Group’s competitors, both within and outside the UAE, may have stronger financial resources than the Group that would allow them to offer more financially attractive salary and compensation packages to the Group’s staff, which may lead to a loss of qualified calibres and may have a negative impact on the Group’s quality of education offered. A loss of the Group’s core leaders to competitors could lead to reputational damage to the Group’s brand and negative inspection or academic outcomes in the Group’s individual online educational platforms.

In addition, onboarding and retaining many of the Group’s teachers and key and ancillary supporting staff poses a significant risk due to geopolitical tensions and political unrest, individuals from certain countries, such as Syrians, Lebanese, and others, have experienced difficulties in obtaining the necessary security clearances and thus residencies. This could severely impact the Group's operations by limiting its ability to deploy the most qualified individuals. The rejection of security clearances and inability to issue residencies based on nationality not only hampers the recruitment process but also affects the Group's ability to retain a diverse and highly skilled personnel.

A shortage of quality personnel and/or a high turnover rate of staff could lead to ineffective delivery of the curricula offered to students, impacting their academic performance and the reputation and brand of the Group’s online educational platforms. If the Group is unable to, or is perceived to be unable to, attract and retain qualified calibres, the Group's business, financial condition, results of operations and prospects could be materially and adversely affected.

The Group may not be able to retain key personnel or hire and retain additional personnel needed to sustain and grow its business as planned.

The Group's current operations and expansion strategy depends on its ability to attract and retain experienced, competent, motivated and efficient senior executives and qualified staff, particularly the 'C-Suite', directors of education and curriculum and key heads of department. Due to the competitiveness of the education sector in the UAE from local and international competitors, the Group may have difficulty hiring or retaining such personnel once hired, who may also leave the Group and subsequently join a competitor. Also, the Group cannot guarantee that the Group will always be able to identify and hire the desired competent IT staff and/or educational resource development crew on commercially reasonable terms. If the Group cannot execute its recruitment plans, the Group may fail to launch new and upgraded smart learning products with high quality digital educational resources, and may lose attractiveness to end users, experience operating inefficiency and incur high operating costs and expenses.

Therefore, the loss of service of any of its key personnel and a failure to attract and retain other qualified and experienced personnel on acceptable terms could impair the Group's ability to successfully sustain and grow its business, which could have an adverse effect on the Group's business, results of operations and prospects.

The Group may be liable for adverse events that occur on the Group's online educational platforms or from the provision of certain related services and the Group's insurance may be inadequate or premiums may increase substantially due to the occurrence of such events.

The Group's business involves an inherent risk of liability. The activities in which the Group engages include a series of risks related to beneficiaries of the services that it provides. Such risks include, among other things, liability for the actions of the Group's staff and trainers.

The Group's insurance policies may not adequately protect the Group or provide sufficient insurance coverage against all risks associated with its business. The Group maintains various types of insurance policies in connection with its operations, including cyber liability insurance, general insurances, covering property (all risk) and money (in transit), as well as public liability insurance, workmen's compensation and employer's liability insurance, and professional liability insurance. It is possible, however, that such insurance coverage may be inadequate for all risks and/or eventualities and that claims may be rejected by the relevant insurers. Irrespective of the availability of insurance, a successful claim against the Group could adversely affect its reputation and have a significant impact on its financial results. Even if unsuccessful, such a claim could cause unfavourable publicity, require substantial costs to defend and divert management time and attention and claims in excess of the Group's insurance coverage or claims not covered by its insurance could arise.

Furthermore, there can be no assurance that the Group will be able to obtain liability insurance coverage in the future on acceptable terms or at all. Claims against the Group, regardless of their merit or eventual outcome, may increase the premiums payable by it for the insurance coverage and have a material adverse effect upon its reputation and its ability to attract or retain students. A successful claim against the Group, which is not covered by or exceeds its insurance coverage could have a material adverse effect on its business, prospects, results of operations and financial condition.

The Group has limited insurance to cover its potential losses and claims.

The Group maintains limited statutory insurance, which it believes is customary for businesses of its size and type and in line with the standard commercial practice in its industry. If the Group were held liable for uninsured losses, its business and results of operations may be materially and adversely affected.

In addition, the Group is not insured against business interruptions resulting from natural disasters such as droughts, floods, earthquakes or severe weather conditions. Any liability claims for damages relating to the Group's products, interruption to its operations, and the resulting losses or damages, could materially and adversely affect its business, results of operations and financial condition.

The Group's historical results, growth rates and profitability may not be indicative of its future performance, including if user and subscriber acquisition does not continue to increase at the same rate.

The Group has experienced significant growth in revenue and profitability in recent years. The Group's historical growth was driven by the opening of new online educational platforms, student outcomes and building successful brands, developing online educational platforms across a number of curricula and successful marketing strategies to increase student enrolment.

The Group's financial position and results of operations may fluctuate due to several factors, such as the rate of expansion and related costs in a given period, the Group's ability to maintain and increase its profitability and enhance its operational efficiency, increased competition, market perception and acceptance of any newly introduced educational programmes in any given year.

Furthermore, the Group may not be successful in continuing to increase the number of students admitted to the online educational platforms it operates, and it may not be as successful as it expects in opening or identifying additional online educational platforms or educational programmes.

The Group may not sustain its past growth rates in future periods, and it may not sustain profitability on a quarterly or annual basis in the future. The Group's historical results, growth rates and profitability may not be indicative of its future performance. Shares could be subject to significant price volatility should its earnings fail to meet the expectations of the investment community. Any of these events could cause the price of Shares to materially decrease.

If the Group is unable to maintain or upgrade or keep pace with changes in technology or the education technology market, its technology and other offerings may be less attractive to students, which may materially and adversely affect its business.

To remain competitive, the Group must ensure that its technology and other offerings are regularly maintained, upgraded and adapted to meet the evolving needs and expectations of students and their families. If the Group's technology or other offerings are perceived as low quality, obsolete or outdated, or if the Group fails to successfully respond to new trends in the education technology market, students and their families may opt to use alternative digital education solutions that are perceived as superior resources and the Group's business could decline.

The Group's inability or failure to upgrade and adapt its technology could prevent the Group from successfully implementing the Group's growth strategy and may materially and adversely affect its business, financial condition, results of operations and prospects.

Significant disruptions to the Group's information technology systems, breaches of the Group's data security, unauthorised disclosures or manipulation of sensitive personal data could expose the Group to litigation or could adversely affect its business or reputation.

The business and operations of the Group includes the activities of computer systems and software design that are necessary for it to provide its customers with its digital education solutions. These information technology activities are regulated by the Ministry of Culture and Youth ("**MCY**"), as well as the Media Regulatory Office ("**MRO**"). The MRO's Chairman Resolution No.26 of 2017 regarding media content and Resolution No. 3 of 2018 organizing e-media activities, and the services guide issued by the MCY set out the legal framework for these information technology activities that are carried out by the Group in order to create, market, provide and maintain its AI-powered educational platform and other educational software solutions.

The MRO - Media Regulation Department, is responsible for preparing research and foresight studies related to the media, formulating legislation, regulations, standards, and foundations for organizing and licensing media and media activities. Whereas the MRO - Department of Media Licenses and Media Content, is responsible for issuing licenses and monitoring media content and generally implements legislations, regulations, and standards related to media services and media content.

In case of failure to comply with existing laws and regulations, meet any licensing requirements or comply with the directives contained in the findings of any regulatory inspections, the authorities may suspend or revoke licenses, impose fines or other restrictions on online educational platforms and their operators.

Any termination or suspension of any license or permit or non-renewal of any of the Group's licenses or permits for whatever reason could result in the cessation of the respective license, significantly curtailing the relevant the Group's ability to enrol new students or offer educational services. Any such event may cause the relevant online educational platforms and therefore the Group, to incur costs to fulfil their obligations to the enrolled students and may expose the online educational platforms and the Group to claims, which may have a material adverse effect upon the Group's reputation and its ability to attract or retain its existing business or the Group's ability to expand in the future.

The Group's information technology systems are essential to several critical areas of the Group's business operations, including for its digital platforms and product portfolio, billing, electronic document management systems and learning management systems. Further, the Group's information technology systems are predominantly cloud-based, with local content servers operating in the relevant schools. The Group mainly relies on Microsoft Dynamics 365 (ERP) for accounting, reporting and procurement, Darwinbox for personal/ employee data, and other third-party software providers such as primarily Google Workspace for identity management, emails, collaboration and conferencing, to deliver, manage and automatically upgrade its operations under a centralised and unified information technology system.

Any system failure that causes an interruption in service or availability of the Group's systems could materially adversely affect the Group's business, financial condition, results of operations and prospects. Further, a significant invasion, interruption, destruction, or breakdown of the Group's information technology systems and/or infrastructure by persons with authorised or unauthorised access could negatively impact its business and operations. The Group could also experience business interruption, information theft, legal claims and liability, regulatory penalties and/or reputational damage from cyber attacks, which may compromise the Group's systems and lead to data leakage. The Group's systems could be the target of malware and other cyber attacks that could cause an interruption in service or availability of the Group's information technology systems. The occurrence of any of these events could result in interruptions, delays, the loss or corruption of data or the unavailability of systems, as well as the theft or exposure of potentially sensitive information about the Group's services and operations.

Maintaining the Group's information security and internal controls over access rights is of critical importance due to the proprietary and confidential nature of student, teacher and employee information, such as names, addresses, and other personal information. If the Group's security measures are breached as a result of actions by third parties, employee error, malfeasance or otherwise, third parties may receive or be able to access student records, which could subject the Group to liabilities, interrupt the Group's business and adversely impact the Group's reputation. Additionally, the Group runs the risk that its employees or third parties could misappropriate or illegally disclose confidential educational information in their possession. As a result, the Group may be required to direct significant resources to provide additional protection from the threat of these security breaches or to mitigate issues caused by these breaches.

Additionally, the back-up policies and procedures the Group has in place to support its disaster recovery processes are currently limited to the controls and protection of the cloud-based systems and services, which may expose the Group to unauthorised breaches or impact its operations in case of loss of telecommunication services. The Group and the third-party software providers that host the Group's cloud-stored data have implemented network security measures, including security monitoring safeguards, antivirus and vulnerability scan, firewalls, encryption and access controls. However, there can be no assurance that these measures will be successful in preventing any compromise and/or disruption of its information technology systems and related data and its information technology, and servers are potentially vulnerable to interruptions, including damage and interruption from power loss or natural disasters, computer system and network failures, loss of telecommunications services, interruption of service from the service providers, including the provider of cloud-based services, compromised hardware or software, physical and electronic loss of data, security breaches, computer viruses, cyberattacks, hackers, unauthorised access attempts, and other security issues or causes beyond the Group's control. The occurrence of any of these events could result in interruptions, delays, loss or corruption of data, the unavailability of systems, as well as the theft or exposure of potentially sensitive information about the Group's students or their families. Any of these events could have a materially adverse effect on the Group's reputation, business, financial condition, results of operations and prospects.

The Group's internal controls, procedures and policies may fail to ensure adherence to applicable regulations and the Group's risk management and internal control systems may not be adequate or effective.

The Group's internal controls, disclosure controls and procedures and corporate governance policies and procedures are periodically reviewed and updated. Any system of controls, however, is based in part on certain assumptions and can provide only reasonable, rather than absolute, assurances that the objectives of the system are met.

Prior to the Offering, the Company has not operated as a public company and in preparation for the

Offering, the Company has implemented a number of corporate governance and other policies, processes, systems and controls to comply with the requirements for a publicly listed company on the ADX. The Company does not have a track record on which it can assess the performance of these policies, processes, systems and controls or an analysis of their outputs. Accordingly, the Group's internal controls and procedures may be insufficient in light of the more stringent regulations and investor expectations applicable to a public joint stock company. Any failure or circumvention of the Company's or the Group's controls and procedures or failure to comply with regulations related to controls and procedures could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Also, the Group has adopted a three lines of defence model and designed and implemented risk management and internal control systems comprising organizational framework policies and procedures, financial reporting processes, compliance rules, and risk management measures that the Group believes are appropriate for its business operations. While the Group seeks to improve risk management and internal control systems on a continuous basis, the Group cannot assure that these systems are sufficiently effective in ensuring, among other things, accurate reporting of financial results and the prevention of fraud. Since the Group's risk management and internal control systems depend on implementation by the Group's employees, and even though the Group provide relevant internal trainings in this regard, the Group cannot assure that employees of the Group or other related third parties, are sufficiently or fully trained to implement these systems, or that their implementation will be free from human error or mistakes. If the Group fails to timely update, implement, and modify, or fails to deploy sufficient human resources to maintain the risk management policies and procedures of the Group, business, financial condition, results of operations and prospects of the Group could be materially and adversely affected.

The Group's brand is dependent upon its intellectual property rights, and any failure or inability to protect those rights could reduce the value of the Group's services and brand.

The Group's brands, trademarks and other intellectual property rights distinguish the Group's online educational platforms and the services provided from those of its competitors and are critical to the Group's ability to continue to develop and enhance its reputation.

The Group has registered the trademarks for Alef Education as follows: "*Alef*", "*Alef Education*" trademarks, and wordmarks of its product offerings under "*Arabits*" and "Abjadiyat" in English in the UAE. Several of these trademarks are also registered in other jurisdictions including European Union, United Kingdom, Bahrain, Indonesia, China, Kingdom of Saudi Arabia, India, Pakistan, Canada, Syria, Kuwait, Algeria, Egypt, Oman, Qatar, Singapore, Yemen, Libya, Tunisia, Botswana, Liberia, Lesotho, Namibia, Kingdom of eSwatini, Tanzania, Uganda, and Zimbabwe. However, the Group has not registered its logo for Arabits and Abjadiyat. The Group's unregistered trademarks may be challenged, infringed, circumvented or determined to be infringing on other trademarks. The Group may not be able to protect its rights to these trademarks. At times, competitors may adopt trademarks similar to the Group's, thereby impeding its ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of the Group's online educational platforms and unregistered trademarks.

While the Group has established a comprehensive trademark registration strategy across numerous jurisdictions worldwide as described above, the Group has not registered its trademarks within the

United States. Despite Alef Education's operational presence in the U.S., the Group has not secured trademark registration in this jurisdiction. The absence of trademark registration imposes a significant risk to the Gorup brand identity and intellectual property in one of the world's largest markets. The absence of trademark protection in the U.S. leaves Group vulnerable to potential trademark infringement, which could lead to brand dilution or legal disputes. Furthermore, without registered trademarks in the US, the Group may face challenges in asserting its rights against infringers or competitors, potentially impacting its market position.

Further, there can be no assurance that the efforts to protect the Group's intellectual property rights will be effective or that any third party will not infringe or misappropriate these rights whether in the jurisdictions where the Group currently operates or elsewhere. Additionally, the Group cannot guarantee that the Group's competitors will not independently develop similar intellectual property. Any infringement or misappropriation of the Group's intellectual property rights or the development by its competitors of similar intellectual property may have an adverse effect on the Group's business, prospects, results of operations and financial condition. Policing the unauthorised use of the Group's brands and trademarks can be difficult and expensive and litigation may be necessary to enforce or protect the Group's brands or determine the validity and scope of the proprietary rights of others. The outcome of such potential litigation may not be in the Group's favour and any success in litigation may not be able to adequately protect the Group's rights. Such litigation may also be costly and divert management's attention away from the Group's business.

Risk relating to the Group's inability to execute its growth strategy.

The Group may not be able to maintain or accelerate its current growth rate, effectively manage the expansion of its operations or achieve its planned growth on a timely or profitable basis.

As part of the Group's expansion strategy, the Group expects to develop new online educational platforms. The development of new online educational platforms is subject to various financing and operating risks, including:

- delays in obtaining necessary regulatory approvals and licenses, and other required governmental permits, licences, approvals and authorisations;
- lack or undue cost of necessary financial resources; or
- change of the Group's strategy.

The Group's strategic approach to growth is intricately linked to its ability to successfully execute acquisitions, specifically targeting existing private platforms within the UAE and on a global scale. This method of expansion is central to the Group's ambitions to broaden its operational footprint and enhance its service offerings. By integrating these acquired platforms into its existing infrastructure, the Group aims to leverage synergies and drive efficiencies across its educational services. This poses significant risks and uncertainties, including, but not limited to:

- availability of suitable targets for acquisition;
- availability of sufficient financial or operational resources to fund such acquisitions;

- ability to obtain required licences, authorisations and permits to acquire and/or operate new educational platforms;
- ability of the Group to implement and maintain standard controls, policies and procedures across all of its educational platforms;
- distraction of management’s attention from the normal business of running the day-to-day operations of the Group during the integration process;
- the ability of the Group to integrate and appropriately motivate key personnel at the acquired online educational platforms; and
- unforeseen expenses associated with the integration efforts.

Additionally, the acquisition process may divert management's focus from the Group's core operations, necessitate the integration and motivation of key personnel from the acquired entities, and incur unexpected costs, all of which could impact the Group's overall performance and growth prospect.

Future financing and the associated covenant restrictions and compliance Implications, non-compliance with which could result in acceleration of payment of financed amounts or termination of such agreements.

As of the date of this Prospectus, the Group operates without the burden of debt, maintaining a solid financial structure that supports its growth and operational flexibility. However, as the Group looks towards expanding the Group’s services, products, and pursuing strategic opportunities, it may become necessary to raise financing to support these initiatives. Engaging in financing will subject the Group to various restrictions and covenants typically included in facility agreements.

These may include limitations on further indebtedness, requirements to maintain specified financial ratios, restrictions on change of control, restrictions on dividends, or mandates regarding asset disposals and acquisitions. Compliance with these covenants is crucial, and failure to do so could lead to detrimental consequences, including the acceleration of payment obligations or the termination of facility agreements by lenders.

An acceleration clause would require the Group to repay borrowed amounts immediately, rather than over the initially agreed period. This could significantly impact its liquidity and operational capacity, diverting resources from critical growth initiatives to debt repayment. Similarly, the termination of a facility agreement could restrict the Group’s access to necessary financial resources, hindering its ability to execute its business strategy effectively.

The Group may also require additional capital in the future to maintain existing online educational platforms and develop new online educational platforms or acquire existing operational companies. If adequate funding is not available or not available on acceptable terms, including in the event of the occurrence of any unforeseen event that requires immediate funding, the Group may be unable to fund in a timely manner its operating activities, capital expenditures, expansion plans or financial obligations. The Group cannot guarantee that it will be able to secure or obtain from financial institutions such financing necessary to finance its capital expenditures and growth expansion with commercially suitable terms and conditions and in a timely manner or at all, which may have a material adverse impact on the Group business, prospects, results of operations and financial condition.

The Group may be involved in claims, disputes and legal proceedings in its ordinary course of business.

From time to time, the Group may be involved in claims, disputes, and legal proceedings in the ordinary course of its business operations. These issues may span a range of concerns, including breach of contract, employment or labour disputes, antitrust matters, and infringement of intellectual property rights. Given the Group's non-manufacturing nature, its risks primarily revolve around service delivery, data management, and intellectual property rights rather than product liability. However, the Group could still face liability if its services fail to comply with applicable laws and regulations or if issues arise that are related to the provision of its services, such as data breaches or failure to protect the intellectual property rights of others.

If the Group is unable to successfully defend against claims or other legal actions, it may be subject to substantial damages that could compel significant operational changes. Moreover, any legal actions initiated by or against the Group, irrespective of their merit, could lead to substantial costs and the diversion of management's attention and resources from its core business activities, potentially negatively affecting the Group's reputation and operational performance. Regardless of the outcome, legal proceedings can entail significant financial and resource expenditures and may negatively impact the Group's reputation.

Risks Relating to Abu Dhabi, the UAE and the MENA Region

General economic, financial and political conditions in the UAE, where the Group conducts the majority of its operations, may materially adversely affect the Group’s business, financial position and results of operations.

General economic, financial, and political conditions, in Abu Dhabi and elsewhere in the UAE where the Group conducts the majority of its operations, may have a material adverse effect on the Group’s business, results of operations, financial condition and prospects.

An adverse change in the credit rating of the UAE, declines in consumer confidence and/or consumer spending, an increase in unemployment, significant inflationary or deflationary changes or disruptive regulatory or geopolitical events could contribute to increased volatility and diminished expectations for the economy and markets, including the education sector in the UAE, and may lead to demand or cost pressures that could negatively and adversely impact the Group’s business, results of operations, financial condition and prospects. The UAE’s economy may be adversely affected by worsening global economic conditions and external disruptions, including financial market volatility, trade disruptions and protectionist trade policies or threats thereof. A global shift in policies, including towards protectionism, with lower global growth due to reduced trade, migration and cross-border investment flows, could slow non-oil growth in Abu Dhabi and elsewhere in the UAE. These conditions could affect the Group’s business and lead to a drop in student numbers. Examples of such conditions could include:

- a general or prolonged decline in, or declines in, regional or broader macro-economies;
- regulatory changes that could impact on the markets in which the Group operates; and

- deflationary economic pressures, which could hinder the Group's ability to operate profitably in view of the challenges inherent in making corresponding deflationary adjustments to its cost structure.

The nature of these types of risks makes them unpredictable and difficult to plan for or otherwise mitigate, compounding their potential impact on the Group's business, financial condition and results of operations. Further, there can be no assurances that any escalation of geopolitical tension in the future will not create instability in macroeconomic and social conditions, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The UAE's economy is significantly affected by volatility in international crude oil prices and its economy has in the past been, and is likely in the future to continue to be, materially adversely affected by lengthy periods of low crude oil prices.

The UAE's economy is significantly impacted by international crude oil prices and is highly dependent upon its hydrocarbon-related revenue. Crude oil prices have historically fluctuated in response to a variety of factors beyond the Group's control, including (without limitation):

- economic and political developments both in oil-producing regions, particularly in the MENA region, and globally (see "*—General economic, financial and political conditions, especially in Abu Dhabi and elsewhere in the UAE, where the Group conducts all of its operations, may materially adversely affect the Group's business, financial condition and results of operations*");

- global and regional supply and demand, and expectations regarding future supply and demand, for oil and gas products;

- the ability of the members of OPEC and OPEC+ to agree upon and maintain specified global production levels and prices;

- the impact of international environmental regulations designed to reduce carbon emissions, and global weather and environmental conditions; and

- prices, availability and trends relating to the use of alternative fuels and technologies.

Many economic sectors within the UAE remain in part dependent, directly or indirectly, on crude oil prices, so extended periods of low crude oil prices may have a negative impact across the economic landscape of Abu Dhabi and other Emirates. For example, the Dubai, Abu Dhabi or other Emirati governments may decide to reduce government expenditures in light of the budgetary pressures caused by lower crude oil prices, which may, in turn, reduce fiscal spending on infrastructure and other projects that create revenue streams for both public and private entities. Local financial institutions may experience lower liquidity (if significant government and government-owned company deposits are withdrawn to fund deficits) or higher loan losses or impairments. Furthermore, businesses that are dependent on household consumption, including consumer products, education, healthcare and housing, may be adversely affected by lower levels of economic activity created by extended periods of low crude oil prices.

Any of the factors described above, including further developments with respect to the Covid-19 pandemic (and the possibility of additional waves or resurgences thereof) and OPEC or OPEC+

agreements, could have a material adverse effect on the economic, political and fiscal position of Abu Dhabi and the UAE generally, and may consequently have a material adverse effect on the Group's business, financial condition and results of operations.

Continued instability and unrest in the MENA region, or the escalation of armed conflict, may materially adversely affect the Group's business, financial condition and results of operations.

Although Abu Dhabi and the wider UAE enjoy domestic political stability and generally healthy international relations, since 2011 there has been political unrest in several countries in the MENA region, including Bahrain, Egypt, Iran, Iraq, Lebanon, Libya, Syria, Tunisia and Yemen. The unrest has ranged from public demonstrations to, in extreme cases, armed conflict and civil war and has given rise to several regime changes and increased political uncertainty across the region. It is not possible to predict the occurrence of events or circumstances such as civil unrest, war or other hostilities, or the impact that such events or occurrences might have on Abu Dhabi, Dubai and the UAE. The MENA region is currently subject to several armed conflicts including those in Yemen, Syria (in which multiple state and non-state actors are involved, such as the USA, Russia, Turkey and Iran), Iraq and Palestine, as well as conflicts with militants associated with the Islamic State.

The economies of Abu Dhabi and the UAE, like those of many emerging markets, have been characterised by significant government involvement through direct ownership of enterprises and extensive regulation of market conditions, including foreign investment, foreign trade and financial services. Whilst Abu Dhabi and the UAE have enjoyed significant economic growth and relative political stability in recent years, there can be no assurance that such growth or stability will continue. Moreover, while the UAE government's policies have generally resulted in improved economic performance, there can be no assurance that such a level of performance can be sustained. A general downturn or instability in certain sectors of the UAE or the regional economy could have a material adverse effect on the Group's business, financial condition and results of operations.

Furthermore, Abu Dhabi and the other Emirates are, and will continue to be, affected by political developments in or affecting the UAE and the wider MENA region, and investors' reactions to developments in any country in the MENA region may affect securities of issuers in other markets, including the UAE. On 14 September 2019, the Abqaiq processing facility and the Khurais oil field in Saudi Arabia were significantly damaged in attacks by unmanned aerial vehicles and missiles, which caused an immediate significant reduction in the oil output of Saudi Aramco, Saudi Arabia's national oil company. In January 2020, direct confrontation occurred between the USA and Iran when a targeted drone strike killed a senior Iranian military commander in Iraq which was followed by an Iranian attack using ballistic missiles on a USA military base in Iraq. During this confrontation, the government of Iran confirmed that it would no longer adhere to the terms of the Joint Comprehensive Action Plan in respect of Iran's nuclear power programme. On 11 April 2021, a major power failure occurred at the Natanz complex south of Tehran, Iran, because of an explosion which has been reported to be caused by an attack on the Natanz complex. On 18 January 2022, Abu Dhabi experienced a drone attack launched by Houthi rebels near the Abu Dhabi airport that killed at least three people.

Although the UAE has otherwise generally not experienced terrorist attacks or armed conflict such as those experienced by several other countries in the MENA region, there can be no assurance that extremists or terrorist groups will not initiate terrorist or other violent activity in the UAE, or that the UAE will not be impacted by any escalation of regional armed conflict. Any terrorist incidents in or affecting Abu Dhabi or the UAE and increased regional geopolitical instability (whether or not directly involving Abu Dhabi, Dubai or the UAE), or any heightened levels of military conflict in the region or globally, including the current Russia-Ukraine and Israeli-Palestinian conflicts, may have a material adverse effect on Abu Dhabi, Dubai and the UAE's attractiveness for foreign investment and capital, their ability to engage in international trade, their tourist industry, and, consequently, their economic, external and fiscal positions, and therefore could adversely impact the Group's business, financial condition and results of operations.

Furthermore, the UAE, in general, and the Group, in part, are dependent on expatriate labour, including unskilled workers as well as highly skilled professionals in a range of industry sectors, and has made significant efforts in recent years to attract high volumes of foreign businesses and tourists to the country. These steps make the UAE potentially more vulnerable should regional instability increase, foreign militants commence operations in the Emirate, or extremist or terrorist groups engage in activities in the country. In addition, as the government endeavours to further diversify the UAE's economy into other sectors, including tourism, the exposure to broader regional and global economic trends and geopolitical developments will likely increase.

Governments in the MENA region have exercised and continue to exercise significant influence over their respective economies, and legal and regulatory systems in the MENA region, which may create an uncertain environment for investment and business activities.

The governments in the MENA region, including the UAE, have frequently intervened in the economic policy of their respective countries. This intervention has included, but not been limited to, regulation of market conditions, including foreign investment, foreign trade, financial services and oil and gas services. Any unexpected changes in the political, social, economic or other conditions in the MENA region or neighbouring countries could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. These changes include:

- an increase in inflation and government measures to curb such inflation, including through policies such as price controls;

- governments' actions or interventions, including tariffs, protectionism, foreign exchange and currency controls and subsidies;

- regulatory and legal structure changes, including foreign ownership restrictions, cancellation of contractual rights, expropriation of assets and potential lack of certainty as to title to real estate property in certain jurisdictions where the Group operates;

- changes to the availability of, requirements for, and cost to secure, employment and residence visas for expatriate staff and their dependents;

- income and other taxation reforms;

- policies of nationalisation of assets and requirements to employ local national employees;

- difficulties and delays in obtaining new permits and consents for new operations or renewing existing permits; and

- an inability to repatriate profits and/or dividends.

Unexpected changes in these policies or regulations could lead to increased operating or compliance expenses and could have the effect of decreasing the Group's enrolment numbers and competitiveness. Any such changes could have a material adverse effect on the Group's business, results of operations, financial position and prospects.

Abu Dhabi and the UAE may decide to introduce new laws and regulations, and have recently introduced corporate income tax, which could adversely affect the way in which the Group is able to conduct its businesses and its results of operations and financial condition.

Emerging market economies generally and the UAE are characterised by less comprehensive legal and regulatory environments than are found in more developed regions. However, as these economies mature, and in part due to the desire of certain countries in the MENA region, including in particular the UAE, to accede to the World Trade Organisation, the governments of these countries have begun, and the Group expects will continue, to implement new laws and regulations which could impact the way the Group conducts its business and have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Changes in investment policies or in the prevailing political climate in the UAE could result in the introduction of changes to government regulations with respect to:

- price controls;
- export and import controls;
- corporate income and other taxes;
- foreign ownership restrictions;
- foreign exchange and currency controls; and
- labour and welfare benefit policies.

Tax controls and changes in tax laws or regulations (including retrospective changes) or the interpretation given to them may also expose the Group to negative tax consequences, including interest / profit payments and potential penalties, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. For example, from 1 June 2023 the Group became subject to the corporate income tax in the UAE pursuant to the Federal Tax Law, and it is unclear what federal corporate tax rate will apply to the Group. The Group may be subject to a 9% federal corporate income tax rate on adjusted accounting net profits above a threshold of AED 375,000 or a 15% federal corporate income tax rate, depending on how the UAE implements Pillar 2 of the OECD BEPS 2.0 framework. The UAE Federal Tax Authority will be responsible for administering, collecting and enforcing corporate tax in line with rules and regulations to be issued by the Ministry of Finance. There can be no assurances that the compliance with the Federal Tax Law or other applicable tax regimes in other jurisdictions in which the Group operates will not increase its costs or otherwise have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The UAE's Emiratisation initiative may increase the Group's costs and may reduce its ability to rationalise its workforce.

Emiratisation is an initiative by the UAE government to employ its citizens in a meaningful and efficient manner in the public and private sectors and to reduce its reliance on foreign workers. Under the initiative, companies are encouraged to employ Emiratis in management, education, administrative and technical positions. However, the cost of employing UAE nationals typically is significantly higher than the cost of employing foreign workers. From January 2023, the Group will need to comply with Abu Dhabi's Emiratisation agenda which means that 5% of Abu Dhabi Charter online educational platforms staff will need to be Emirati starting in January 2023. Meeting and maintaining the Group's Emiratisation targets reduces its flexibility to rationalise its workforce, which limits its ability to reduce costs in many areas of its operations and may be made difficult due to the Covid-19 pandemic (particularly if additional waves or resurgences thereof occur). Accordingly, 5% of the Group's staff need to be Emirati to meet the key performance indicator. As a result, there can be no assurance that meeting and maintaining the Group's Emiratisation targets will not have a material adverse effect on its business, financial condition and results of operations.

The Group's financial condition and results of operations may be materially adversely affected if the USD/AED exchange rate were to change.

The Group maintains its accounts, and reports its results, in UAE Dirhams, which is the functional currency of the Group. Although the UAE dirham has been pegged to the US dollar at a rate of AED 3.6725 to USD 1.00 since 1997, there can be no assurance that the UAE Central Bank will continue to maintain this fixed rate in the future, particularly if there continues to be increased demand for the US. Any de-pegging or change to the USD/AED exchange rate could increase the costs that the Group pays for certain goods and services procured from outside of the UAE, including consultant or international accreditation body services, if required in the future, or to make end of service payments to employees who have left the Group's employment, or could cause its results of operations and financial condition to fluctuate due to currency translation effects, any of which could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks Relating to the Offering and to the Shares

The Company is a holding company and substantially all of its operations are conducted through its subsidiaries.

As a holding company, the Company does not have significant operations of its own. The Company currently conducts all of its operations through its subsidiaries, primarily through Alef Education, which generates substantially all of its income and cash flow. Since the Company has no direct operations or significant assets other than the capital stock of these subsidiaries, the Company relies on those subsidiaries for cash dividends, income, and other cash flows and, in the long term, to pay other obligations at the holding company level that may arise. The ability of such entities to make payments to the Company depends largely on their financial condition and ability to generate profits. In addition, because the Company's subsidiaries are separate and distinct legal entities, they will have no obligation to pay any dividends or to lend or advance funds to the Company and may be restricted from doing so by contract, including other financing arrangements, charter provisions, other shareholders or applicable laws and regulations. Similarly, because of the Company's holding company structure, claims of the financiers of its subsidiaries, including trade creditors, banks and other financiers, effectively have priority over any claims that the Company may have with respect to the assets of these entities. Further, there can be no assurance that, in the long term, the Company's subsidiaries will generate sufficient profits and cash flows, or otherwise prove willing, or able, to pay dividends or lend or advance sufficient funds to the Company to enable it to meet its obligations and pay interest/finance costs, expenses and dividends, if any, on the Shares.

Substantial sales of Shares by the Shareholders or future issuances of Shares by the Company could depress the price of the Shares.

The Company may decide to issue and offer additional Shares in the future or securities convertible into Shares, including in the form of stock-based compensation. As a result, shareholders may suffer dilution to their holding and voting rights. In addition, if the Company carries out a further issuance of Shares, shareholders may suffer a dilution in percentage ownership if they did not participate or were not eligible to participate in such further issuances.

Sales, or the perception that such sales may occur, of a substantial number of Shares by the Selling Shareholders following the completion of the Offering or any future issuances of Shares by the Company may significantly reduce the Company's share price. The Company and the Selling Shareholders agreed in the Underwriting Agreement, to certain restrictions on their ability to sell, transfer and otherwise deal in their Shares for a period of 180 calendar days from the Closing Date, except in certain limited circumstances, unless otherwise consented to by the Joint Global Coordinators (such consent not to be unreasonably withheld or delayed). Nevertheless, the Company is unable to predict whether substantial amounts of Shares (in addition to those which will be available in the Offering) will be sold in the open market following the completion of the Offering. Any sales of substantial amounts of Shares in the public market, or the perception that such sales might occur, could materially and adversely affect the market price of the Shares.

The Selling Shareholders will retain significant interest in, and exercise significant control over, the Group and their interests may differ from those of the other.

As at the date of this Prospectus, the Selling Shareholders hold 100% of the Shares and voting rights in the Company and, immediately following the Offering, the Selling Shareholders will continue to hold a significant majority of the Shares and voting rights in the Company. As a result, the Selling Shareholders possesses and shall continue to possess sufficient voting power to exercise control over all matters requiring shareholder approval, including the election or removal of directors, the declaration of dividends and other matters to be determined by the shareholders. In exercising their voting rights, the Selling Shareholders may be motivated by interests that are different from those of other shareholders.

The ownership level of the Selling Shareholders may have the effect of delaying, deferring or preventing a change of control, merger, consolidation, takeover or other business combination or discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company, which in turn could have a material adverse effect on the trading price of the Shares.

The Shares have never been publicly traded and the Offering may not result in an active or liquid market for the Shares, and trading prices of the Shares may be volatile and may decline. In addition, the ADX is significantly smaller in size than other established securities markets, which may also affect liquidity in the Shares.

Prior to the Offering, there has been no public trading market for the Shares. The Group cannot guarantee that an active trading market will develop or be sustained following the completion of the Offering, or that the market price of the Shares will not decline thereafter below the offer price. The trading price of the Shares may be subject to wide fluctuations in response to many factors, as well as stock market fluctuations and general economic conditions or changes in political sentiment that may adversely affect the market price of the Shares, regardless of the Group's actual performance or conditions in the UAE.

The Company has applied for the Shares to be listed on the ADX. The ADX is substantially smaller in size and trading volume than other established securities markets, such as those in the United States and the UK. As of 31 December 2023, there were 95 companies with securities traded on the ADX with a total market capitalisation of approximately AED 2,999 billion. The ADX had a total regular trading value of AED 314 billion since the start of 2023. Brokerage commissions and other transaction costs on the ADX are generally higher than those in Western European countries. These factors could generally decrease the liquidity and increase the volatility of share prices on the ADX, which in turn could increase the price volatility of the Shares and impair the ability of a holder of Shares to sell any Shares on the ADX for the desired amount and at the price and time achievable in more liquid markets.

The market price of the Shares may rise or fall rapidly, the Shares may trade at a discount to the Offer Price and Shareholders may be unable to realise their investments through the secondary market at the Offer Price.

General movement in local and international stock markets, prevailing and anticipated economic conditions and profit rates, financing costs, investor sentiment and general economic conditions may all negatively affect the market price of the Shares. The market for the Shares may fluctuate and a lack of liquidity can have an adverse effect on the market value for the Shares. Accordingly, the purchase of such Shares is only suitable for investors who can bear the risks associated with such investments.

Further, the Shares may trade at a discount to the Offer Price for a variety of reasons, including adverse market conditions, deterioration in investors' perceptions of the merits of the Company's strategy and investment policy, an excess of supply over demand in the Shares.

The Company may not pay dividends on the Shares and consequently, investors may not receive any return on their investment unless they sell their Shares for a price greater than that which was paid for them.

The distribution of dividends by the Company will be dependent upon several factors, including the future profit, financial position, capital requirements, statutory reserve requirements, the amount of distributable reserves, available credit of the Company and general economic conditions and other factors that the Board of Directors deem significant from time to time. Also, the Company's ability to declare and pay cash dividends on the Shares may be restricted by, among other things, covenants in any credit facilities that the Company may enter into in the future, the recovery of any incurred losses in the future and provisions of UAE law. While the Company has historically been able to pay regular dividends and intends to pay dividends in respect of the Shares there can be no assurance that any dividend will ever be paid, nor can there be an assurance as to the amount, if any, which will be paid in any given year.

In addition, any decision to declare and pay dividends in the future will be made at the discretion of the Board of Directors and will depend on, among other things, applicable law and regulations, the Group's results of operations, financial condition, cash requirements, contractual restrictions, future projects and plans and other factors that Board of Directors may deem relevant. As a result, you may not receive any return on an investment in the Shares unless you sell your Shares for a price greater than that which you paid for them. See *“Dividend Policy*”.

It may be difficult for shareholders to enforce judgments against the Group in the UAE, or against the Company’s directors and senior management.

The Company is a public limited company established in the ADGM in the Emirate of Abu Dhabi, United Arab Emirates. All of its directors and all of its officers reside outside the UK and the EEA. In addition, the Group’s material assets and the majority of the assets of its directors and senior management are located outside the UK and the EEA. As a result, it may not be possible for investors to effect service of process outside the UAE upon the Group or its directors and senior management or to enforce judgments obtained against them in courts outside the UAE, including judgments predicated upon the civil liability provisions of the securities laws of the UK or the EEA.

Holders of the Shares in certain jurisdictions outside of the UAE may not be able to exercise their pre-emptive rights if the Company increases its share capital.

Under the Articles of Association to be adopted in connection with the Offering, holders of the Shares generally have the right to subscribe and pay for a sufficient number of ordinary shares to maintain their relative ownership percentages prior to the issuance of any new ordinary shares in exchange for cash consideration. Holders of the Shares outside of the UAE may not be able to exercise their pre-emptive rights unless certain registrations are effective with respect to such rights and the related ordinary shares or an exemption from their respective registration requirements. The Company currently does not intend to register the Shares under the Securities Act or the laws of any other jurisdiction, and no assurance can be given that an exemption from such registration requirements will be available to enable holders of the Shares outside of the UAE to exercise their pre-emptive rights or, if available, that the Company will utilise such exemption. Furthermore, provided that the Company obtains all the required approvals from the SCA and its General Assembly, the Company may increase its capital without applying the pre-emption rights of the existing Shareholders, such as (i) for the purpose of the entry of a strategic partner, (ii) for the purpose of capitalising the Company’s debts, (iii) for the purpose of converting bonds or sukuk issued by the Company into shares, and/or (iv) acquiring an existing company and issuing new shares in the Company to the partners or shareholders of that acquired company. To the extent that holders of the Shares outside of the UAE are not able to exercise their pre-emptive rights, the pre-emptive rights would lapse and the proportional interests of such holders outside of the UAE would be reduced.

UAE Taxation

The following comments are general in character and are based on the current and proposed tax regimes applicable in the UAE and the current practice of the UAE authorities as at the date of this Prospectus. The comments do not purport to be a comprehensive analysis of all the tax consequences applicable to all types of shareholders and do not relate to any taxation regime outside the UAE. Each shareholder is responsible for its own tax position and, if you are in any doubt as to your own tax position, you should seek independent professional advice without delay.

UAE Emirate-level Corporate Taxation

Historically, most of the individual Emirates have enacted their own corporate tax decrees. Whilst in theory these decrees could potentially levy corporate tax on all companies in the relevant Emirate, in practice, corporate tax was only applied to certain companies operating in the upstream oil and gas industry and to mainland branches of foreign banks in the UAE on their net income. Therefore, the Company should in principle continue to be subject to the Emirate-level corporate tax regime. In practice, however, the Company is not currently paying any corporate tax and not required to make any Emirate level corporate tax filings.

UAE Federal-level Corporate Taxation

Federal Decree-Law No. (47) of 2022 on the Taxation of Corporations and Businesses (the "**Corporate Tax Law**") introduced corporate tax on juridical persons with a permanent establishment or nexus in the UAE or deriving UAE sourced income, including corporations, partnerships, foundations, non-resident entities and natural persons engaged in a business or business activity from 25 October 2022; effective for businesses for tax periods commencing on or after 1 June 2023.

This Corporate Tax Law is as yet untested, and guidance published by the Ministry of Finance (the "**MoF**") and the Federal Tax Authority (the "**FTA**") have not resolved all points of uncertainty. Consequently, how the Corporate Tax Law will be applied to the Company remains unclear.

Corporate Tax Rates

The corporate tax rate is set at 0% for taxable income up to AED 375,000, and 9% for taxable income that exceeds AED 375,000.

The MoF has announced that, as a member of the OECD Base Erosion and Profit Shifting ("**BEPS**") Inclusive Framework, it is committed to addressing the challenges faced by tax jurisdictions internationally. On the announcement of the UAE corporate tax, the MoF stated that UAE entities within a large multinational group that fall under the scope of Pillar 2 of the OECD BEPS 2.0 framework, being those with consolidated global annual revenue of more than EUR 750 million, equivalent to approximately AED 3 billion, will be subject to a different higher rate, which is still yet to be announced. The global minimum effective tax rate proposed by the OECD is 15%.

It is not currently clear how the UAE will embed the Pillar 2 rules into domestic legislation and how the Pillar 2 regime will interact with the new corporate tax regime, but it should be noted that this may impact the application of the zero rate for Qualifying Free Zone entities that fall within the Pillar 2 rules. The UAE is expected to enact Pillar 2 from 2025.

Taxable profit

UAE corporate tax will be payable on taxable income, being the net profit reported in the financial statements of the business, subject to certain adjustments.

No deductions are available when calculating taxable income for the following items, among others:

- expenditure not incurred for the purpose of the taxable person's business;
- losses not connected with, or arising out of, the taxable person's business;
- net interest / finance expense which exceeds the higher of: (i) 30% of tax adjusted EBITDA, or (ii) AED 12,000,000 (subject to certain additional requirements);
- penalties, bribes or other illicit payments;
- dividends or other profit distributions;
- corporate tax imposed under the Corporate Tax Law, tax imposed on the taxable person outside the UAE and recoverable VAT;
- donations paid to organisations that are not a Qualifying Public Benefit Entity (as defined under Article 9 of the Corporate Tax Law);
- 50% of expenditure incurred by the taxable person on the entertainment of customers, shareholders, suppliers or other business partners;
- adjustment for transactions with related parties that are not on arm's length;
- such other expenditure as may be specified in a decision issued by the cabinet; and
- "**Exempt Income**" and expenditure incurred in deriving Exempt Income, defined as: (i) dividends paid by UAE resident juridical person; (ii) dividends and other profit distributions received from a foreign participation that is not a resident person and local/foreign capital gains or losses on the transfer, sale or other disposition of participating interest (or part thereof) subject to complying with the participation exemption rules; (iii) income of a foreign permanent establishment where an election under Article 24 of the Corporate Tax Law has been made; and (iv) income derived by a non-resident person from operating aircraft or ships in international transportation that meets certain conditions.

Free Zone Persons

The Corporate Tax Law provides for a specific regime for "**Qualifying Free Zone Persons**", being persons incorporated, established or otherwise registered in one of the UAE's free zones, including a branch of a non-resident person registered in a free zone, ("**Free Zone Persons**") meeting all of the following criteria:

- it maintains adequate substance in the free zone;

- its income is derived from transactions with other Free Zone Persons, except for income derived from "**Excluded Activities**" (as defined in Ministerial Decision No. 139 of 2023 Regarding Qualifying Activities in Excluded Activities). The other Free Zone Persons must be the beneficial recipients of a transaction where that other Free Zone Person has the right to use and enjoy the supply by the Qualifying free Zone Person without being under a legal or contractual obligation to pass on the services or goods supplied to another person; or income derived from transactions with a non-Free Zone Person, but only in respect of qualifying activities that are not Excluded Activities; or any other income provided that the Qualifying Free Zone Person satisfies the "de minimis" requirements of the Corporate Tax Law ("**Qualifying Income**"). Qualifying Income cannot include income attributable to a foreign permanent establishment or a domestic permanent establishment or income attributable to the ownership or exploitation of immovable property (except in the case of transactions with Free Zone Persons involving commercial property located in a free zone).

- it has not elected to be subject to corporate tax;

- it has complied with the arms-length principle and transfer pricing documentation requirements of the Corporate Tax Law;

- it does not fail the "de minimis test" defined in the Cabinet Decision No. 55 of 2023;

- it prepares audited financial statements in accordance with Ministerial Decision No.82 of 2023; and

- it has complied with any other conditions set by the MoF.

A Free Zone Person who fails to satisfy any of the above criteria will be subject to a corporate tax rate of 9% for each year in which it fails to meet the above criteria and for a further four years following a year that it fails to qualify. A Free Zone Person subject to a corporate tax rate of 9% does not benefit from the AED 375,000 zero tax band. The corporate tax FAQs published by the MoF and FTA specify that Qualifying Free Zone entities that are part of a large multinational group are expected to be subject to the Pillar 2 global minimum tax, once implemented.

Withholding tax

The UAE applies withholding tax at a rate of 0% to certain domestic and cross-border payments made by UAE businesses. Consequently, UAE businesses will not be required to make any deductions from payments made to resident or non-resident recipients, nor will there be an obligation to file withholding tax returns.

The Corporate Tax Law includes provisions which specifically allow the UAE Cabinet of Ministers to change the withholding tax rate. The Corporate Tax Law also specifies that a Cabinet decision will be issued which will detail the categories of income which will be subject to withholding taxes. The UAE Cabinet of Ministers decisions have not yet been issued.

Transfer Pricing

Under the Corporate Tax Law, transactions carried out between related parties and connected parties should be priced in line with the arm's length principle. The arm's length principle is met where the transaction or agreement is consistent with the results that would have been realised where unrelated parties had engaged in a similar transaction or agreement under similar circumstances.

The arm's length principle should be supported by a functional, assets and risk analysis which is intended to be aligned with the OECD TP Guidelines as clarified by the explanatory guide issued by the MoF.

Value Added Tax

VAT was introduced in the UAE on 1 January 2018, pursuant to Federal Decree Law No. (8) of 2017 on VAT and its Executive Regulations. The standard VAT rate is 5% and applies to most goods and services, with some goods and services subject to a 0% rate or an exemption from VAT (subject to specific conditions being met).

The 0% VAT rate applies to goods and services exported outside the UAE, international transportation, the supply of crude oil and natural gas, the first supply of residential real estate, and some specific areas, such as health care and education.

A VAT exemption applies to certain financial services, as well as to the subsequent supply of residential real estate. In addition, transactions related to bare land, residential buildings (other than the first supply) and domestic passenger transport are also exempt from VAT. Further, certain transactions in goods between companies established in UAE Designated Free Zones (as notified specifically for VAT purposes) ("**DZs**") may not be subject to VAT. The supply of goods and services within DZs is, however, subject to VAT in accordance with the general application of the UAE VAT legislation. The purchase of Shares is considered an exempt supply for the purposes of VAT (unless a zero-rating provision applies) pursuant to Article 42 of the UAE VAT Executive Regulations. Under the UAE VAT legislation, no VAT should be payable in respect to the acquisition or sale of Shares. However, it should be noted that fees relating to the transfer of ownership of shares would be subject to VAT at the standard rate of 5%.

Businesses are entitled to claim a credit for VAT paid on their purchases (subject to maintaining the relevant supporting documents especially a tax invoice) if they relate to a supply that is standard rated or zero-rated (taxable supplies). However, any VAT incurred in connection with a supply that is exempt from VAT cannot be reclaimed. Where VAT incurred cannot be attributed specifically to a taxable or an exempt supply, it is possible to recover a portion of this (for example, overhead costs for the business). This recovery can be made in line with an apportionment calculation and subsequent annual washup exercise.

Excess input VAT can, in principle, be claimed back from the FTA, subject to a specific procedure. Alternatively, VAT credits may be carried forward and offset against the net VAT payable in the next taxable period(s). The FTA may offset unclaimed VAT credits against taxpayer liabilities, including outstanding penalty amounts.

Businesses that do not comply with their VAT obligations can be subject to fines and penalties. There are both fixed and percentage-based penalties. The FTA may offset unclaimed VAT credits against taxpayer liabilities, including outstanding penalty amounts.

Under the UAE VAT legislation, no VAT should be payable in respect to the acquisition or sale of Shares. However, it should be noted that fees relating to the transfer of ownership of Shares would be subject to VAT at the standard rate of 5%. Certain fees may be subject to VAT at 0% where the buyer is non-resident, and the sale meets the conditions for zero-rated export of services.

For completeness, dividend income received by merely holding shares in a company does not constitute consideration for a supply. Therefore, passively earned dividend income would not amount to a consideration for a taxable supply and should be outside the scope of UAE VAT.

A sale of assets would be subject to VAT at the standard rate of 5%, unless it qualifies as a transfer of a business as a going concern (in which case a transaction should be outside the scope of UAE VAT). Capital gains realised from the sale of assets would not constitute a consideration for a taxable supply and should be outside the scope of UAE VAT.

UAE Taxation Considerations for Prospective Investors

As of the date of this Prospectus, there is currently no federal-level or Emirate-level personal income tax levied on individuals in the UAE. Non-UAE tax residents, or dual tax residents, individuals and corporations may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Offering based on local tax regulations in their respective jurisdictions.

Individuals who conduct a business or business activity in the UAE will be subject to corporate tax. Businesses or business activities conducted by a resident person or non-resident person shall be subject to corporate tax only where the total turnover derived from such businesses or business activities exceeds AED 1 million within a calendar year.

Taxation on purchase of shares

Completion of the Offering is likely to be characterised for UAE tax purposes as a purchase of shares by the investor. If an investor is tax resident outside the UAE and/or is subject to tax in another jurisdiction, the Offering may be characterised differently and may be subject to tax in that other tax jurisdiction.

There are no transfer taxes in the UAE on the purchase of shares. Accordingly, a purchase of Shares should not result in any UAE tax liabilities for investors who are individuals or corporations that are tax resident in the UAE. Non-UAE tax residents, or dual tax resident individuals and corporations, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations in their respective jurisdictions.

From a VAT perspective, the purchase of shares is considered an exempt supply for the purposes of VAT unless a zero-rate provision applies pursuant to Article 42 of the UAE VAT Executive Regulations. Under the UAE VAT legislation, no VAT should be payable in respect to the acquisition or sale of Shares. However, it should be noted that fees relating to the transfer of ownership of shares would be subject to VAT at the standard rate of 5% (see "—*Value Added Tax*").

Investors should seek advice in relation to the impact of VAT in relation to their acquisition of Shares.

Taxation of dividends and capital gains on sale of shares

UAE tax resident individual shareholders

Pursuant to the Corporate Tax Law, a purchase of shares and any related dividend income, or gains on sale of shares, should not result in any UAE tax liabilities for UAE tax resident or non-resident natural persons so long as it qualifies as a “personal investment”. Under UAE Cabinet decision No 49 for 2023 a “personal investment” is defined as investment activity that a natural person conducts for their personal account that is neither conducted through a licence or requiring a licence from a licensing authority in the UAE, nor considered as a commercial business in accordance with the UAE Federal Decree-Law No 50 of 2022, Commercial Transactions Law.

Non-UAE tax resident individual shareholders

Non-UAE tax residents, or dual tax residents, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with the Shares based on local tax regulations in their respective jurisdictions.

UAE tax resident corporate shareholders

Under the Corporate Tax Law, the purchase of Shares should not result in any UAE tax liabilities for corporations which are tax resident in the UAE. Similarly, dividends received from UAE resident juridical persons are exempt from tax.

Gains realised by UAE resident corporate investors in relation to the disposal of their investment will be subject to corporate tax at a rate of 9%. The participation exemption may exempt any gain arising where all of the following conditions are met:

- the ownership interest held by the investor represents at least 5% or the minimum historical acquisition costs of AED 4,000,000 is met;
- the investor holds the investment for a 12 month uninterrupted period (or has the intention to hold the investment for a 12 month period);
- the investment is subject to tax in its country or territory of residence at a rate that is not lower than 9% (this condition is assumed to be met where the investment is either a Qualifying Free Zone Person or an Exempt Person);
- not more than 50% of the direct and indirect assets held by the underlying foreign subsidiaries / investments consist of ownership interests that would not have qualified for a participation exemption if held directly by the investment;
- the investor has a right to receive at least 5% of the profits and liquidation proceeds of the subsidiary; and
- any other conditions as may be prescribed by the MoF.

Where the participation exemption applies on the disposal of the investment, any expenditure incurred in relation to the acquisition, transfer or sale of the investment, will not be deductible.

Non-UAE tax resident corporate shareholders

Non-UAE tax resident companies or dual tax resident corporations may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations in their respective jurisdictions.

Under the Corporate Tax Law, dividends from resident juridical persons are exempt from tax. Where dividends from resident juridical persons are classed as state sourced income, the dividend income would be subject to withholding tax which is currently charged at 0%. Gains realized by non-UAE tax resident corporate investors or a non-UAE permanent establishment in relation to the disposal of their investment would represent UAE sourced income and therefore would be subject to tax under the Corporate Tax Law. This gain would be subject to withholding tax which is currently charged at 0% (see "—Withholding Tax").

THE ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR INVESTOR. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE SHARES UNDER THE INVESTOR'S OWN CIRCUMSTANCES.

Third Section: Financial Disclosures

Summary of the Company's Financial Statements and a Summary of Key Notes and Key Financial Indicators as of and for the three months periods ended 31 March 2024 and 2023 and the three years ended 31 December 2021, 2022 and 2023

1. SPECIAL PURPOSE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME DATA

		Period ended		*Year ended*		
	Notes	*31 March 2024 AED*	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
INCOME						
Education solution fees		164,078,655	163,730,173	656,945,193	654,596,955	585,660,789
IT set-up fees		-	-	43,084,230	69,377,251	37,450,483
IT maintenance fees		12,572,171	12,144,052	49,496,003	48,719,133	44,248,071
Revenue from contracts with customers	16	**176,650,826**	**175,874,225**	**749,525,426**	**772,693,339**	**667,359,343**
EXPENSES						
Salaries and other benefits		(27,103,018)	(30,189,215)	(127,643,829)	(136,889,693)	(120,517,009)
Technology expenses		(8,508,908)	(6,867,232)	(63,061,653)	(83,033,402)	(80,527,815)
Software licenses		(6,413,550)	(5,298,317)	(24,111,194)	(23,076,971)	(20,712,747)
Amortisation for intangible assets	6	(8,409,112)	(7,778,730)	(30,732,894)	(30,238,093)	(26,512,823)
Legal and professional fees		(2,049,630)	(5,787,666)	(30,788,935)	(41,657,037)	(36,729,513)
Depreciation on property and equipment	5	(396,671)	(1,420,165)	(3,271,862)	(8,563,942)	(9,748,633)
Lease expenses	7	(941,780)	(885,116)	(3,530,964)	(4,120,597)	(4,022,688)
Marketing expenses		(1,123,847)	(2,648,537)	(7,845,303)	(4,488,845)	(5,598,668)
Others		(753,421)	(840,610)	(3,624,960)	(3,648,022)	(3,732,334)
Total expenses		**(55,699,937)**	**(61,715,588)**	**(294,611,594)**	**(335,716,602)**	**(308,102,230)**
OPERATING PROFIT FOR THE PERIOD / YEAR		**120,950,889**	**114,158,637**	**454,913,832**	**436,976,737**	**359,257,113**
Income from financial assets carried at fair value through profit or loss	17	-	91,362,983	122,795,687	237,947,155	67,893,713
Interest income		3,218,014	534,845	8,698,380	171,505	-
PROFIT FOR THE PERIOD / YEAR BEFORE TAX		**124,168,903**	**206,056,465**	**586,407,899**	**675,095,397**	**427,150,826**
Income tax expense	23	**(11,141,451)**	-	-	-	-
PROFIT FOR THE PERIOD / YEAR		**113,027,452**	**206,056,465**	**586,407,899**	**675,095,397**	**427,150,826**
Other comprehensive income		-	-	-	-	-
TOTAL PROFIT AND COMPREHENSIVE INCOME FOR THE PERIOD / YEAR		**113,027,452**	**206,056,465**	**586,407,899**	**675,095,397**	**427,150,826**
Earnings per share attributable to the Equity holders of the Parent:						
- basic and diluted earnings per share (AED)	24	0.49	-	-	-	-

2. SPECIAL PURPOSE CONSOLIDATED STATEMENT OF FINANCIAL POSITION DATA

	Notes	31 March 2024 AED	31 March 2023 AED	31 December 2023 AED	31 December 2022 AED	31 December 2021 AED
ASSETS						
Non-current assets						
Property and equipment	5	2,279,278	3,350,011	2,540,005	4,649,091	10,518,818
Intangible assets	6	127,985,269	76,432,728	79,898,352	74,785,546	75,101,023
Right of use assets	7	422,875	653,526	480,533	-	-
Trade and other receivables	9	4,984,419	9,367,250	12,425,319	10,562,585	10,364,798
Total non-current assets		**135,671,841**	**89,803,515**	**95,344,209**	**89,997,222**	**95,984,639**
Current assets						
Investments carried at fair value through profit or loss	8	-	936,223,905	-	869,032,026	269,863,572
Trade and other receivables	9	382,663,056	128,152,118	154,947,624	137,305,049	154,605,809
Amounts due from related parties	15	76,227,021	558,932,491	109,755,488	387,010,412	249,833,130
Cash and cash equivalents	10	168,891,054	202,785,106	261,773,715	171,437,937	205,585,278
Total current assets		**627,781,131**	**1,826,093,620**	**526,476,827**	**1,564,785,424**	**879,887,789**
TOTAL ASSETS		**763,452,972**	**1,915,897,135**	**621,821,036**	**1,654,782,646**	**975,872,428**
EQUITY AND LIABILITIES						
Equity						
Share capital	11	70,000,000	-	-	-	-
Shareholders' contribution	11	167,559,022	167,559,022	167,559,022	167,559,022	167,559,022
Other reserve	12	75,000	75,000	75,000	75,000	75,000
Retained earnings		389,813,735	1,598,530,227	346,786,283	1,392,473,762	717,378,365
Total equity		**627,447,757**	**1,766,164,249**	**514,420,305**	**1,560,107,784**	**885,012,387**
Non-current liabilities						
Provision for employees' end of service benefits	13	13,720,285	11,587,687	12,921,328	11,216,918	6,018,357
Lease liability	7	12,210	219,591	241,965	-	-
Total non-current liabilities		**13,732,495**	**11,807,278**	**13,163,293**	**11,216,918**	**6,018,357**
Current liabilities						
Amount due to a related party	15	-	-	-	-	37,826
Trade and other payables	14	122,064,583	137,705,314	94,008,382	83,457,944	84,803,858
Lease liability	7	208,137	220,294	229,056	-	-
Total current liabilities		**122,272,720**	**137,925,608**	**94,237,438**	**83,457,944**	**84,841,684**
Total liabilities		**136,005,215**	**149,732,886**	**107,400,731**	**94,674,862**	**90,860,041**
TOTAL EQUITY AND LIABILITIES		**763,452,972**	**1,915,897,135**	**621,821,036**	**1,654,782,646**	**975,872,428**

3. SPECIAL PURPOSE CONSOLIDATED STATEMENT OF CHANGES IN EQUITY DATA

	Share capital AED	*Shareholders' contribution AED*	*Statutory Reserve AED*	*Retained earnings AED*	*Total AED*
Balance at 1 January 2021	-	167,559,022	75,000	290,227,539	457,861,561
Total comprehensive income for the year	-	-	-	427,150,826	427,150,826
Balance at 31 December 2021	-	167,559,022	75,000	717,378,365	885,012,387
Total comprehensive income for the year	-	-	-	675,095,397	675,095,397
Balance at 31 December 2022	-	167,559,022	75,000	1,392,473,762	1,560,107,784
Total comprehensive income for the three-month period	-	-	-	206,056,465	206,056,465
Balance at 31 March 2023	-	167,559,022	75,000	1,598,530,227	1,766,164,249
Total comprehensive income for the nine-month period	-	-	-	380,351,434	380,351,434
Dividend (note 25)	-	-	-	(1,632,095,378)	(1,632,095,378)
Balance at 31 December 2023	-	167,559,022	75,000	346,786,283	514,420,305
Issuance of share capital (note 11)	70,000,000	-	-	(70,000,000)	-
Total comprehensive income for the three-month period	-	-	-	113,027,452	113,027,452
Balance at 31 March 2024	**70,000,000**	**167,559,022**	**75,000**	**389,813,735**	**627,447,757**

4. SPECIAL PURPOSE CONSOLIDATED STATEMENT OF CASH FLOWS DATA

	Notes	31 March 2024 AED	31 March 2023 AED	31 December 2023 AED	31 December 2022 AED	31 December 2021 AED
Operating activities						
Profit for the period / year before tax		124,168,903	206,056,465	586,407,899	675,095,397	427,150,826
Adjustments for:						
Depreciation on property and equipment	5	396,671	1,420,165	3,271,862	8,563,942	9,748,633
Depreciation on right of use asset	7	57,658	38,371	211,364	-	967,582
Amortisation of intangible assets	6	8,409,112	7,778,730	30,732,894	30,238,093	26,512,823
Income from financial assets carried at fair value through profit or loss	17	-	(91,362,983)	(122,795,687)	(237,947,155)	(67,893,713)
Interest expense on lease liability	7	8,208	6,919	38,055	-	-
Write-off of intangible asset		-	-	-	-	741,266
Write-off of property and equipment	5	-	-	-	17,571	-
Provision for employees' end of service benefits	13	1,195,000	969,199	4,286,824	7,480,607	6,322,132
Gain on disposal of property and equipment		-	-	(6,538)	-	-
Interest income		(3,218,014)	(534,845)	(8,698,380)	(171,505)	-
		131,017,538	124,372,021	493,448,293	483,276,950	403,549,549
Working capital changes:						
Amounts due from related parties		55,454	3,982	(289,966)	1,739,801	(1,525,274)
Trade and other receivables		(219,693,338)	10,348,266	(19,505,309)	17,102,973	(144,919,777)
Trade and other payables		15,665,359	54,247,370	6,444,006	(3,798,857)	(1,829,806)
Amount due to a related party		-	-	-	(37,826)	37,826
Cash (used in) generated from operating activities		(72,954,987)	188,971,639	480,097,024	498,283,041	255,312,518
Employees' end of service benefits paid	13	(396,043)	(598,430)	(2,582,414)	(2,282,046)	(4,517,158)
Net cash (used in) generated from operating activities		**(73,351,030)**	**188,373,209**	**477,514,610**	**496,000,995**	**250,795,360**
Investing activities						
Purchase of property and equipment	5	(135,944)	(121,085)	(1,162,776)	(2,711,786)	(1,182,247)
Purchase of financial assets carried at fair value through profit or loss	8	-	(30,432,952)	(61,464,112)	(757,637,124)	(374,248,455)
Proceeds from disposal of financial assets carried at fair value through profit or loss	8	-	48,287,331	418,270,957	386,820,214	169,410,489
Dividend income from financial assets at fair value through profit or loss	17	-	6,316,725	20,414,682	9,595,611	2,868,107
Amounts due from related parties		33,473,013	(171,926,061)	280,856,346	(138,917,083)	(248,030,141)
Purchase of intangible assets	6	(55,246,638)	(9,425,912)	(31,739,268)	(27,469,673)	(16,852,819)
Term deposit	10	(140,000,000)	-	-	-	-
Proceeds from disposal of property and equipment		-	-	6,538	-	-
Net cash (used in) generated from investing activities		**(161,909,569)**	**(157,301,954)**	**625,182,367**	**(530,319,841)**	**(468,035,066)**
Financing activities						
Interest income		2,636,820	534,845	5,386,924	171,505	-
Dividend paid through a related party		-	-	(1,017,489,192)	-	
Payment of principal portion of lease liability	7	(258,882)	(258,931)	(258,931)	-	(1,151,111)
Net cash generated from (used in) financing activities		**2,377,938**	**275,914**	**(1,012,361,199)**	**171,505**	**(1,151,111)**
Net (decrease) / increase in cash and cash equivalents		(232,882,661)	31,347,169	90,335,778	(34,147,341)	(218,390,817)
Cash and cash equivalents at the beginning of the period / year		261,773,715	171,437,937	171,437,937	205,585,278	423,976,095
Cash and cash equivalents at the end of the period / year	10	**28,891,054**	**202,785,106**	**261,773,715**	**171,437,937**	**205,585,278**
Significant non-cash transactions:						
Issuance of share capital	11	70,000,000	-	-	-	-
Addition to intangible assets		1,249,391	-	4,106,432	2,452,943	-
Dividend paid through a related party	8	-	-	614,606,186	-	-

Dividend Policy

The Board has adopted a dividend policy for the Group which will look to maximise shareholder value and reflect its strong earnings potential and cash flow generation, while allowing it to retain sufficient capital to invest in our long-term growth (including opportunistic B2B and B2G acquisitions). The Company's ability to pay dividends is dependent on a number of factors, including:

- the availability of distributable reserves, the Company's growth plans, the Company's financial framework and other cash requirements in support of achieving our strategy in future periods,
- future financing capacity, covenants, and other factors impacting continuing availability of credit and compliance with anticipated financing terms,
- market conditions, the then-current operating environment in our markets and the outlook for our business,
- levels of expected future profits and our business plan (including our ability to perform in accordance with the expectations in our business plan),
- the discretion of our Board, based on the outlook for our business, and
- approval of any dividend payment at a general meeting of our shareholders.

Subject to the foregoing, the Company intends to pay dividends twice each financial year, with an initial payment of the first-half results being paid in the fourth quarter of that year, and a second payment following second-half results being paid in the second quarter of the following calendar year. Dividends to be paid in cash.

Subject to the foregoing, the Company intends to distribute 90% of its Net Profit for the financial years ending 31 December 2024 and 2025.

For the financial years ending 31 December 2024 and 2025, the Company intends to pay a target minimum dividend amount to investors equivalent to annualized dividend of AED 135 million relating to the performance for the financial year ending 31 December 2024 and AED 135 million relating to the performance for the financial year ending 31 December 2025 (the targeted minimum dividend amount for the financial years ended 31 December 2024 and 2025, (the "**Minimum Dividend Guaranteed Period"**) (the "**Target Minimum Dividend Amount**").

If, during the Minimum Dividend Guaranteed Period, the portion of the declared dividend to all shareholders (other than the Selling Shareholders) falls below the intended Target Minimum Dividend Amount, then the Selling Shareholders may, subject to not breaching AAOIFI Shariah standards, forgo their right to receive dividends to the extent necessary to pay the intended Target Minimum Dividend Amount to all other shareholders (other than the Selling Shareholders).

Material events and contracts concluded by the Company (including related party agreements)

ADEK Agreement

Alef Education Consultancy LLC ("**Alef Education"**) entered into an agreement for "Implementation of Education System in Abu Dhabi Schools" with the Abu Dhabi Department of Education and Knowledge ("**ADEK"**) dated 26 March 2019 ("**ADEK Agreement"**) (as amended from time to time).

Under the ADEK Agreement, Alef Education provides comprehensive digital education solutions through its platform ("**Education System"**) in government funded schools for students in G5 to G-12 in Abu Dhabi ("**ADEK Schools"**).

The ADEK Agreement was rolled out in three phases. The three phases commenced on the following dates: phase 1 in January 2019, phase 2 in September 2019 and phase 3 in September 2020.

As part of its offering under the ADEK Agreement, Alef Education supplies the following in order to provide the Education System to ADEK:

- education software (including updates and new versions of the same) created by Alef Education;

- educational content developed by Alef Education

  (collectively the "**Software Materials"**); and

- supplementary hardware and other equipment.

Alef Education's education software program is stored in two parts: (a) cloud hosted microservices architecture; and (b) local content servers in each ADEK school. The equipment supplied by Alef Education includes laptops and related accessories, charging carts, network IT infrastructure, local content server, amongst others. Alef Education also supplies third-party software required to operate such hardware, equipment and networking in order to integrate the Software Materials.

The educational content developed by Alef Education is subject to changes that may be requested by ADEK. Up to 15% of the rework (which will be determined based on the time and effort involved in making changes vis-à-vis the time and effort involved in developing the original education content) undertaken is complementary for ADEK. Any additional requirements in excess of 15% of the rework are subject to an agreed standard consultancy charge.

Alef Education is also providing training to teachers who form part of the ADEK Schools, through Alef Education's "teacher development coaches" who support ADEK Schools with ongoing professional development. These coaches are certified teachers, bilingual (where possible) who specialise in one or more subjects.

Under the ADEK Agreement, Alef Education is also providing technical support services during the duration of the ADEK Agreement. These services include technical support for the equipment and the software (including the required maintenance), as well as providing on-site specialists and help-desk support.

Any out-of-scope services (including problems in the software or equipment caused by ADEK, its employees, students or representatives through improper use, misuse or unauthorised alteration, amongst others) provided by Alef Education under the ADEK Agreement are charged separately.

Term

The ADEK Agreement commenced on 1 January 2019 and was valid for an initial term of 10 years. Pursuant to an amendment in the ADEK Agreement in 2021, the term of the ADEK Agreement is now valid for a 12-year period, to end by the end of the first trimester of the academic year of 2030/2031, unless it is terminated in accordance with its terms (as explained below under "Termination") or extended.

The ADEK Agreement provides for renewal/extension of the contract, where the parties are required to meet twelve months prior to the expiry of the term to discuss and agree, in good faith, renewal of the ADEK Agreement.

Payment and Payment Terms

In connection with the services provided by Alef Education, ADEK is required to pay an education solutions fee ("**Education Solutions Fee"**) to Alef Education, which is calculated based on the number of students enrolled in an academic year, using ADEK's official enrolment register in the respective grades in ADEK Schools. The Education Solutions Fee per student per academic year payable to Alef Education is as follows:

(a) AED 5,288.40 for < 50,000 students;

(b) AED 5,089.80 for > 50,000 students to < 75,000 students; and

(c) AED 4,847.70 for >75K students.

For each academic year, the number of students is calculated based on the figures at the start of the academic year (i.e., as at 1 October of such year). At the end of each academic year, the parties will review the additional student enrolments from the date of calculation above and Alef Education invoices ADEK for such an increase in student enrolment numbers over the course of the academic year. The amounts due to Alef Education under each invoice are subject to 5% retention to be released by ADEK and paid to Alef Education at the end of each academic year (which may be subject to performance related deductions in accordance with the ADEK Agreement.

The Education Solutions Fee is calculated based on the assumption of an agreed number of minimum students and in the event that the actual enrolment numbers are below the agreed minimum numbers, Alef Education charges the Education Solutions Fee based on such minimum numbers, irrespective of actual enrolment. Under the ADEK Agreement, the cumulative minimum guaranteed number of students (after rolling out G-12) is 80,000 students. In accordance with the ADEK Agreement, some schools under the roll-out plan may be transferred to become "charter schools" and such charter schools have the discretion to implement the Education System in their schools. The minimum number of students as set out above may be reduced by a number equal to the total number of students enrolled (or planned to be enrolled) on the Education System in such transferred schools, if such charter schools decides not to implement the Education System.

The Education Solutions Fee is payable to Alef Education in arrears on a trimester basis in an academic year (beginning on 1 October), in the following manner:

(a) For first trimester – 30 December;

(b) For second trimester – 31 March; and

(c) For third trimester – 31 July.

In addition to the Education Solutions Fee, Alef Education also receives a fee for procuring certain equipment/related services to ADEK. The fee for such equipment/related services are divided as follows (collectively, the "**IT Infrastructure Solution Fee"**):

(a) IT start-up costs per ADEK School (including servers, network equipment, network passive components and accessories)

(b) IT start-up costs per student (charging cart, wireless access point, student and teachers' laptop and accessories); and

(c) IT maintenance cost.

The IT Infrastructure Solution Fee was paid on the commencement date of the ADEK Agreement. Post this payment, the fee is payable either on an annual basis, or after the lapse of 3 years, 4 years or 5 years (as the case may be), depending upon the type of equipment or services being provided (i.e., servers, network equipment or network passive components and accessories).

This fee may be subject to an annual increase by Alef Education by a percentage which is not greater than the UAE consumer price index (or other index as may be published in substitution of this index from time to time) in the preceding 12-month period.

Liquidated Damages

Under the ADEK Agreement, if the services are not delivered by Alef Education within the timelines set out in the agreement, Alef Education is liable to pay ADEK as liquidated damages for such delay, a sum equivalent to 3% of the annual Education Solutions Fee applicable to affected students for each 7 calendar days of delay, up to a maximum of 10% of the total annual Education Solutions Fee.

Indemnities and Limitation of Liability

The ADEK Agreement also contains standard indemnity provisions in favour of ADEK against all actions, suits, claims, demands, losses, charges, costs and expenses which ADEK may suffer in connection with property damage, death or personal injury to any person resulting from negligent or wrongful act or omission of Alef Education. Alef Education is also required to indemnify ADEK against third party claims resulting directly from breach of agreement by Alef Education. The liability of Alef Education for loss or damage arising out of breach of obligations under the ADEK Agreement is limited to an amount which will not exceed, in one academic year, 10% of the annual Education Solutions Fee paid for such academic year. Under the ADEK Agreement, ADEK has a duty to mitigate its losses.

Alef Education is also required to indemnify and keep ADEK indemnified from and against any and all losses, liabilities, costs, claims, damages and expenses, fees paid by ADEK, arising out of or in connection with any claim made against ADEK for actual or alleged infringement of a third party's intellectual property rights in relation to the use of the Software Materials.

License to Use

Under the ADEK Agreement, Alef Education has granted ADEK a personal, non-transferable and non-exclusive license to use the Software Materials in consideration of payment of a license fee. However, title to the Software Materials and all related intellectual property rights, including any software programs developed by Alef Education (and which is made available to ADEK) remains vested in Alef Education, from the date of creation.

Additionally, where ADEK has directed Alef Education to incorporate its textbooks, materials and other content into the educational content, Alef Education has been granted a royalty free, non-exclusive license to use and copy such content to the extent necessary, including for Alef Education's use in solutions that are developed for other customers.

Data Protection

Under the ADEK Agreement, both parties are required to comply with the relevant data protection principles and take reasonable precautions to preserve and protect the integrity of the other party's data.

Termination of the Agreement

The ADEK Agreement may be terminated by ADEK without cause, if termination of the agreement is considered by ADEK in its interest, in which case Alef Education is paid an early termination fee. The ADEK Agreement may also be terminated by either party, if the other party fails to perform its obligations within the timelines of the ADEK Agreement which has not been cured, commits any material breach of the ADEK Agreement which has not been remedied, becomes bankrupt or insolvent, tries to deceive or defraud in its dealing with the other party, or assigns or subcontracts any part of ADEK Agreement without the consent of the first party. ADEK is also entitled to terminate the ADEK Agreement if there is a change of control in Alef Education, provided ADEK serves a written notice to Alef Education within 90 business days of the date on which ADEK was informed regarding the change of control.

The ADEK Agreement defines change of control as a change in the following, through acquisition, sale of purchase:

(a) voting rights attaching to 50% or more of voting shares of Alef Education; or

(b) power to direct or cause direction and management of policies of Alef Education in accordance with the acquirer's wishes, whether as a result of ownership of shares, control of board of directors, contract or any powers conferred by articles of association of Alef Education.

The ADEK Agreement also provides for a suspension clause. ADEK may suspend services delivery at some or all school locations at any time during the performance of services for a period of up to 6 months at a time, provided that during the period of the agreement, any suspension shall not amount to an aggregate period of more than 12 months. The ADEK Agreement further clarifies that provided the suspension has not occurred because of default of Alef Education, ADEK will continue to pay Alef Education any costs incurred by Alef Education during the suspension period which had been allocated towards delivery of the suspended services, including costs incurred as a result of such suspension (like IT and connectivity costs). The ADEK Agreement further clarifies that the total contract duration shall be extended by an amount equal to such suspensions.

Governance, Obligations and Warranties

Alef Education and ADEK have agreed on a governance arrangement for carrying out under the obligations under the ADEK Agreement, and key stakeholders and their roles and responsibilities have been defined under it.

The ADEK Agreement also contains general responsibilities of both parties to effectively implement the ADEK Agreement. These responsibilities include an obligation on Alef Education to collaborate with ADEK to ensure the sustainable implementation of the Education System in ADEK Schools, amongst others. ADEK's obligations under the ADEK Agreement include, amongst others, operating the equipment in a safe manner, properly maintaining the Education System, and providing an on-site support team to enable Alef Education to implement the Education System in the ADEK School.

There are also warranties provided by Alef Education in relation to the materials and equipment supplied by it under the ADEK Agreement.

Governing Law and Jurisdiction

The Agreement is governed by the laws of the UAE (as applied by the courts of Abu Dhabi). Disputes arising out of or in connection with the ADEK Agreement, which cannot be resolved amicably by way of direct negotiation within 15 days of the dispute, shall be referred to the sole jurisdiction of the courts of Abu Dhabi.

Ministry of Defence Agreement

Overview and Scope

Alef Education entered into an agreement with the MOD for "providing a digital platform for teaching academic subjects in military high schools" on 2 September 2021 ("**MOD Agreement"**). Pursuant to the MOD Agreement, Alef Education is required to implement the Alef platform in the military high schools from the beginning of the semester of 2021-2022. These include the military high schools in Al Ain, Al Dhafra and Al Dhaid City and any other schools that may be added by MOD.

The services offered by Alef Education were subject to a trial period of three semesters in the academic year of 2021-2022 for MOD's evaluation (through a committee formed by the commanders of the military high schools, and specialists from Alef Education) to determine the success of the project. In the event MOD deems that desired benefit from the project has not been achieved, MOD is entitled to terminate the MOD Agreement from the end of the academic year 2021-2022.

As part of its service offering under the MOD Agreement, Alef Education shall provide and maintain the content of Alef platform in line with the curriculum set out by the MOE:

(a) for three Arabic subjects in the three semesters of academic year 2021-2022 and the academic year 2022-2023 for G7-G11; and

(b) for English, Math and Sciences for subsequent periods, for G7-G12 based on the requirements of MOD.

Under the MOD Agreement, Alef Education is required to appoint:

(a) three academic trainers and assign to each school a trainer to hold workshops and provide training courses for students, teachers, and coordinators from the military schools. Such trainers will also make classroom visits to provide best practices in classroom management. Alef Education is also required to train any new student, teacher or any other person assigned by the commanders of the military high school to work on the Alef platform during the term of this MOD Agreement; and

(b) three engineers for technical and technological support.

Under the MOD Agreement, based on the request of the MOD, Alef Education may be required to transfer the Alef platform to the electronic cloud infrastructure of military high schools.

The MOD imposes comprehensive supervision by MOD on the services offered by Alef Education, including forming a joint committee to review functioning of the Alef platform, holding weekly periodic meetings, and reviewing weekly reports prepared by Alef Education, amongst others.

Payment and Payment Terms

The MOD Agreement provides that the annual fees for the subscription to the Alef Platform (for the subjects being subscribed to) is paid in instalments in arrears at the end of each semester, with each academic year consisting of three semesters. The fee is calculated for the student annual subscription fee for each semester for which the instalment is paid, based on the actual number of subscribed students in the relevant semester under an agreed formula.

Term and Termination of the Agreement

The term of the MOD Agreement is for a period of 4 years, beginning from the 2021-2022 school year. However, MOD has the right to terminate the MOD Agreement at any time during the term without preserving any rights for Alef Education if it becomes evident to MOD that the performance no longer meets the requirements of MOD, provided a 30 day prior written notice is provided.

The MOD Agreement also permits MOD to penalize Alef Education and terminate the MOD Agreement if Alef Education: (a) is unable to implement the terms; (b) violates the terms; or (c) fails to meet an obligation; (d) fails to correct a default within 30 days. MOD also has the right to confiscate the performance bond and terminate the MOD Agreement in case of fraud, proven bribery, insolvency or bankruptcy of Alef Education, or assignment of MOD Agreement without the consent of MOD. There are also clauses on termination due to force majeure.

Performance Bond

Alef Education has issued a performance bond under the MOD Agreement equivalent to 10% of the contract value of the MOD Agreement. This performance bond shall remain in effect for a period of not less than 120 days from the expiry of the MOD Agreement.

Damages and Limitation of Liability

Under the MOD Agreement, Alef Education shall compensate the MOD for any damages or liabilities incurred to their property, fixed or movable assets, or to any third-party property or for death and/or injury as a result of misconduct, negligence, and failure of delivery by Alef Education while carrying out the MOD Agreement. Alef Education is also responsible for any failure, damage or breakdown of devices, equipment, facilities and buildings in the work sites of MOD as a result of Alef Education's employees' misconduct.

The total aggregate liability in contract, negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance of the MOD Agreement will be limited to the total student subscription fees paid by MOD during the 6 months immediately preceding the date on which the claim arose.

Penalties

If Alef Education delays in fulfilling its services, there are penalties in place, which range from 1% of the contract value in the second week, and 2% following the first week, capped at 10% of the total contract value. Additionally, if Alef Education fails to fulfil its contractual obligations, MOD is entitled to (a) assign the rights and obligations of Alef Education to a third party, with all costs to be incurred by Alef Education and payment of 5% of the contract value as administrative fee to MOD; or (b) terminate the agreement or confiscate 10% of the value of services delayed, amongst others.

Tawazun Agreement

The MOD Agreement also provides that if the total value of any contract or purchase orders concluded between the parties exceeds the amount of AED 36,730,000 equivalent to USD 10 million, such contract will be subject to the program of the Tawazun Economic Council of the UAE government. In this case, Alef Education is required to sign a Tawazun agreement or any other complementary agreement with the Tawazun Economic Council.

Governing Law and Dispute Resolution

The governing law of the MOD Agreement is UAE, and UAE competent courts have the jurisdiction to settle all disputes if not settled amicably. Arabic language will prevail.

AWS Addendum

Alef Education is party to a private pricing addendum which is to supplement the agreement between Amazon Web Services EMEA SARL ("**AWS**") and Alef Education, effective from 12 April 2022 and valid until April 30, 2026 (as extended from time to time). The addendum confers a discount of 8% and credits of USD 100,000 on Alef Education's use of AWS's webservices. The main agreement is the agreement, as available on the website of AWS.

As part of the addendum, AWS and its affiliates is granted a non-exclusive, worldwide, royalty-free right license to use Alef Education's name and logos to identify Alef Education as an AWS customer during the addendum's effective period and even after the expiration of the addendum, which can be terminated by Alef Education by way of a written notice of thirty (30) days revoking the use of Alef Education's name and logos by AWS.

Identity Management Platform Subscription Agreement- Auth0, Inc/ Amazon Web Services

Alef Education is party to an agreement with Auth0 Inc, ("**Auth0"**), which allows Alef Education to subscribe to Auth0's identity platform and avail of the service and related solutions offered on the platform (through a purchase order, as renewed from time to time). The license to use the Auth0 platform is provided by Okta, Inc via data centers operated by AWS.

While the agreement was entered into on 27 March 2019, and may be terminated either upon breach of either party or for convenience, however the subscription term for subscribing to Auth0's platform was due to expire on 27 March 2024, which has been extended to 27 March 2026 based on a renewed purchase order. The agreement can only be renewed upon consent by both parties and is not automatically renewable. The agreement can be terminated by either party upon a material breach of agreement, provided that the party guilty of the breach has not rectified or cured such breach within a thirty (30) day period after being served a notice of termination of the agreement in connection with the material breach.

The total value of this agreement is USD 336,840, and payment is to be made to AWS.

Under this agreement, Auth0 grants Alef Education a non-exclusive, non-transferable, royalty-free and worldwide license to access and use, and to permit its users to access and use the services subscribed to by Alef Education. In turn, Alef Education also grants a non-exclusive, non-transferable, royalty free license, which can be sublet to sub-processors to use the data and information provided to Auth0 to perform its obligations under the agreement.

The agreement obliges Alef Education to defend and indemnify Auth0 of all penalties, damages and fines in the event that any third party makes a claim that the required approvals and consents for the processing of personal data by Auth0 in the course of the services provided by Auth0 was not obtained by Alef Education or the users of the Auth0 platform in accordance with the EU Data Protection's Laws.

This agreement is governed by the laws of England and Wales, any dispute arising out of it shall be referred to the courts of England and Wales.

Cloud Subscription Agreement- Mongo DB

Alef Education has entered into an agreement with Mongo DB, Inc. ("**Mongo"**) to use Mongo's source-available, cross-platform, document-oriented database programs, made available through a subscription to Mongo's cloud services. The agreement was entered into on 1 March 2024, and is valid until 28 February 2025.

The total value of this agreement is USD 569,490, payable monthly.

Under this agreement, Mongo grants Alef Education a non-exclusive, non-transferable, royalty-free and perpetual license to use and reproduce any work provided by Mongo in relation to the services performed under the agreement.

The agreement obliges Alef Education to defend and indemnify Mongo of all penalties, damages and fines in the event that any third party makes a claim against Mongo on the grounds that their data protection rights and intellectual property rights have been infringed as a result of the data held by Alef Education as part of this agreement, or in conjunction with other applications used by Alef Education.

This agreement is governed by the laws of England and Wales, any dispute arising out of it shall be referred to the courts of London, England.

Distribution Agreement – USA

On 7 March 2022, Alef Education entered into a distribution agreement (as amended from time to time) (“**Distribution Agreement”**) with the Framework Development Group LLC (“**Framework Group”**), a company established in the USA, under which Alef Education has appointed the Framework Group as its non-exclusive distributor for distribution of the Alef platform (including Alef *Pathways*) in certain South-Eastern States in the USA. In accordance with the Distribution Agreement, prior approval of Alef Education is required if the Distributor wishes to distribute in other states of the USA and Canada.

Under the Distribution Agreement, the Framework Group is entitled to appoint resellers to distribute the Alef platform on its behalf, subject to Alef Education’s prior approval. The Framework Group is restricted from distributing or creating any software that directly or indirectly competes with the Alef platform or any other product of Alef Education. No right, title or interest in the Alef platform has been transferred to the Framework Group or its customers under this Distribution Agreement.

The Distribution Agreement provides for Framework Group and the end-users (who are business clients which have acquired the right to use the Alef platform without the right to resell, market or distribute) to enter into end-user license agreements, and Alef Education may be obligated (Subject to the end-user license agreement) to provide support for the Alef platform to such end-users. The Framework Group has the right to the Alef platform for marketing and sales purposes.

Under the Distribution Agreement, Alef Education is required to provide help desk support to end-users, and training and consultancy for the Framework Group’s employees. Alef Education has also provided a Framework Group with a discretionary market development fund monthly (capped at USD 477,000 for the year) for effective promotion and sale of Alef Education’s products.

In accordance with the Distribution Agreement, Alef Education is entitled to a percentage of the suggested retail price (which will be provided by Alef Education) for the Alef platform based on the subscription sales to new end users. These percentage range from 70% (for the first 52,000 end users or less), to 60% (for remaining end-users), and 80% (for renewing customers). These amounts would be invoiced on a quarterly basis by Alef Education, and the Framework Group is required to pay the full amount to Alef Education within 15 days of the date of receipt of payment from the end user. Interest of 6% per annum may be charged on overdue payments, which will accrue on a daily basis.

During the term of the Distribution Agreement, Alef Education has granted a non-exclusive, non-transferable right to the Framework Group to purchase the Alef platform solely for resale to end-users, however, Alef Education retains all rights, title and interest in the Alef platform and the related intellectual property. Alef Education has also granted the Framework Group a non-exclusive, non-transferable right and license to use and display the trademarks of Alef Education for marketing and distribution purposes, during the term of this agreement. There are also data protection and confidentiality obligations on both parties.

The total aggregate liability of Alef Education under the Distribution Agreement is limited to the Framework Group’s direct damages, and in any event, will not exceed the amount actually paid by Framework Group to Alef Education in the six months preceding the date on which the claim arose.

The term of the Distribution Agreement is till 31 December 2024. The Distribution Agreement is governed by the laws of the State of New York, and the federal courts of the State of New York have jurisdiction.

Reseller Agreements – Indonesia and Qatar

Alef Education entered into a reseller agreement with PT Berkat Utama Sejati ("**Indonesia Reseller"**) for the purpose of appointing the Indonesia Reseller as the non-exclusive reseller to resell Alef Education platform in Indonesia during the term of the agreement. The agreement has a term of an initial period of 12 months from the first sales generated by the Indonesia Reseller. This agreement is governed by the laws of England and Wales, any dispute arising out of it shall be referred to arbitration in Singapore.

Alef Education entered into a reseller agreement with Techno Lab WLL ("**Qatar Reseller"**). This agreement is dated 6 November 2023 is for the purpose of appointing the Qatar Reseller as the non-exclusive reseller to resell Alef Education platform in Qatar during the term of the agreement. This agreement shall continue for an initial period of 12 months. This agreement is governed by the laws of England and Wales, any dispute arising out of it shall be referred to the courts of DIFC.

Agreements with Etisalat

(i) Etisalat by e& ("**Etisalat"**)

Alef Education has entered into an agreement with Etisalat, a leading telecommunications and internet service provider company in the UAE to ensure high-speed internet access is provided to Alef Education at a discounted price. This agreement was entered into on 26 December 2023 and expires on 25 December 2026, and can be terminated by Alef Education by providing Etisalat with at least a fifteen (15) day prior-written notice. However, in the event that the contract has been terminated prior to the expiry date, Etisalat can levy financial penalties on Alef Education for early termination of the contract, which can be in the form of the discounts provided, amongst other penalties. The terms and conditions of this agreement are governed by standard terms and conditions on Etisalat's website.

Etisalat can terminate the agreement without the provision of a notice on certain grounds, namely breach of any provisions of the agreement, failure to make the necessary payments, liquidation, administration, or over concerns regarding the operations, security and efficiency of the services by way of Alef Education's use of those services. Etisalat is also allowed to terminate the agreement at any time by way of a thirty (30) day prior written notice to Alef Education.

(ii) E& Enterprise Cloud- Sole Proprietorship L.L.C ("**E&"**)

Alef Education is supplied with various IT support resources by E& pursuant to a contract entered into between Alef Education and E& on 19 September 2023, effective from 21 July 2023. The contract is valid for two years and can be extended for a further period of two years upon mutual agreement between the parties- provided they have met ninety (90) days prior to expiry of the contract to discuss renewal.

The services provided by E& under the contract include the supply and onsite management of IT support to different remote sites and schools to support Alef Education's business. The services can be sub-contracted to any companies affiliated with E&, provided Alef Education's written consent is obtained.

The value of the contract is AED 26,212,408.69. The contract can be terminated by either party immediately on certain grounds, namely breach of any provisions of the contract, liquidation, administration, or in the event that either party suspends, ceases, or threatens to suspend or cease to carry on all or a substantial part of its business, or in the event of an unauthorised change of control of either party or its appointed subcontractors.

Any dispute in relation to the contract will be governed by the laws of the UAE, and under the exclusive jurisdiction of the courts in the Emirate of Dubai, UAE.

Memoranda of Understanding ("MOU")

(i) MOU with the Ministry of Education ("**MOE"**) – 11 October 2023

On 11 October 2023, Alef Education entered into an MOU with the MoE in relation to environmental sustainability and climate education. The general objective of this MOU is to enhance the cooperation between the MoE and Alef Education to integrate environmentally sustainability issues into the education system. As part of this MOU, Alef Education is required to deliver educational courses on environmental issues via its Alef platform, as well as "establish an educator's platform for Cop28". The MOU is valid for a period of 3 years and will be renewed automatically for similar periods. Alef Education and the MoE have the right to terminate this MOU at any time by issuing a prior written notice of two months. Any disputes in relation to this MOU would be resolved through discussions between the two parties.

(ii) Collaboration Agreement with MOE – 19 January 2024

On 19 January 2024, Alef Education entered into a collaboration agreement with MOE in relation to the MoE's initiative to educate 1,000 refugee students. Pursuant to this collaboration agreement, Alef Education has, amongst others, donated devices, and provided access to the Alef platform (including educational content for K-5 to K-12, additional product offerings of Abjadiyat and Math Pathways, and an AI tutoring system), and support in implementation of the platform for 1,000 students on a pro-bono basis. Alef Education is permitted to obtain aggregated technical and other data through the usage of the Alef platform, and such aggregated data is the property of Alef Education. There are standard data protection obligations for both parties. The agreement is valid for a period of one year, unless it is continued by agreement of both the parties. However, either party has the right to terminate this agreement on giving 30 days' prior written notice. The agreement is governed by the laws of UAE (as applied by the courts of Abu Dhabi), and the courts of Abu Dhabi have exclusive jurisdiction to resolve disputes.

(iii) MOU with MOE – 21 February 2024

On 21 February 2024, Alef Education also entered into an MOU with MOE in relation to improving Mathematics learning outcomes for K5 to K-8 in targeted schools through the development and implementation of Alef Education AI tutor system, through a phased approach. The term of this MOU will expire in June 2025 (which is the last phase of the MOU), unless terminated by either party subject to a 30-day notice period.

Under this MOU, Alef Education is required to design and develop the AI tutor system based on the feedback provided by the stakeholders, such as teachers, learners and MOE leadership, conduct training sessions, offer technical support, amongst others, with costs of the design, development and implementation of the AI tutor system to be borne by Alef Education.

The MOU is governed by the laws of the UAE, and any disputes arising under this MOU are to be settled amicably.

(iv) MOU with Ministry of Preschool and School Education of Republic of Uzbekistan ("**MOE – Uzbekistan"**)

Alef Education entered into an MOU with MOE – Uzbekistan on 17 March 2023 in relation to the collaboration between the parties to support MOE – Uzbekistan's digital transformation journey. This includes localization and distribution of Alef platform and courses and solution across MOE – Uzbekistan's schools, with a phased approach to implementation.

Contracts with Jumbo Electronics Co Ltd (LLC) ("Jumbo")

Alef Education has entered into two (2) IT supply and services agreements with Jumbo for the provision of various electronic devices and maintenance services to Alef Education. These contracts were entered into between August 2022 and July 2023, and will expire after the services specified in the agreement have been provided to Alef Education. These agreements do not stipulate any conditions for renewal and can be terminated by either party immediately on certain grounds, namely breach of any provisions of the agreement, liquidation, administration, or in the event that either party suspends, ceases, or threatens to suspend or cease to carry on all or a substantial part of its business.

Under the IT supply agreements, the risk of the equipment passes to Alef Education upon successful delivery of the equipment to Alef Education at its warehouse. Alef Education is not deemed to have accepted the equipment until it has had 90 days to inspect the equipment after delivery and installation. Alef Education is also entitled to reject the equipment within 12 months of delivery and installation if there are any latent defects in the equipment.

The title to the equipment passes to Alef Education only after Jumbo receives the payment in full.

Any dispute in relation to these agreements will be governed by the laws of England and Wales, and under the exclusive jurisdiction of the Abu Dhabi Global Market.

Alef Education has also entered into a SaaS agreement with Jumbo for the supply of a significant number of Fortinet licenses to Alef Education. We understand that Jumbo is an authorised re-seller and distributor of Fortinet licenses, and that Alef Education's network firewalls are being provided by Fortinet. The contract was entered into on 24 June 2023, and will expire on 23 June 2024. Fortinet may immediately terminate the contract without notice upon breach of any provisions of the license agreement governing the use of Fortinet's services.

Any dispute in relation to the agreement will be governed by the laws of the State of California, and under the exclusive jurisdiction of the Santa Clara Country, California.

MITR learning and media Private Limited ("MITR")

This Master Services Agreement between Alef Education and MITR dated 9 December 2019 whereby MITR is to provide design and development of educational content, facilitated by separate purchase orders and statement of works entered into separately by both parties in accordance with the Master Services Agreement. The agreement commenced on 5 August 2019 for 2 years and has been extended to 31 July 2024 through various addendums.

Alef Education has granted a fully paid up, non-exclusive, non-transferable, royalty-free license to MITR to copy and modify all the materials provided by Alef Education for the purposes of providing the services to Alef Education under this agreement. MITR has also assigned all of the existing and any future intellectual property rights in connection with the services provided by MITR to Alef Education.

Either party can terminate the agreement immediately upon the provision of a written notice on certain grounds, namely breach of any provisions of the contract, failure to make the necessary payments, and liquidation or administration by any party.

This agreement and any dispute arising out of it shall be governed by the law of England and Wales, with the courts of the DIFC having non-exclusive jurisdiction to settle any dispute.

GAC Shipping and Logistics ("GAC")

Alef Education has entered into an agreement with GAC, for the purpose of GAC providing Alef Education with warehousing, transportation and logistics management services. The parties entered into this agreement on 1 September 2021, which was initially valid for a period of twelve (12) months. It has been extended multiple times based on addendums and is now set to expire on 1 September 2024.

Under this agreement, GAC is providing its warehouse facility in Kizad, Abu Dhabi for Alef Education to store all electronic (including computers, servers, printers, computer hardware, wired or mobile telephones, etc.) and non-electronic equipment (tables, chairs, headsets and mice). The agreement stipulates different daily rates for storage of different items, payable by way of monthly invoices issued by GAC. GAC is required to take care of Alef Education's equipment and hold it in safe custody at its own risk.

GAC is also responsible for inventory management, providing security services over the equipment, and transporting the equipment to schools and other facilities throughout the UAE. GAC is allowed to employ a sub-contract for its transportation services offered under this agreement.

GAC is required to maintain certain insurance policies during the term of this Agreement, including employers' liability insurance, third party insurance for UAE territory, all property risks insurance, general commercial insurance, and professional indemnity insurance, amongst others.

Loss or damage to Alef Education's equipment in GAC's warehouse or by negligence of GAC, its employees or suppliers will be covered by the insurance policies taken out by GAC in accordance with the agreement. The total amount of liability of GAC under this agreement is limited to the maximum recoverable amount set out in the insurance policies that GAC has taken out, and for all other losses or damages which don't fall under any insurance, the total liability of GAC would not exceed AED 500,000. Any loss or damage that exceeds the maximum recoverable amount under the policies maintained by GAC in accordance with this agreement must be covered by Alef Education, and not GAC. However, the limitation of liability set out above does not apply to GAC's breach of confidentiality obligations, and/or any liability caused by GAC's fraud, wilful default or gross negligence.

Under this agreement, while GAC is required to indemnify, defend and hold harmless Alef Education (and its offices, agents, employees), from and against any and all expenses, damages, claims, suits, losses, actions, judgments, liabilities and costs, arising from GAC's negligence, misrepresentation or breach of the warranties or obligations of GAC, Alef Education is also required to indemnify GAC against all liabilities which arise directly out of any breach by Alef Education of its obligations under the agreement.

The agreement (or any services under the agreement) can be terminated by Alef Education any time, without the provision of a notice generally or on certain specific grounds, including GAC's material breach of terms of this agreement (and failure to remedy such breach), unauthorised change of control of GAC or its subcontractors, any steps taken by GAC in relation to its liquidation, administration or arrangement with its creditors. However, for warehousing services used by Alef Education can be only terminated by Alef Education by giving GAC a prior written notice of ninety (90) days, during which Alef Education is entitled to retrieve its equipment from the warehouse.

This agreement and any dispute arising out of it shall be governed by the law of England and Wales, with the courts of Abu Dhabi Global Market having non-exclusive jurisdiction to settle any dispute.

Upwork Global Inc. ("Upwork")

This master service agreement governs each order form entered into between Upwork and Alef Education. The initial order form was dated 1 March 2021 and ended on 28 February 2022. By virtue of this agreement, Upwork shall make its platform available to Alef Education to find and engage freelancers through the platform.

The agreement obliges Alef Education to defend and indemnify Upwork, its officers, and affiliates of all penalties, damages and fines arising out of a claim made by a third party in relation to any provisions of the agreement, Alef Education's use of UpWork's platform, or Alef Education's interactions with the freelancers it employs through Upwork's platform, provided that Upwork informs Alef Education in writing of any claim under which indemnification can be sought under the agreement.

This agreement is governed by the laws of California and all disputes arising out of it will be subject to the non-exclusive jurisdiction of and a venue located in the federal or state courts of Santa Clara County, California. The term of this agreement has been extended up to 28 February 2025 through two amendments.

MBZU Agreement

Alef Education entered into an agreement with Mohamed Bin Zayed University for Humanities ("**MBZU**") in relation to "building and authoring the education curriculum document and curricular tools for subjects of Islamic education" for public and private schools from kindergarten to twelfth grade, in May 2024.

The agreement provides for a detailed framework for building the curriculum for Islamic education, for all subjects, at each educational stage. Under this agreement, the curriculum is delivered in both English and Arabic.

In accordance with this agreement, Alef Education is required to declare, amongst others, that (i) the services are characterized by originality and innovation and not copying or imitation, (ii) they have not been previously published and have not submitted to any other party for the purpose of printing or publishing, (iii) Alef Education owns all legally established copyrights on them, and they do not contain anything contrary to morals and public order, or what is prohibited by law, with Alef Education being civilly and criminally liable if it appears otherwise, and MBZU entitled to terminate the contract on such event.

Payment Terms

In accordance with this agreement, MBZU is obligated to pay the contract value to Alef Education, in installment according to the services performed and their prices, in accordance with the implementation phase, and subject to MBZU's acceptance and satisfaction with their completion. The prices are fixed and are not subject to any increase. MBZU is required to pay Alef Education within 30 days of the date of receipt of an invoice (accompanied by supporting documentation). MBZU has the right to reject any invoice that has not been delivered by Alef Education within 6 months from the performance date.

Under the agreement, MBZU is not required to pay any increase in the prices agreed for any reason whatsoever.

Term

The term of this agreement is from 1 May 2024 to 30 June 2026, and the parties are entitled to renew or extend this agreement on mutually agreed terms.

Intellectual Property Rights

Alef Education has granted MBZU (and other entities benefiting from the services), a perpetual, non-exclusive, transferable, and assignable license to use the intellectual property in the existing services. Additionally, all intellectual property rights which are provided under this agreement (subject to any such rights which were created prior to entering into this agreement), will vest in and become the exclusive property of the MOE, and Alef Education has, under this agreement, exclusively and irrevocably assigned such rights to the MOE. Alef Education is not permitted to use, reuse, copy, or distribute the same without prior approval of MOE, with MOE reserving the right to reject such request by giving a reasonable explanation.

Insurance and Indemnification

The services being provided by Alef Education under this agreement are at Alef Educations' risk. In the event there is any incident which is likely to give rise to an insurance claim by MBZU, Alef Education is required to notify MBZU as soon as possible (latest within two (2) working days) and submit the insurance claim papers to MBZU within fifteen (15) days from the date of the incident. While the claim will be settled by MBZU's insurers directly, Alef Education will be compensated for the amount of claim due to it only after MBZU has received the amount of insurance claim from the insurance companies.

Under the Agreement, Alef Education is also required to protect, defend and indemnify MBZU (including its affiliates, officers, employees, subcontractors and agents) against all claims, liabilities, damages and expenses, including attorney fees and other defense expenses resulting from: (a) this agreement, or (b) expenses incidental to: (i) any and all injuries, death or illness of employees, officers, agents or subcontractors of Alef Education, or (ii) any damage or loss to property of Alef Education, employees, officers, agents, subcontractors or any third party, unless caused, in whole or in part, by the gross negligence or willful misconduct of MBZU (and its affiliates, officers, employees, subcontractors and agents).

Alef Education is required to maintain, during the term of this Agreement, at its own expense, insurance for any liability for bodily injury resulting from accident or disease sustained by Alef Education's employees, subcontractors arising out of or during the performance of the work, and for all plant and equipment brought to work site, for its full value against any loss or damage from any cause whatsoever. Alef Education is also fully liable under the agreement for any damage, breakage or loss of any kind that may result from the execution of services, unless such damage, breakage, or loss is caused by MBZU.

Services Guarantee

Under the agreement, Alef Education has guaranteed the services being provided under the agreement for a period of one calendar year starting from the date of expiration of the agreement and until the receipt by MOE of the completed services in accordance with the terms and specifications of the agreement.

Penalties

Under the agreement, Alef Education is also liable for financial penalties in case of failure to perform the services the agreement, which are generally capped at 10% of the contract value or if the completion is divided into stages, the cap would apply to the relevant contract value of that stage.

Performance Bond

The agreement also requires Alef Education to deliver a performance bond of 10% of the contract value, as a guarantee for Alef Educations' performance of its obligations under the agreement, to MBZU. The guarantee is required to be valid for the entirety of the duration of the agreement, and period of service guarantee (as set out above), plus a period of 90 calendar days.

Termination & Suspension

Under the agreement, there are unilateral termination rights in favour of MBZU, pursuant to which, MBZU can terminate the agreement by giving one months' notice and making payment of the pro-rata contract value commensurate with the services provided (and accepted by MBZU). MBZU also has the right to terminate the agreement without any court order: (a) if Alef Education breaches any terms and conditions of the agreement, which remains uncured for a period of three (3) working days, (b) in case of fraud, manipulation, bribery, insolvency, bankruptcy of Alef Education, and (c) in case of any act taken by Alef Education which in the opinion of MBZU is detrimental to its reputation. MBZU can also terminate the agreement if termination of the agreement is in public interest.

MBZU also has the right to request Alef Education to stop providing its services under the agreement, provided MBZU pays the actual value of services provided till date.

Governing Law & Dispute Resolution

The agreement is governed by the procurement provisions and legislation applicable to MBZU, and other legislation in force in Abu Dhabi, and UAE. Disputes arising out of or in connection with this agreement, which cannot be resolved amicably, shall be referred to the sole jurisdiction of the courts of Abu Dhabi.

Fourth Section: Other Details

1. Mechanism for adopting a governance system in the Company

The Board of Directors (the "**Board**") is committed to standards of corporate governance that are in line with international best practice. As at the date of this Prospectus, the Company complies, and intends to comply, with the corporate governance requirements of the ADX listing and disclosure rules.

In this respect, the ADX listing and disclosure rules provide that the ADX may apply the Corporate Governance Guide for Joint Stock Companies issued by the SCA pursuant to Decision No. 3/RM of 2020 (as amended) (the "**Governance Rules**") on all entities listed on the ADX.

2. The Company's proposed management structure

Company's Board structure

The Board consists of seven (7) Directors all of whom are Non-Executive Directors, 6 of whom are independent Directors as set out below:

Name	Year of birth	Position	Year of appointment
H.E Abdulhamid Mohammed Saeed Alahmadi*	1957	Chairman – Non-Executive Director	2024
H.E Ahmed Ali Al Sayegh*	1962	Vice-chairman – Non-Executive Director	2024
H.E Noura bint Mohammed Al Kaabi*	1978	Non-executive Director	2024
H.E Jameela Al Muhairi*	1968	Non-executive Director	2024
Omar Abdulla Al Hashmi*	1979	Non-executive Director	2024
Rima Al Mokarrab*	1978	Non-executive Director	2024
Dr. Saeed Alghfeli	1970	Non-executive Director	2024

*Denotes that the Director is considered independent under the Governance Rules.

The business address of each of the Directors is: Office 2332, 23rd Floor, Sky Tower, Shams Abu Dhabi, Al Reem Island, Abu Dhabi, United Arab Emirates.

The management expertise and experience of each of the Directors is set out below:

H.E Abdulhamid Mohammed Saeed Alahmadi - ***Chairman and Non-Executive Director***

His Excellency Abdulhamid Mohammed Saeed Alahmadi is the Chairman of the Endowments and Minors Funds Authority in Abu Dhabi and is also the Chairman of Al Nahda Investment Company.

H.E. is a member of the Board of Directors of Mubadala Investment Company, Abu Dhabi Developmental Holding Company PJSC (ADQ), Emirates Red Crescent, and Al Ain Holding.

H.E. has held several C-suite positions including, the Governor of the Central Bank of the UAE, Group Chief Executive Officer of First Abu Dhabi Bank, CEO, Managing Director and Board Member in legacy First Gulf Bank, and held various key senior positions in Citibank. He also served as Chairman of Abu Dhabi Capital Group and Managing Director of Reem Investments.

In addition to this, H.E. served as a Board member in the UAE government and public sectors, which include Emirates Investment Authority, Abu Dhabi Securities Exchange, and Emirates Integrated Telecommunications Company (Du).

H.E. holds a Bachelor's degree in Business Administration from the University of Arizona, USA.

H.E Ahmed Ali Al Sayegh - *Vice-chairman and Non-Executive Director*

His Excellency Ahmed Ali Al Sayegh was appointed as Minister of State to the UAE Cabinet in September 2018. As Minister of State, H.E. is responsible for the economic and trade affairs within the Ministry of Foreign Affairs.

H.E. supports the UAE government actively in its initiatives and efforts that drive the nation's economic diversification plans and the sustainable future of the UAE.

H.E. holds a number of positions including, Managing Director of Dolphin Energy, a member of the Board of Directors and Executive Committee of Abu Dhabi National Oil Company (ADNOC), Board Member of Emirates Foundation, Board Member of Abu Dhabi Development Fund, Deputy Chairman of Emirates Nature – WWF, and serves as the co-Chair of the UAE-UK Business Council.

He has formerly served in several key capacities such as the Founding Chairman of Abu Dhabi Global Market (ADGM), Founding Chairman of Aldar properties, Founding Chairman of Abu Dhabi Future Energy Company (Masdar), Founding Board Member of Etihad Aviation Group, Founding Board Member of Mubadala Development Company, Deputy Chairman of First Gulf Bank, and held senior positions in Abu Dhabi National Oil Company (ADNOC) and Abu Dhabi Investment Company (Invest AD).

H.E. holds a Bachelor's degree in Economics from Lewis & Clark College, USA.

H.E Noura bint Mohammed Al Kaabi - *Non-Executive Director*

Her Excellency Noura bint Mohammed Al Kaabi is a Minister of State at the Ministry of Foreign Affairs. She previously served as Minister of Culture and Youth, as well as Minister of State for Federal National Council Affairs.

In addition to her ministerial responsibilities, H.E. formerly served as the President of Zayed University, Commissioner-General of the UAE Pavilion at Expo 2020 Dubai, and chaired the National Commission for Education, Culture and Science, and the Board of Directors of the Abu Dhabi National Exhibition Centre.

She also held other positions including CEO and Chairperson of the Board of Directors of Abu Dhabi Media, in addition to chairing the Media Zone Authority in Abu Dhabi (twofour54), where she played a vital role in the founding process aiming to enable the creative community in the UAE.

H.E. has contributed to enhancing the educational environment and promoted innovative courses at

Zayed University, through new programmes in the College of Interdisciplinary Studies, which ensures that students are equipped with all the skills and knowledge required to enter a dynamic labour market and provide them with the necessary expertise to compete in the sector.

In addition to this, H.E. led the efforts for the UAE to become a member of the Executive Board of the United Nations Educational, Scientific and Cultural Organisation (UNESCO). She was also instrumental in the UAE's cooperation with UNESCO for the restoration of heritage and cultural sites in the Iraqi city of Mosul as part of the "Revive the Spirit of Mosul" initiative.

H.E. is a Chevalier of the French Order of Merit in recognition of her efforts in developing relations between the UAE and France encouraging cultural and creative exchange.

Throughout the years, H.E. has contributed to the launch of several initiatives and projects for the development of the cultural and creative sectors in the UAE and enhancing relations with various countries. The most prominent of these initiatives include the launch of the National Creative Relief Program for creatives affected by the Covid-19, and the National Strategy for Cultural and Creative Industries, to grow the sector to be among the ten most important economic sectors in the country.

She is also a recipient of the Diplomatic Service Medal - Gwanghwa Medal from the then President of the Republic of South Korea, Moon Jae-in, in recognition of her efforts in supporting UAE-Korea relations.

H.E. holds a Bachelor of Arts in Management Information Systems from the United Arab Emirates University, and she has completed the Executive Leadership Programme from the London Business School.

H.E Jameela Al Muhairi - *Non-Executive Director*

Her Excellency Jameela Al Muhairi was appointed as Minister of State for Public Education in February 2016 until 2022. H.E. has more than 20 years’ experience in education and has worked in key roles ranging from administrative to leadership positions.

Before becoming a Minister of State, H.E. served as a member of the Knowledge and Human Development Authority’s Board of Directors in Dubai and simultaneously worked on developing a comprehensive school inspection system for Dubai schools, following a resolution by His Highness Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of the Executive Council of Dubai, to establish the School Inspection Department at the Knowledge and Human Development Authority in Dubai. H.E. was appointed as the Head of the Department in 2007.

From 1995 to 2004, H.E. held key positions at the UAE Ministry of Education and later served as the Executive Director of Dubai Knowledge Village from 2004 to 2007. She has also been involved in improving private education as the Executive Director of Dubai Education Council.

She is also a board member of Dubai Cares Foundation.

H.E. graduated from the United Arab Emirates University where she studied Management.

Omar Abdulla Al Hashmi - *Non-Executive Director*

Omar Abdulla Al Hashmi serves as the Chief Executive Officer of TAQA’s Transmission and

Distribution business, a position he has held since January 2024. In this role, he oversees the company's diverse portfolio of transmission and distribution assets. Prior to this, Omar was Executive Director for Transmission and Distribution at TAQA, contributing nearly four years of strategic leadership to the organization. Before his tenure at TAQA, he was Executive Director of Asset Management at Abu Dhabi Power Corporation (AD Power), where he played a key role in shaping the company's transformation plan, structure, and governance. Omar previously served as the head of strategy development at Etihad Airways and Vice President of the Industry platform at Mubadala Investment Company (Mubadala).

Al Hashmi holds a Master of Business Administration from the London Business School and a Master of Science in Mechanical Engineering from George Washington University.

Rima Al Mokarrab - *Non-Executive Director*

Rima Al Mokarrab is the Executive Director of Strategic Affairs at the Executive Affairs Authority, a government agency mandated to provide strategic policy advice to His Highness Sheikh Mohamed bin Zayed Al Nahyan, President of the UAE. She also chairs the Board of Tamkeen LLC, a company that delivers projects enriching Abu Dhabi's social, cultural, and educational landscape.

Al Mokarrab co-founded and currently co-chairs Ideas Abu Dhabi in partnership with the Aspen Institute. She also sits on the Board of Trustees of New York University, is a Board member of the Emirates Centre for Strategic Studies and Research, and previously served on the Board of the UAE Space Agency.

Dr. Saeed Alghfeli - *Non-Executive Director*

Dr. Saeed Alghfeli is the Head of Technology Portfolio for Abu Dhabi Capital Group (ADCG), and is responsible for the leadership, guidance, and oversight of all ADCG's technology operating companies and investment.

Dr. Saeed brings 25 years of experience in the areas of digital transformation and technology adoption, crisis management and contingency planning, process improvement and innovation.

Prior to ADCG, Dr. Saeed held several senior roles in the UAE, most notably as DG at Emirates Identity Authority, and served as board member of various government and non-government agencies like the Telecommunications Regulatory Authority, Daman, Abu Dhabi Statistics Center, Al Etihad Credit Bureau, Monitoring & Control Center, In Health Information Technology and 500 Global.

Dr. Saeed holds a Bachelor in MIS and International Business from the University of Colorado, a Masters in CIS from the University of Denver, and a Doctorate in Management from the Colorado Technical University.

Senior Management

In addition to the members of the Board, the day-to-day management of our operations is conducted by our senior management team. The management expertise and experience of each of the senior management team is set out below.

Geoffrey Alphonso

Chief Executive Officer

A thought leader in education technology, Geoffrey has been listed among the 'Top 30 CEOs' list curated by Arabian Business and among the '100 Most Inspiring Leaders' in the Middle East. Geoffrey brings a background of strategic thinking. He has over 25 years of experience implementing business transformations in the North American, Australian, and Middle Eastern markets and has held senior positions in EdTech, telecommunications, and finance globally.

Prior to joining Alef Education, Geoffrey was General Manager and Head of Pearson Education's digital business practice in the Middle East and Africa for over nine years. Geoffrey currently sits on the board of THAKI – a non-governmental organization that provides digital education products and services to underprivileged children in the MENA region – and is a member of the Forbes Technology Council.

Under his leadership, Alef Education has grown from a startup in 2016 to a prominent organization. As CEO of Alef Education and founding member of the AI award-winning Alef Platform, Geoffrey leads the overall vision, design, innovation, and product portfolio to cater to global growth at scale. He rapidly grew the company into five new markets, serving more than 1 million learners.

Geoffrey holds an MBA from London Business School.

Dr. Aishah Al Yammahi

Strategic Advisor

Dr. Aishah Al Yammahi acts as a Strategic Advisor for Alef Education. A thought leader with over 27 years of experience in the education sector, Dr. Aishah has been recognized among the 51 Emirati Women Achievers for her contributions to innovation in the UAE and for paving the way for future generations of inspiring women.

Dr. Aishah has held many roles in education in the public and private sectors, including the UAE Ministry of Education, where she oversaw the rollout of the Alef Education learning platform across public schools in Abu Dhabi.

Dr. Aishah also worked as the Director of the UAE National Commission for Education, Culture and Science at UNESCO, where she was introduced to many worldwide education systems. As part of the social role that Dr. Aishah deems a responsibility, she launched a successful social media campaign to cover topics related to education, AI and technology, and leadership. Her insightful contributions have been widely acknowledged, and she continues to be a leading voice in the field.

Dr. Aishah earned her doctorate in philosophy of education from The British University in Dubai (BUiD) after conducting in-depth research, which culminated in a published paper titled "Investigating the Impact of AI-Powered Digital Educational Platforms on Students' Learning and Teachers' Practice in Abu Dhabi Schools." Preceding this, Dr. Aishah published additional research conducted at BUiD in the Journal for Researching Education Practice and Theory titled "The impact of Alef Platform on students' performance at Al Asayel School in Abu Dhabi, UAE."

Dr. Aishah earned a Master of Business Administration and Management from Massey University in New Zealand.

Joe El Sebaaly

Chief Product Officer

Joe El Sebaaly has over 20 years of experience working with technology and EdTech companies focusing on digital transformation.

Before joining Alef Education, he led education services initiatives at Pearson and McGraw-Hill in higher education, K-12, and vocational education. He focused primarily on leveraging global expertise and capabilities to develop innovative products.

As Chief Product Officer at Alef Education, Joe leads the product and AI strategy. He focuses on crystallizing the product vision and creating value for end users.

Joe earned a Bachelor of Computer Science and Master of Computer Science from the American University of Beirut and an MBA from London Business School.

Amjad Khan

Chief Technology Officer

Amjad is a technology leader with over 27 years of experience, highlighted by a 14-year tenure as an independent consultant.

His professional journey spans over 15 diverse companies, including HP, EE, Siemens, DXC, Cap Gemini, TNT, and the Ministry of Justice. His expertise is built on a foundation of varied roles within the government, telecommunications, and service sectors, ranging from startups and scale-ups to large-scale enterprises.

As Chief Technology Officer at Alef Education, Amjad spearheads the development and delivery of the technical product vision, ensuring high availability, scalability, resilience, performance, security, and cost optimization across the product portfolio. His responsibilities span various technical domains, including software engineering, data engineering, platform engineering, machine learning, business intelligence, agility, security, and enterprise architecture.

Amjad earned a Master of Computer Science from the University of Manchester and a Bachelor of Science in Pharmacology from the University of Leeds.

Will Lock

Chief Growth Officer

Will has 20 years of experience in achieving global growth for pioneering digital businesses. He is an EdTech specialist and began his career as a strategy consultant before moving into the media industry, where he launched and led several groundbreaking initiatives across Europe.

A highly focused commercial leader, Will discovered his passion for education at Discovery Education International, where he held the position of President and Managing Director and launched the company in China and India, among other markets. Prior to joining Alef Education, Will worked with personalized learning scale-up CENTURY Tech.

As Chief Growth Officer at Alef Education, Will leads long-term strategy development and is responsible for revenue and global growth through organic and inorganic means. This includes managing teams in the Middle East, North America, and SE Asia that market to, sell to, and super-serve governments, schools, and partners.

Will holds a Bachelor of Arts from the University of Nottingham.

Amit Choudhary

Chief Financial Officer

Amit has 23 years of multinational experience in Europe, the Bahamas, the Middle East, and India, including the last 17 years in the UAE. He spent 13 years with ‘Big Four’ accounting firms, including Deloitte & Touche, KPMG, and PricewaterhouseCoopers, followed by Waha Capital, where he was the Executive Director of Finance and Compliance.

Prior to joining Alef Education, Amit was the CFO of Qatar First Bank and Emirates Post (now called 7X) portfolio of companies, including the Wall Street Exchange, Instant Cash, and FINTX. He has led change, turnaround, and cost optimization strategies, resulting in significant company-wide improvements and value creation.

Amit earned a Bachelor of Commerce with Honours from The University of Calcutta. He is qualified as a Chartered Accountant with the Institute of Chartered Accountants in England and Wales (ICAEW) and the Institute of Chartered Accountants of India (ICAI). He also earned the Associate CMA and CGMA titles from CIMA, United Kingdom, and certifications in Leadership from Harvard Business School and Corporate Finance from London Business School.

Gregoire Provot

Director of Service Delivery

Gregoire has over 28 years of experience in customer service and IT service delivery. He has successfully led large teams in several countries and regions in the telecommunications and IT sectors and held senior positions at BT, C&W, NCR, DELL EMC, and NTT DATA Corporation.

Throughout his career, Gregoire achieved key milestones, including building BT’s first outsourcing support center in France, efficiently managing service delivery in the US, and building remote resolution teams across Europe, the Middle East and Africa (EMEA) from the Netherlands.

As Director of Service Delivery at Alef Education, Gregoire delivers contract value to clients within the service level agreement and quality expected to maintain satisfaction and optimize retention and renewal. His role focuses on school implementation, training and quality, project management office (PMO), IT support, and service desk.

Gregoire earned a Master of Innovation Management, Information Technology and Communication from Gustave Eiffel University and a Bachelor of Business Administration from Paris XIII University.

Company’s Organization Chart

Please refer to Annex 5.

Employment positions of members of the senior executive in the Company’s subsidiaries and other public joint stock companies:

All members of the Company's senior executive management hold the same positions and functions at Alef Education (a wholly owned subsidiary of the Company).

Employment positions of members of the board of directors in the Company’s subsidiaries and other public joint stock companies in UAE:

Omar Abdulla Al Hashmi	Chief Executive Officer of Transmission and Distribution at Abu Dhabi National Energy Company

Conditions of eligibility, election, and removal of the Board of the Company

Board members will be elected by the shareholders. The Board of Directors was appointed by the Selling Shareholders for a period of 3 years commencing on the date of Listing.

If a position becomes vacant during the term of the Board, then a replacement may be appointed in accordance with the provisions of the Company’s Articles of Association. Any such replacement shall serve the remaining term of the director who vacated her or his or her position.

Director’s competencies and responsibilities:

The principal duties of the Board are to provide the Company’s strategic leadership, to determine the fundamental management policies of the Company and to oversee the performance of the Company’s business. The Board is the principal decision-making body for all matters that are significant to the Company, whether in terms of their strategic, financial or reputational implications. The Board has final authority to decide on all issues save for those which are specifically reserved to the general meeting of Shareholders by law or by the Company’s Articles of Association.

The key responsibilities of the Board include:

- determining the Company’s strategy, plan budget and structure;
- approving the fundamental policies of the Company;
- implementing and overseeing appropriate financial and valuation reporting procedures, risk management policies and other internal and financial controls;
- proposing the issuance of new ordinary shares and any restructuring of the Company;
- appointing senior executive management of the Company;
- determining the remuneration policies of the Company and ensuring the independence of Directors and that potential conflicts of interest are managed; and
- calling Shareholder meetings and ensuring appropriate communication with Shareholders.

3. Board Committees

The Board has an Audit Committee, and a Nomination and Remuneration Committee (each of which will be subject to the composition requirements of the Governance Rules). If the need should arise, and subject to the Articles of Association, the Board may set up additional committees as appropriate. In accordance with the Governance Rules, the Chairman is not permitted to be a member of either the Audit Committee or the Nomination and Remuneration Committee.

A high-level overview of the mandate of each of these committees, as at Listing, is set out below.

Audit Committee

Certain members of the Board of Directors (together with an independent specifically appointed chairperson) constitute a committee to review and oversee the Company's internal and external audit and financial accounting policies.

The Audit Committee assists the Board in discharging its responsibilities relating to financial reporting, external and internal audits and controls, including reviewing and monitoring the integrity of the financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors, overseeing the relationship with the external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of the internal control review function. The Audit Committee also assists the Board in overseeing the valuation process carried out by management, reviewing and approving valuation policy and the Company's procedures manual on an annual basis, and liaising with auditors regarding their views on valuation.

The ultimate responsibility for reviewing and approving the annual report and accounts remains with the Board. The Audit Committee will give due consideration to the applicable laws and regulations of the UAE, the ADGM and SCA.

The Audit Committee will take appropriate steps to ensure that the Company's external auditors are independent of the Company as required by applicable law.

The Audit Committee will meet at least once every three months or as required. The Audit Committee charter requires that the Audit Committee must comprise at least three Non-Executive Board members, of whom at least two members shall be independent. At least one of the Audit Committee members shall have practical work experience in accounting or finance fields or shall have a university degree or a professional certificate in accounting or finance or other relevant fields.

One or more of the committee members may be appointed from outside the Company in case the available number of Non-Executive Board members is insufficient.

Nomination and Remuneration Committee

Certain members of the Board of Directors constitute a committee to review and oversee the Company's nomination and remuneration. The Nomination and Remuneration Committee assists the Board in setting and overseeing the nomination and remuneration policies in respect of the Board, any committees of the Board and senior management. In such capacity, it is responsible for evaluating the hiring of the Company's senior executive management, evaluating the balance of skills, knowledge and experience of the Board and committees of the Board and, in particular, monitoring the independent status of the independent Directors. It is also responsible for periodically reviewing the Board's structure and identifying, where relevant, potential independent candidates to be appointed as Directors or committee members as the need may arise. In addition, and subject to the Articles, the Nomination and Remuneration Committee assists the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Company's policy on executive remuneration, setting the overarching principles, parameters and governance framework of the remuneration policy and determining the individual remuneration and benefits package of the senior management.

The Nomination and Remuneration Committee must comprise at least three Non-Executive Directors, at least two of whom must be independent, in each case within the meaning of those terms in the Governance Rules. The chairperson of the Nomination and Remuneration Committee must be chosen from amongst the independent committee members. The members of the Nomination and Remuneration Committee will be appointed in accordance with the Articles of Association. The Nomination and Remuneration Committee will meet at least once a year, and otherwise from time to time based on the Company's requirements.

1. Legal matters

The following is a summary of the legal matters that will apply to the Company following its Listing. The legal matters listed below must be read in light of the provisions of the Company's Articles of Association (which are set out in Annex 2 of this Prospectus).

- **The applicability of Governance and the ADGM Companies Regulations**

  The Company decided voluntarily to comply with the Governance Rules as issued by the Securities and Commodities Authority, as amended from time to time. Accordingly, any contradictions between provisions found in Company's Articles of Association which is based on the ADGM Companies Regulations, the Company shall comply with the Governance Rules as issued by the Securities and Commodities Authority and in particular, but not limited to the following: 1) the annual general meeting; 2) Board composition and required eligibility for each member; 3) all provisions related to the Board and in particular the remuneration of the Board; 4) permanent committees; 5) provisions for entering into related parties transactions; 6) insiders; 7) The independency requirements in relation to the Board; and 8) provisions on the conflict of interest.

- **Articles of Association**

  The Company's Articles of Association and the Companies Regulations describe the rights and obligations associated with the ownership of the Shares in detail. The full text of the Articles of Association of the Company is annexed to the Prospectus.

- **Attending General Meeting and voting rights**

  Each Shareholder shall have the right to attend the General Meeting and shall have a number of votes equal to the number of their Shares.

- **Share register**

  Upon listing on the ADX, the Shares will be dematerialized, and the share register will be maintained by the ADX.

- **Financial information**

  A Shareholder is entitled to request a copy of the annual audited financial statements of the Company.

- **Financial year**

  The financial year of the Company will start on the 1 January and end on 31 December of each year.

- **Dividends and liquidation proceeds**

  The Company shall pay dividends on Shares in compliance with the relevant laws and regulations applicable to the Company. Shareholders shall have the sole right to the profits due on those Shares. In the event of liquidation of the Company, each Shareholder shall be entitled to a part of the Company's assets in accordance with the Company's Articles of Association and applicable law and regulation in the ADGM.

- **General Meeting**

  An annual general meeting shall be held in accordance with the Companies Regulations, Articles of Association of the Company and the Governance Rules.

  The Company decided voluntarily to comply with the Governance Rules as issued by the Securities and Commodities Authority, as amended from time to time. Accordingly, any contradictions between provisions found in Company's Articles of Association, which is based on the ADGM Companies Regulations, the Company shall comply with the Governance Rules as issued by the Securities and Commodities Authority and in particular, but not limited to the annual general meeting.

- **Liability of the Board**

  The members of the Board owe general duties to the Company in accordance with the Companies Regulations, Articles of Association of the Company and the Governance Rules (including exercising reasonable care, skill and diligence and acting to promote the success of the Company).

- **Appointment of the Chairperson and the Powers of the Chairperson**

  His Excellency Abdulhamid Mohammed Saeed Alahmadi is the chairman of the Board. The chairman of the Board chairs the Board meetings, and in the absence of the chairman, the vice-chairman shall fill the role.

- **Corporate Governance**

  The Company shall be subject to the corporate governance rules as published by SCA and amended from time to time.

2. Supervision and Regulation

Alef Education Holding plc is a public company limited by shares incorporated in the ADGM. The ADGM is a financial free zone within the meaning of UAE Federal Law No. 8 of 2004 (the "**Financial Free Zones Law**") and was established pursuant to UAE Federal Decree No. 15 of 2013. As a company incorporated in the ADGM, and in accordance with the Financial Free Zones Law, the Company is not subject to UAE federal civil and commercial laws. In particular, and without limitation, the Company is not subject to the provisions of the UAE Commercial Companies Law nor a variety of other legislation which applies to companies incorporated 'onshore' in the UAE. Instead, the Company is governed by applicable laws and regulations in the ADGM including the Companies Regulations.

In accordance with the ADGM legal framework applicable to public companies such as the Company, its primary constitutional document is its Articles of Association. Apart from various matters governed by the Companies Regulations and other ADGM legislation, the principal corporate governance and disclosure and transparency rules applicable to the Company are set out in the SCA Governance Guide, the provisions of the Chairman of Authority's Board of Directors' Decision no. 3 of 2000 concerning the regulations as to disclosure and transparency and in the Articles of Association and related documents (such as charters, policies and procedures adopted by the Board of Directors from time to time). The ADGM Board of Directors and, in certain circumstances, the ADGM Registration Authority has the power and authority to investigate violations of the Companies Regulations, including if it appears to it that there are circumstances suggesting that an ADGM company's affairs are being or have been conducted in a manner which is unfairly prejudicial to some part of its members, and in certain cases to refer such violations to ADGM courts. Shareholders in ADGM companies may also directly seek injunctions from ADGM courts against acts in violation of the Companies Regulations or constitutional documents and can seek to recover damages for such violations from ADGM companies and their directors.

Pursuant to the ADX listing rules, ADX has the authority to apply the Governance Rules applicable to financial free zone companies such as the Company that list securities on ADX.

Investors should familiarize themselves with applicable ADGM laws and regulations, and the Company's Articles of Association annexed to the Prospectus.

3. ADGM No Objection

The ADGM Registration Authority has issued a certificate of no objection to the Listing and the Offering in accordance with Article 33 of SCA Decision No. 11 RM of 2016 concerning the Regulation of Offering and Issuing Shares in Public Joint Stock Companies (as amended by the SCA Decision No. 25/RM/2020).

4. Independent Auditors

Ernst & Young – Middle East (ADGM Branch) audited the special purpose consolidated financial statements of the Group as of and for the years ended 31 December 2021, 2022 and 2023 and for the three months periods ended 31 March 2023 and 2024, as stated in their report included herein.

Ernst & Young – Middle East (ADGM Branch)

Sila Tower, 24th Floor, Office 2449

Abu Dhabi Global Market Square

Al Maryah Island

P.O. Box: 136

Abu Dhabi, United Arab Emirates

5. Details of any employee ownership scheme

The Company does not have any employee share ownership scheme.

Annex 1 – Financial Statements

Alef Education Holding Limited

DIRECTOR'S REPORT AND SPECIAL PURPOSE
CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2024, 31 MARCH 2023, 31 DECEMBER 2023,
31 DECEMBER 2022 AND 31 DECEMBER 2021

Alef Education Holding Limited
Director's report

The Director presents his report together with the audited special purpose consolidated financial statements of Alef Education Holding Limited (the "Group") for the three-month periods ended 31 March 2024 and 31 March 2023 and the years ended 31 December 2023, 31 December 2022 and 31 December 2021.

Principal activities
The principal activities of the Group are computer systems, software designing, educational consultancy, consultancy and studies and research in renewable energy.

Financial results
The revenues earned from contracts with customers and the total comprehensive income of the Group during the periods / years:

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
Revenue	**176,650,826**	**175,874,225**	**749,525,426**	**772,693,339**	**667,359,343**
Total comprehensive income	**113,027,452**	**206,056,465**	**586,407,899**	**675,095,397**	**427,150,826**

Director
The Director of the Company as of 31 March 2024 was:

Mr Geoffrey Simon John Alphonso – appointed on 1 March 2024.

Director's statement to the disclosure to auditors
In so far as the Director is aware, there is no relevant information of which the Group's auditors are unaware.

The Group's auditors have been provided with access to all information of which we are aware that is relevant to the preparation of special purpose consolidated financial statements.

Auditors
A resolution to reappoint Ernst and Young as auditors for the ensuing year will be put to the shareholders at Annual General Meetings.

Director

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

ALEF EDUCATION HOLDING LIMITED

Report on the Audit of the Special Purpose Consolidated Financial Statements

Opinion
We have audited the special purpose consolidated financial statements of Alef Education Holding Limited (the "Company") and its subsidiary (collectively referred to as the "Group"), which comprise the special purpose consolidated statement of financial position as at 31 March 2024, 31 March 2023, 31 December 2023, 31 December 2022 and 31 December 2021, the special purpose consolidated statement of comprehensive income, special purpose consolidated statement of changes in equity and special purpose consolidated statement of cash flows for the three-month period ended 31 March 2024, three-month period ended 31 March 2023, year ended 31 December 2023, year ended 31 December 2022 and year ended 31 December 2021 and notes to the special purpose consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying special purpose consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2024, 31 March 2023, 31 December 2023, 31 December 2022 and 31 December 2021 and its consolidated financial performance and its consolidated cash flows for the three-month period ended 31 March 2024, three-month period ended 31 March 2023, year ended 31 December 2023, year ended 31 December 2022 and year ended 31 December 2021 in accordance with International Financial Reporting Standards ("IFRSs").

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

Emphasis of matter – basis of preparation
We draw your attention to Note 2.1 to the accompanying special purpose consolidated financial statements which describes the basis of accounting and that the accompanying special purposc consolidated financial statements for the three-month period ended 31 March 2024, three-month period ended 31 March 2023, year ended 31 December 2023, year ended 31 December 2022 and year ended 31 December 2021 have been prepared for the inclusion in the Company's initial public offering application to be filed with the Securities & Commodities Authority of the United Arab Emirates and should not be used for any other purpose. Our report is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

ALEF EDUCATION HOLDING LIMITED continued

Report on the Audit of the Special Purpose Consolidated Financial Statements continued

Responsibilities of management and Board of Directors for the special purpose consolidated financial statements
Management is responsible for the preparation and fair presentation of the special purpose consolidated financial statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of special purpose consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The management is responsible for overseeing the Group's financial reporting process.

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

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

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

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

ALEF EDUCATION HOLDING LIMITED continued

Report on the Audit of the Special Purpose Consolidated Financial Statements continued

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

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

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

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

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

Signed by:
Walid J Nakfour
Partner
Ernst & Young

29 April 2024
Abu Dhabi

Alef Education Holding Limited
Special purpose consolidated statement of financial position

	Notes	*31 March 2024 AED*	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
ASSETS						
Non-current assets						
Property and equipment	5	2,279,278	3,350,011	2,540,005	4,649,091	10,518,818
Intangible assets	6	127,985,269	76,432,728	79,898,352	74,785,546	75,101,023
Right of use assets	7	422,875	653,526	480,533	-	-
Trade and other receivables	9	4,984,419	9,367,250	12,425,319	10,562,585	10,364,798
Total non-current assets		**135,671,841**	**89,803,515**	**95,344,209**	**89,997,222**	**95,984,639**
Current assets						
Investments carried at fair value through profit or loss	8	-	936,223,905	-	869,032,026	269,863,572
Trade and other receivables	9	382,663,056	128,152,118	154,947,624	137,305,049	154,605,809
Amounts due from related parties	15	76,227,021	558,932,491	109,755,488	387,010,412	249,833,130
Cash and cash equivalents	10	168,891,054	202,785,106	261,773,715	171,437,937	205,585,278
Total current assets		**627,781,131**	**1,826,093,620**	**526,476,827**	**1,564,785,424**	**879,887,789**
TOTAL ASSETS		**763,452,972**	**1,915,897,135**	**621,821,036**	**1,654,782,646**	**975,872,428**
EQUITY AND LIABILITIES						
Equity						
Share capital	11	70,000,000	-	-	-	-
Shareholders' contribution	11	167,559,022	167,559,022	167,559,022	167,559,022	167,559,022
Other reserve	12	75,000	75,000	75,000	75,000	75,000
Retained earnings		389,813,735	1,598,530,227	346,786,283	1,392,473,762	717,378,365
Total equity		**627,447,757**	**1,766,164,249**	**514,420,305**	**1,560,107,784**	**885,012,387**
Non-current liabilities						
Provision for employees' end of service benefits	13	13,720,285	11,587,687	12,921,328	11,216,918	6,018,357
Lease liability	7	12,210	219,591	241,965	-	-
Total non-current liabilities		**13,732,495**	**11,807,278**	**13,163,293**	**11,216,918**	**6,018,357**
Current liabilities						
Amount due to a related party	15	-	-	-	-	37,826
Trade and other payables	14	122,064,583	137,705,314	94,008,382	83,457,944	84,803,858
Lease liability	7	208,137	220,294	229,056	-	-
Total current liabilities		**122,272,720**	**137,925,608**	**94,237,438**	**83,457,944**	**84,841,684**
Total liabilities		**136,005,215**	**149,732,886**	**107,400,731**	**94,674,862**	**90,860,041**
TOTAL EQUITY AND LIABILITIES		**763,452,972**	**1,915,897,135**	**621,821,036**	**1,654,782,646**	**975,872,428**

Director

Chief Financial Officer

The attached notes 1 to 25 form part of these special purpose consolidated financial statements.

Special purpose consolidated statement of comprehensive income

	Notes	Period ended 31 March 2024 AED	Period ended 31 March 2023 AED	Year ended 31 December 2023 AED	Year ended 31 December 2022 AED	Year ended 31 December 2021 AED
INCOME						
Education solution fees		164,078,655	163,730,173	656,945,193	654,596,955	585,660,789
IT set-up fees		-	-	43,084,230	69,377,251	37,450,483
IT maintenance fees		12,572,171	12,144,052	49,496,003	48,719,133	44,248,071
Revenue from contracts with customers	16	**176,650,826**	**175,874,225**	**749,525,426**	**772,693,339**	**667,359,343**
EXPENSES						
Salaries and other benefits		(27,103,018)	(30,189,215)	(127,643,829)	(136,889,693)	(120,517,009)
Technology expenses		(8,508,908)	(6,867,232)	(63,061,653)	(83,033,402)	(80,527,815)
Software licenses		(6,413,550)	(5,298,317)	(24,111,194)	(23,076,971)	(20,712,747)
Amortisation for intangible assets	6	(8,409,112)	(7,778,730)	(30,732,894)	(30,238,093)	(26,512,823)
Legal and professional fees		(2,049,630)	(5,787,666)	(30,788,935)	(41,657,037)	(36,729,513)
Depreciation on property and equipment	5	(396,671)	(1,420,165)	(3,271,862)	(8,563,942)	(9,748,633)
Lease expenses	7	(941,780)	(885,116)	(3,530,964)	(4,120,597)	(4,022,688)
Marketing expenses		(1,123,847)	(2,648,537)	(7,845,303)	(4,488,845)	(5,598,668)
Others		(753,421)	(840,610)	(3,624,960)	(3,648,022)	(3,732,334)
Total expenses		**(55,699,937)**	**(61,715,588)**	**(294,611,594)**	**(335,716,602)**	**(308,102,230)**

	Notes	31 March 2024 AED	31 March 2023 AED	31 December 2023 AED	31 December 2022 AED	31 December 2021 AED
OPERATING PROFIT FOR THE PERIOD / YEAR		**120,950,889**	**114,158,637**	**454,913,832**	**436,976,737**	**359,257,113**
Income from financial assets carried at fair value through profit or loss	17	-	91,362,983	122,795,687	237,947,155	67,893,713
Interest income		3,218,014	534,845	8,698,380	171,505	-
PROFIT FOR THE PERIOD / YEAR BEFORE TAX		**124,168,903**	**206,056,465**	**586,407,899**	**675,095,397**	**427,150,826**
Income tax expense	23	(11,141,451)	-	-	-	-
PROFIT FOR THE PERIOD / YEAR		**113,027,452**	**206,056,465**	**586,407,899**	**675,095,397**	**427,150,826**
Other comprehensive income		-	-	-	-	-
TOTAL PROFIT AND COMPREHENSIVE INCOME FOR THE PERIOD / YEAR		**113,027,452**	**206,056,465**	**586,407,899**	**675,095,397**	**427,150,826**
Earnings per share attributable to the Equity holders of the Parent:						
- basic and diluted earnings per share (AED)	24	0.49	-	-	-	-

The attached notes 1 to 25 form part of these special purpose consolidated financial statements

	Share capital AED	*Shareholders' contribution AED*	*Statutory Reserve AED*	*Retained earnings AED*	*Total AED*
Balance at 1 January 2021	-	167,559,022	75,000	290,227,539	457,861,561
Total comprehensive income for the year	-	-	-	427,150,826	427,150,826
Balance at 31 December 2021	-	167,559,022	75,000	717,378,365	885,012,387
Total comprehensive income for the year	-	-	-	675,095,397	675,095,397
Balance at 31 December 2022	-	167,559,022	75,000	1,392,473,762	1,560,107,784
Total comprehensive income for the three-month period	-	-	-	206,056,465	206,056,465
Balance at 31 March 2023	-	167,559,022	75,000	1,598,530,227	1,766,164,249
Total comprehensive income for the nine-month period	-	-	-	380,351,434	380,351,434
Dividend (note 25)	-	-	-	(1,632,095,378)	(1,632,095,378)
Balance at 31 December 2023	-	167,559,022	75,000	346,786,283	514,420,305
Issuance of share capital (note 11)	70,000,000	-	-	(70,000,000)	-
Total comprehensive income for the three-month period	-	-	-	113,027,452	113,027,452
Balance at 31 March 2024	**70,000,000**	**167,559,022**	**75,000**	**389,813,735**	**627,447,757**

The attached notes 1 to 25 form part of these special purpose consolidated financial statements.

Special purpose consolidated statement of cash flows

	Notes	31 March 2024 AED	31 March 2023 AED	31 December 2023 AED	31 December 2022 AED	31 December 2021 AED
Operating activities						
Profit for the period / year before tax		124,168,903	206,056,465	586,407,899	675,095,397	427,150,826
Adjustments for:						
Depreciation on property and equipment	5	396,671	1,420,165	3,271,862	8,563,942	9,748,633
Depreciation on right of use asset	7	57,658	38,371	211,364	-	967,582
Amortisation of intangible assets	6	8,409,112	7,778,730	30,732,894	30,238,093	26,512,823
Income from financial assets carried at fair value through profit or loss	17	-	(91,362,983)	(122,795,687)	(237,947,155)	(67,893,713)
Interest expense on lease liability	7	8,208	6,919	38,055	-	-
Write-off of intangible asset		-	-	-	-	741,266
Write-off of property and equipment	5	-	-	-	17,571	-
Provision for employees' end of service benefits	13	1,195,000	969,199	4,286,824	7,480,607	6,322,132
Gain on disposal of property and equipment		-	-	(6,538)	-	-
Interest income		(3,218,014)	(534,845)	(8,698,380)	(171,505)	-
		131,017,538	124,372,021	493,448,293	483,276,950	403,549,549
Working capital changes:						
Amounts due from related parties		55,454	3,982	(289,966)	1,739,801	(1,525,274)
Trade and other receivables		(219,693,338)	10,348,266	(19,505,309)	17,102,973	(144,919,777)
Trade and other payables		15,665,359	54,247,370	6,444,006	(3,798,857)	(1,829,806)
Amount due to a related party		-	-	-	(37,826)	37,826
Cash (used in) generated from operating activities		(72,954,987)	188,971,639	480,097,024	498,283,041	255,312,518
Employees' end of service benefits paid	13	(396,043)	(598,430)	(2,582,414)	(2,282,046)	(4,517,158)
Net cash (used in) generated from operating activities		**(73,351,030)**	**188,373,209**	**477,514,610**	**496,000,995**	**250,795,360**

Special purpose consolidated statement of cash flows continued

	Notes	31 March 2024 AED	31 March 2023 AED	31 December 2023 AED	31 December 2022 AED	31 December 2021 AED
Investing activities						
Purchase of property and equipment	5	(135,944)	(121,085)	(1,162,776)	(2,711,786)	(1,182,247)
Purchase of financial assets carried at fair value through profit or loss	8	-	(30,432,952)	(61,464,112)	(757,637,124)	(374,248,455)
Proceeds from disposal of financial assets carried at fair value through profit or loss	8	-	48,287,331	418,270,957	386,820,214	169,410,489
Dividend income from financial assets at fair value through profit or loss	17	-	6,316,725	20,414,682	9,595,611	2,868,107
Amounts due from related parties		33,473,013	(171,926,061)	280,856,346	(138,917,083)	(248,030,141)
Purchase of intangible assets	6	(55,246,638)	(9,425,912)	(31,739,268)	(27,469,673)	(16,852,819)
Term deposit	10	(140,000,000)	-	-	-	-
Proceeds from disposal of property and equipment		-	-	6,538	-	-
Net cash (used in) generated from investing activities		**(161,909,569)**	**(157,301,954)**	**625,182,367**	**(530,319,841)**	**(468,035,066)**
Financing activities						
Interest income		2,636,820	534,845	5,386,924	171,505	-
Dividend paid through a related party		-	-	(1,017,489,192)	-	-
Payment of principal portion of lease liability	7	(258,882)	(258,931)	(258,931)	-	(1,151,111)
Net cash generated from (used in) financing activities		**2,377,938**	**275,914**	**(1,012,361,199)**	**171,505**	**(1,151,111)**
Net (decrease) / increase in cash and cash equivalents		(232,882,661)	31,347,169	90,335,778	(34,147,341)	(218,390,817)
Cash and cash equivalents at the beginning of the period / year		261,773,715	171,437,937	171,437,937	205,585,278	423,976,095
Cash and cash equivalents at the end of the period / year	10	**28,891,054**	**202,785,106**	**261,773,715**	**171,437,937**	**205,585,278**
Significant non-cash transactions:						
Issuance of share capital	11	70,000,000	-	-	-	-
Addition to intangible assets		1,249,391	-	4,106,432	2,452,943	-
Dividend paid through a related party	8	-	-	614,606,186	-	-

The attached notes 1 to 25 form part of these special purpose consolidated financial statements.

1 BACKGROUND

Corporate information
Alef Education Holding Limited (the "Company" or the "Parent") is registered in Abu Dhabi Global Market (ADGM) under license number 17843 as a Private Company Limited by Shares. The Company was incorporated on 15 March 2024. The registered address of the Company is External Office 2332, 23rd Floor, Sky Tower, Al Reem Island, Abu Dhabi, United Arab Emirates. The Company and it's subsidiary, Alef Education Consultancy LLC are collectively referred to as the Group (the "Group").

These are the first set of the special purpose consolidated financial statements of the Company and its subsidiary (together, the "Group") following the reorganisation of the Group (the "reorganisation") for inclusion in the Company's initial public offering application to be filed with the Securities & Commodities Authority in the United Arab Emirates.

On 28 March 2024, pursuant to the reorganisation, the shareholders established the Company as a new holding company with a share capital of AED 70,000,000 at AED 0.01 per share (note 11). The Company became the new holding company of the Group through transfer of shares of Alef Education Consultancy LLC. The shares were transferred to the new holding company for nil consideration. The reorganisation was completed on 27 March 2024 during which all the legal ownership of Alef Education Consultancy LLC was transferred to the new holding company.

As the Company is not a business and the reorganisation did not result in any change of economic substance, it is not considered as a business combination as defined by IFRS 3 Business Combinations. Accordingly, the special purpose consolidated financial statements of the Group are prepared to reflect that the reorganisation is in substance a continuation of Alef Education Consultancy LLC as if the Company has always owned Alef Education Consultancy LLC.

The principal activities of the Group are computer systems, software designing, educational consultancy, studies and researches in renewable energy in the United Arab Emirates.

The Group includes one subsidiary, Alef Education Consultancy LLC. Alef Education Consultancy LLC has a subsidiary, Arabic Scale Educational Consultancy – Sole Proprietorship LLC and also has a branch in the Emirate of Abu Dhabi in Abu Dhabi Creative Media Zone Authority. Alef Education Consultancy LLC also has a branch office in Amman, Hashemite of Jordan under an establishment number # 200181807. The branch in Amman provides support in content designing and writing. The financial statements of Alef Education Consultancy LLC include the operations and financial performance of these branches in United Arab Emirates and Hashemite of Jordan and the subsidiary.

The special purpose consolidated financial statements were recognized for issue in accordance with a resolution of the Director on 29 April 2024.

2 BASIS OF PREPARATION

Statement of compliance
The special purpose consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The special purpose consolidated financial statements are prepared under the historical cost basis, except for financial assets carried at fair value through profit or loss which are stated at fair value as at the reporting date.

The consolidated financial statements are presented in United Arab Emirates Dirham ("AED"), which is the functional currency of the Company and the presentation currency of the Group.

On 13 February 2024, the shareholders of the Company resolved to file an initial public offering application with the Securities & Commodities Authority in the United Arab Emirates to list the Company's shares on Abu Dhabi Securities Exchange ("ADX") in the United Arab Emirates. Accordingly, these special purpose consolidated financial statements as of and for the period ended 31 March 2024 have been prepared solely for inclusion in the initial public offering application of the Company to be filed with the Securities & Commodities Authority in the United Arab Emirates and are not the Company's statutory financial statements. The Company's first statutory consolidated financial statements will be prepared for the year ended 31 December 2024.

2 BASIS OF PREPARATION (continued)

Basis of consolidation
The special purpose consolidated financial statements incorporate the financial statements of the Company and its subsidiary as at 31 March 2024, 31 March 2023, 31 December 2023, 31 December 2022 and 31 December 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

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

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

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the special purpose consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Subsidiaries are fully consolidated from the date of acquisition or incorporation, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The special purpose consolidated financial statements of the subsidiaries are prepared for the same reporting period as the Group, using consistent accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received - Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities;

Business combinations and acquisition of non-controlling interests
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in the "Business acquisition cost" line-item in the special purpose consolidated statement of comprehensive income.

2 BASIS OF PREPARATION (continued)

Business combinations and acquisition of non-controlling interests (continued)
When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Contingent consideration, resulting from business combinations, is measured at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

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

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

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

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions in IAS 37 Provisions, Contingent Liabilities and Contingent Assets or the amount initially recognised less (when appropriate) cumulative amortisation recognised in accordance with the requirements for revenue recognition.

Group reorganisation and business combinations under common control
In the absence of guidance in IFRS for the group reorganisation and business combinations under common control, IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors requires to use judgement in developing and applying an accounting policy that provides reliable and more relevant information. As such group reorganisation has no economic substance and is outside the scope of IFRS 3 Business Combinations.

Business combination under common control is accounted for using the pooling of interest method as follows:

- assets and liabilities of the subsidiary, Alef Education Consultancy LLC is reflected at their carrying amounts and no adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the reorganisation that would otherwise be done under the acquisition method;
- no goodwill is recognised as a result of the reorganisation, except to the extent that existing goodwill was previously recognised in one of the combining entities. Any difference between the consideration transferred and the equity of the entity acquired as at the date of the combination is reflected within equity; and
- the statement of comprehensive income reflects the results of Alef Education Consultancy LLC.

The Group adopted an accounting policy to report the comparative information as if the Group always owned the businesses acquired under common control from the date when such businesses were part of the Group. This approach is applied consistently for all such transactions.

2 BASIS OF PREPARATION (continued)

2.1 Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new standards, interpretations and amendments effective as of 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7
In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group's special purpose consolidated financial statements.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments had no impact on the Group's special purpose consolidated financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current
In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments had no impact on the Group's special purpose consolidated financial statements.

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

- Amendments to IAS 21: Lack of exchangeability
- Amendments to IFRS 10 and IAS 28: for optional adoption/effective date deferred indefinitely - sale or contribution of assets between an investor and its associate or joint venture

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

3 MATERIAL ACCOUNTING POLICY INFORMATION

Financial instruments

Financial assets and financial liabilities are recognised in the Group's special purpose consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the special purpose consolidated statement of comprehensive income.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Amortised cost and effective interest rate method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial assets (continued)

***Classification of financial assets* (continued)**
Interest income is recognised in special purpose consolidated statement of comprehensive income and is included in the "income – interest income from a related party" line item.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'Income from financial assets carried at fair value through profit or loss' line item in profit or loss.

Financial assets at FVTPL
Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss.

Impairment of financial assets
The Group recognises a loss allowance for expected credit losses on trade and other receivables, due from related parties and cash and cash equivalents, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

1) The financial instrument has a low risk of default,
2) The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial assets (continued)

***Impairment of financial assets* (continued)**

(ii) Definition of default

The Group employs statistical models to analyse the data collected and generate estimates of probability of default ("PD") of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Group.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event (see (ii) above);
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost. Financial liabilities are initially measured at fair value except payables which are carried at amount expected to be payable. Financial liabilities are subsequently measured at amortised cost.

The Group's financial liabilities include lease liability and trade and other payables.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the special purpose consolidated statement of comprehensive income.

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

Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to profit or loss during the financial period in which they are incurred. Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method on the following basis:

Office equipment	3 years
Office furniture and fixtures	3 years
Villa furniture and fixtures	3 years
School equipment	3 years
Office leasehold improvement	3 years
School leasehold improvement	3 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Capital work in progress

Capital work in progress is recorded at cost and transferred to the appropriate asset category and depreciated in accordance with the Group's policies when development of a product is completed and transferred to the customers or ready for use after inspection from both parties.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

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

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

(i) Right-of-use assets

The Group recognized right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and lease payments made at or before the commencement date. Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

ii) Lease liabilities

At the commencement date of the lease, the Group recognized lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of property (i.e., those leases that have a lease term of 12 months). Lease payments on short-term leases recognized as expense on a straight-line basis over the lease term.

Intangible assets
Intangible assets acquired separately are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful lives are reviewed at the end of each annual reporting period, with effect of any changes in estimate being accounted for on a prospective basis.

Computer software
Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives of three years.

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

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

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Intangible assets continued

Internally-generated intangible assets – research and development expenditure continued

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally- generated intangible asset can be recognised; development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Platform and content development costs

The Group provide educational services through its technology platform and capitalises costs incurred to develop the platform. The Group also capitalizes the costs incurred for each content (teaching lesson and other educational product) including standard cost to reflect time and effort incurred internally developing the content and if applicable, fees incurred for content and product vendors and standard cost for external reviewers. The development costs are capitalized when the IAS 38 "intangible asset" criteria for recognition of development costs are met.

Subsequent time and effort by the team to maintain and/or upgrade previously published content that was already capitalised in prior periods are expensed in the same period incurred. Additionally, costs for the time spent in developing mock tests and experiential digital lessons are expensed in the period they were incurred.

Amortisation of intangible assets with finite lives is calculated on a straight-line basis over the estimated useful lives as follows:

Computer software	3 years
Content	4 years
Platform	10 years

Employees' benefits

A provision is made for the full amount of end of service benefits due to non-UAE national employees in accordance with the Group's policy, which is at least equal to the benefits payable in accordance with UAE Labour Law, for their period of service up to the end of the reporting period. The provision relating to end of service benefits is disclosed as a non-current liability.

Pension contributions are made in respect of UAE national employees to the General Pension and Social Security Authority in accordance with the UAE Federal Law (9) of 2000 for Pension and Social Security. Such contributions are charged to profit or loss during the employees' period of service.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Cash and cash equivalents

For the purpose of the special purpose consolidated statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances and short-term deposits with an original maturity of three months or less net of bank overdraft, if any.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Foreign currencies

For the purpose of these special purpose consolidated financial statements, the UAE Dirhams (AED) is the functional and the presentation currency of the Group.

Transactions in currencies other than AED Dirhams are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in statement of comprehensive income in the year in which they arise.

Impairment of non-financial assets

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Current versus non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Fair value measurement

The Group measures financial instruments, such as, financial assets carried at fair value through profit or loss, at fair value at the reporting date.

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 in the principal or, in its absence, the advantageous market to which Company has access at that date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible to by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

For financial instruments quoted in an active market fair value is determined by reference to quoted market prices. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

For all other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include comparison with similar instruments for which market observable prices exist, adjusted net asset method and other relevant valuation models.

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

All assets and liabilities for which fair value is measured or disclosed in the special purpose consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the special purpose consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Dividends

The Group recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Group. A distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Revenue recognition

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

Step 1 Identify contract(s) with a customer: A contract is defined as an agreement (in writing, orally or in accordance, with customary business practices) between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2 Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3 Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5 Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date.
b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
c) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

For performance obligations where one of the above conditions are not met, revenue is recognised at a point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised services, it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised, this gives rise to a contract liability.

The Group recognises revenue from the following major sources:

- IT infrastructure solution which comprises of initial set-up and continuous maintenance services; and
- Education solutions

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

The Group enters into contracts with its customers for supply of services through its resellers. The Group determined that it controls the services before they are transferred to customers, and it has the ability to direct the use of the or obtain benefits from the services. Therefore, the Group is acting as Principal in these arrangements if it has the responsibility for providing the services to the customers, it acts as the primary obligator and it bears the risk of providing the service.

Education solutions

This solutions fee corresponds to all the revenues received from customers for right of access to the Group's learning solution. The services rendered (including access to the Group's platform, availability of learning contents, on-site support and other ancillary services) are considered as one performance obligation as they are highly interdependent or interrelated. These obligations are fulfilled over time, that is over the academic year.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Revenue recognition (continued)

IT set-up services
The Group provides a combination of procurement and installation of IT equipment to be used for the provision of its education system solutions to schools and students. The revenue is recognised at a point in time once the goods and services are delivered / rendered to the customers.

IT Maintenance services
This service relates to maintenance work that may be required to be carried out on IT equipment for the duration of the contract which generally covers a period of five years. The maintenance service is considered to be a distinct service as it is available for customers from other providers in the market. Revenue relating to the maintenance services is recognised over time. The transaction price allocated to these services is recognised on a straight-line basis over the period of service.

Interest income

Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable.

Taxes

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

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

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

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

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

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

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Taxes (continued)

Deferred tax continued

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

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

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

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

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

Value added tax (VAT)

Expenses and assets are recognised net of the amount of VAT, except:

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

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

4 SIGNIFICANT ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the special purpose consolidated financial statements in compliance with IFRS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the special purpose consolidated financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

Determining whether unsigned (oral) agreements meet the definition of contract under IFRS 15
Certain contracts for the Government of Abu Dhabi, its departments or related parties, are executed on the basis of orally agreed terms (including estimates of total contract cost and timelines) in line with the Group's historical business practice. Management has determined such unsigned oral agreements meet the definition of a 'contract with customer' under IFRS 15 since the Group and the customer agree upon the essential elements of a contract and any other lawful conditions, though matters of detail are left to be agreed upon at a later date, and the contract is deemed to be made and binding even in the absence of agreement on these matter of detail. In addition, under Article 132 of the UAE Civil code and under the Supreme Administrative Court Ruling in Case no. 134 of 42 Judicial Year dated 22 July 1997, a contract can be oral or written and a contract can also result from acts which demonstrate the presence of mutual consent between the relevant parties. At period ended 31 March 2024, the balance due on oral agreement was AED 219 million which has been confirmed by the party.

Business combinations
For every acquisition, the Group performs an assessment to determine whether the transaction represents an acquisition of assets or business. In cases where the acquisition is determined to be a business then the Group performs certain additional procedures, as mentioned below, to conclude whether the business combination is within the scope of IFRS 3 – Business Combinations (IFRS 3) or the business combination is under common control which is outside the scope of IFRS 3:

- consider the total shareholding of the Group in the acquiree (investee), owned either directly, indirectly or through beneficial ownership, prior to the acquisition;
- determine whether the Group exerts control or de-facto control over the investee in accordance with IFRS 3.

Further, the Group also performs an assessment of the reliability of acquisition date fair value of the acquiree's equity interests to determine if this value may be more reliably measurable than the acquisition date fair value of the acquirer's equity interests. Judgment is involved to make this assessment which includes performing procedures such as evaluating the volume of shares traded of the acquiree and acquirer prior to the transaction to conclude on the fair value to be applied in the determination of the purchase consideration.

Capitalisation of development costs
Product development assets represent direct costs incurred in the development of platform and content prior to their publication. These costs are recognised as intangible assets where the platform and content will generate probable future economic benefits and costs can be measured reliably. Content and platform are amortised upon publication of the title over estimated economic lives of four years and ten years, respectively, being an estimate of the expected operating lifecycle of the product development asset. The assessment of the useful economic life and the recoverability of product development assets involves judgement and is based on historical trends and management estimation of future potential sales. Product development assets are assessed for impairment triggers on an annual basis or when triggering events occur. The carrying amount of platform and content are set out in note 6.

4 SIGNIFICANT ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Source of estimation uncertainty

The key assumptions concerning the future and other sources of estimation uncertainty at the financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimating useful life for property, equipment and intangible assets

The useful lives and residual values of the property and equipment and intangibles assets are based on management's judgment of the historical pattern of useful lives and the general standards in the industry. Management has reviewed the residual values and the estimated useful lives of property and equipment in accordance with IAS 16 'Property Plant and Equipment' and IAS 38 "Intangibles assets" and has determined that these expectations do not significantly differ from previous estimates.

Impairment of property, equipment and intangible assets

Property, equipment and intangible assets are assessed for impairment based on an assessment of whether impairment indicators exist at the reporting date. Management has not provided any amounts in the current year for potentially impaired items of property, equipment and intangible assets as management has not identified any impairment indicators. Accordingly, no provision for impairment is necessary on property, equipment and intangible assets.

Allowance for expected credit losses on trade receivables and amounts due from related parties

The Group assesses the impairment of its financial assets based on the Expected Credit Loss ("ECL") model. Under the expected credit loss model, the Group accounts for expected credit losses and changes in those expected credit losses at the end of each reporting period to reflect changes in credit risk since initial recognition of the financial assets. The Group measures the loss allowance at an amount equal to lifetime ECL for its financial instruments.

The Group measures the expected credit losses of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

5 PROPERTY AND EQUIPMENT

	Office equipment AED	*Office furniture and fixture AED*	*Villa furniture and fixture AED*	*School equipment AED*	*Office leasehold improvements AED*	*School leasehold improvements AED*	*Total AED*
Cost							
At 1 January 2021	30,217,547	2,192,157	126,680	2,671,732	230,115	3,547,182	38,985,413
Additions	1,182,247	-	-	-	-	-	1,182,247
At 31 December 2021	**31,399,794**	**2,192,157**	**126,680**	**2,671,732**	**230,115**	**3,547,182**	**40,167,660**
Additions	2,675,591	25,845	-	-	10,350	-	2,711,786
Write off	-	(17,571)	(126,680)	(2,671,732)	-	(3,547,182)	(6,363,165)
At 31 December 2022	**34,075,385**	**2,200,431**	-	-	**240,465**	-	**36,516,281**
Additions	121,085	-	-	-	-	-	121,085
At 31 March 2023	**34,196,470**	**2,200,431**	-	-	**240,465**	-	**36,637,366**
Additions	1,014,669	27,022	-	-	-	-	1,041,691
Disposals	-	(22,947)	-	-	-	-	(22,947)
At 31 December 2023	**35,211,139**	**2,204,506**	-	-	**240,465**	-	**37,656,110**
Additions	135,944	-	-	-	-	-	135,944
At 31 March 2024	**35,347,083**	**2,204,506**	-	-	**240,465**	-	**37,792,054**

5 PROPERTY AND EQUIPMENT (continued)

	Office equipment AED	*Office furniture and fixture AED*	*Villa furniture and fixture AED*	*School equipment AED*	*Office leasehold improvements AED*	*School leasehold improvements AED*	*Total AED*
Accumulated depreciation							
At 1 January 2021	11,939,258	1,386,434	126,680	2,670,540	230,115	3,547,182	19,900,209
Depreciation	9,293,514	453,927	-	1,192	-	-	9,748,633
At 31 December 2021	**21,232,772**	**1,840,361**	**126,680**	**2,671,732**	**230,115**	**3,547,182**	**29,648,842**
Depreciation	8,246,305	316,029	-	-	1,608	-	8,563,942
Write off	-	-	(126,680)	(2,671,732)	-	(3,547,182)	(6,345,594)
At 31 December 2022	**29,479,077**	**2,156,390**	-	-	**231,723**	-	**31,867,190**
Depreciation	1,409,388	9,914	-	-	863	-	1,420,165
At 31 March 2023	**30,888,465**	**2,166,304**	-	-	**232,586**	-	**33,287,355**
Depreciation	1,827,074	22,036	-	-	2,587	-	1,851,697
Disposals	-	(22,947)	-	-	-	-	(22,947)
At 31 December 2023	**32,715,539**	**2,165,393**	-	-	**235,173**	-	**35,116,105**
Depreciation	391,339	4,469	-	-	863	-	396,671
At 31 March 2024	**33,106,878**	**2,169,862**	-	-	**236,036**	-	**35,512,776**
Carrying amount							
At 31 March 2024	**2,240,205**	**34,644**	-	-	**4,429**	-	**2,279,278**
At 31 March 2023	**3,308,005**	**34,127**	-	-	**7,879**	-	**3,350,011**
At 31 December 2023	**2,495,600**	**39,113**	-	-	**5,292**	-	**2,540,005**
At 31 December 2022	**4,596,308**	**44,041**	-	-	**8,742**	-	**4,649,091**
At 31 December 2021	**10,167,022**	**351,796**	-	-	-	-	**10,518,818**

6 INTANGIBLE ASSETS

	Computer software AED	Platform AED	Content AED	Capital work-in-progress AED	Total AED
Cost					
At 1 January 2021	607,676	31,046,714	99,368,468	741,266	131,764,124
Additions	-	-	16,852,819	-	16,852,819
Write off	-	-	-	(741,266)	(741,266)
At 31 December 2021	**607,676**	**31,046,714**	**116,221,287**	**-**	**147,875,677**
Additions	-	-	27,469,673	2,452,943	29,922,616
At 31 December 2022	**607,676**	**31,046,714**	**143,690,960**	**2,452,943**	**177,798,293**
Additions	-	-	9,425,912	-	9,425,912
At 31 March 2023	**607,676**	**31,046,714**	**153,116,872**	**2,452,943**	**187,224,205**
Transfers	-	-	2,452,943	(2,452,943)	-
Additions	-	9,656,122	8,205,937	8,557,729	26,419,788
At 31 December 2023	**607,676**	**40,702,836**	**163,775,752**	**8,557,729**	**213,643,993**
Additions	-	46,476,190	1,321,707	8,698,132	56,496,029
At 31 March 2024	**607,676**	**87,179,026**	**165,097,459**	**17,255,861**	**270,140,022**
Accumulated amortisation					
At 1 January 2021	270,264	9,825,898	36,165,669	-	46,261,831
Amortisation	202,559	2,625,301	23,684,963	-	26,512,823
At 31 December 2021	**472,823**	**12,451,199**	**59,850,632**	**-**	**72,774,654**
Amortisation	134,853	2,625,302	27,477,938	-	30,238,093
At 31 December 2022	**607,676**	**15,076,501**	**87,328,570**	**-**	**103,012,747**
Amortisation	-	656,325	7,122,405	-	7,778,730
At 31 March 2023	**607,676**	**15,732,826**	**94,450,975**	**-**	**110,791,477**
Amortisation	-	2,256,942	20,697,222	-	22,954,164
At 31 December 2023	**607,676**	**17,989,768**	**115,148,197**	**-**	**133,745,641**
Amortisation	-	1,998,681	6,410,431	-	8,409,112
At 31 March 2024	**607,676**	**19,988,449**	**121,558,628**	**-**	**142,154,753**
Carrying amount:					
At 31 March 2024	**-**	**67,190,577**	**43,538,831**	**17,255,861**	**127,985,269**
At 31 March 2023	**-**	**15,313,888**	**58,665,897**	**2,452,943**	**76,432,728**
At 31 December 2023	**-**	**22,713,068**	**48,627,555**	**8,557,729**	**79,898,352**
At 31 December 2022	**-**	**15,970,213**	**56,362,390**	**2,452,943**	**74,785,546**
At 31 December 2021	**134,853**	**18,595,515**	**56,370,655**	**-**	**75,101,023**

Capital work-in-progress represents costs of third-party vendors and inhouse staff for the development of platform which is not yet completed at period / year end and will be completed within a year of the reporting period end.

Product research, maintenance and other development costs that are not eligible for capitalisation have been expensed which amounts to AED 9,151,303 (31 March 2023: AED 15,249,626, 31 December 2023: AED 54,724,747, 31 December 2022: AED 59,412,321 and 31 December 2021: AED 56,994,030).

7 LEASES

The Group has rented office premises in United Arab Emirates (UAE) for its head office on an annual basis. The lease is classified as a short-term lease.

The Group has also rented an office premise in Amman, Hashemite of Jordan for a contracted period of 3 years. The lease is classified as a long-term lease.

Set out below are the carrying amounts of the Group's right-of-use asset and lease liability and the movements during the period / year:

***Right of use assets*:**

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
At the beginning of the period / year	480,533	-	-	-	967,582
Additions during the period / year	-	691,897	691,897	-	-
Depreciation expense	(57,658)	(38,371)	(211,364)	-	(967,582)
At the end of the period / year	**422,875**	**653,526**	**480,533**	-	-

***Lease liability*:**
Set of below are the carrying amounts of lease liability and the movement thereof during the period / year:

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
At the beginning of the period / year	471,021	-	-	-	1,151,111
Addition during the period / year	-	691,897	691,897	-	-
Payments during the period / year	(258,882)	(258,931)	(258,931)	-	(1,151,111)
Interest expense	8,208	6,919	38,055	-	-
At the end of the period / year	**220,347**	**439,885**	**471,021**	-	-

The lease liabilities are classified in the special purpose consolidated statement of financial position as follows:

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
Current	208,137	220,294	229,056	-	-
Non-current	12,210	219,591	241,965	-	-
	220,347	**439,885**	**471,021**	-	-

Amounts recognized in the special purpose consolidated statement of comprehensive income relating to lease expenses*:*

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
Interest expenses	8,208	6,919	38,055	-	-
Depreciation on right of use asset	57,658	38,371	211,364	-	967,582
Short term rent expenses	875,914	839,826	3,281,545	4,120,597	3,055,106
Total lease expenses	**941,780**	**885,116**	**3,530,964**	**4,120,597**	**4,022,688**

8 FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets carried at fair value through profit or loss comprise:

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
Quoted equity securities inside UAE	-	608,785,429	-	563,531,362	247,324,030
Quoted equity securities outside UAE	-	327,438,476	-	305,500,664	22,539,542
	-	**936,223,905**	-	**869,032,026**	**269,863,572**

The movement in the financial assets carried at fair value through profit or loss is as follows:

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
At the beginning of the period / year	-	869,032,026	869,032,026	269,863,572	-
Additions during the period / year	-	30,432,952	61,464,112	757,637,124	374,248,455
Gain on sale (note 17)	-	7,049,987	102,381,005	22,980,173	19,097,664
Derecognition and disposals*	-	(48,287,331)	(1,032,877,143)	(386,820,214)	(169,410,489)
Changes in fair value, net (note 17)	-	77,996,271	-	205,371,371	45,927,942
At the end of period / year	-	**936,223,905**	-	**869,032,026**	**269,863,572**

*- included in the disposals is an amount of AED 614,606,186 which was transferred to the shareholders at fair value on 18 December 2023 as part of the board resolution to distribute dividends.

9 TRADE AND OTHER RECEIVABLES

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
Trade receivables	352,001,365	94,231,078	133,752,712	119,531,158	108,968,483
Prepayments	15,096,074	13,811,763	11,913,674	5,879,570	4,746,994
Accrued income	887,210	424,041	109,736	1,481,560	18,251,812
Retention receivable	13,433,380	13,485,444	8,230,157	8,258,110	-
Advances	3,140,548	5,158,971	3,497,603	2,634,684	9,525,385
Contract asset	-	-	-	-	12,685,633
Refundable deposits	3,088,898	10,408,071	9,869,061	10,082,552	10,792,300
	387,647,475	**137,519,368**	**167,372,943**	**147,867,634**	**164,970,607**
Current	382,663,056	128,152,118	154,947,624	137,305,049	154,605,809
Non-current*	4,984,419	9,367,250	12,425,319	10,562,585	10,364,798
	387,647,475	**137,519,368**	**167,372,943**	**147,867,634**	**164,970,607**

* represents long term margin deposits against bank guarantees issued to a customer and non-current portion of prepaid expenses.

9 TRADE AND OTHER RECEIVABLES (continued)

The average credit period is 30 days. Included in the trade receivable balance are balances totalling AED 351,454,414 (31 March 2023: AED 71,609,170, 31 December 2023: AED 132,523,295, 31 December 2022: AED 119,136,247, 31 December 2021: AED 108,697,449) due from mainly three government customers in the United Arab Emirates, arising in the normal course of operations. Based on past experience of the Group, these balances are settled regularly and there is no history of significant write-off of receivables. Management considers that this concentration of credit risk will not result in any significant loss to the Group.

The ageing analysis of the trade receivables is as follows:

	Total	*Neither past due nor impaired*	*0-30 days*	*31-60 days*	*61-90 days*	*91-120 days*	*Above 120 days*
	AED	*AED*	*AED*	*AED*	*AED*	*AED*	*AED*
31 March 2024	352,001,365	2,375	222,371,665	84,854	11,679	1,035,744	128,495,048
31 March 2023	94,231,078	93,470,303	450,748	-	32,175	277,852	-
31 December 2023	133,752,712	3,637,285	90,471,090	674,997	33,871,137	5,098,203	-
31 December 2022	119,531,158	28,664,482	90,548,455	108,102	1,008	209,111	-
31 December 2021	108,968,483	104,363,807	375,658	-	1,848,308	2,380,710	-

No provision for expected credit losses was recorded for trade receivables at 31 March 2024, 31 March 2023, 31 December 2023, 31 December 2022 and 31 December 2021.

10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the financial periods / years as shown in the special purpose consolidated statement of cash flows comprise of:

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
Cash on hand	19,387	16,384	6,606	7,139	58,117
Cash at bank	168,871,667	202,768,722	261,767,109	171,430,798	205,527,161
	168,891,054	**202,785,106**	**261,773,715**	**171,437,937**	**205,585,278**
Less: term deposit with maturity exceeding 90 days	**(140,000,000)**	-	-	-	-
Cash and cash equivalents	**28,891,054**	**202,785,106**	**261,773,715**	**171,437,937**	**205,585,278**

Included in bank balances are bank deposits with an original maturity of less than 3-9 months of AED 140,078,501 (31 March 2023: AED 78,501, 31 December 2023: AED 78,501, 31 December 2022: AED 78,501 and 31 December 2021: AED 77,985). These are denominated in UAE Dirham and carry interest at market rates.

11 SHARE CAPITAL

The shareholders of the Company and the respective ownership interests is as follows:

	31 March 2024		
	Number of Shares	*Amount AED*	*Percentage*
Authorised, issued and fully paid			
Tech Nova Investment – Sole Proprietorship L.L.C.	5,950,000,000	59,500,000	85%
Kryptonite Investments L.L.C	1,050,000,000	10,500,000	15%
	7,000,000,000	**70,000,000**	**100%**

The Share Capital of the Company was satisfied by transferring AED 70,000,000 from the retained earnings. Moreover, the legal formalities with the ADGM were completed on 15 March 2024, and the ADGM issued a Certificate of Incumbency and Business Extract with an amount of USD 19,060,585 (equivalent to AED 70,000,000), divided into 7,000,000,000 (seven billion) ordinary shares with a par value of USD 0.027 (equivalent to AED 0.01) as the authorised share capital of the Company.

Shareholders' contributions

Shareholders' contributions are interest free and in the nature of long-term funding. The Company has no contractual obligation towards the repayment of this amount.

12 OTHER RESERVE

In accordance with the UAE Federal Law No. 32 of 2021, the subsidiary is required to transfer 5%, (2023: 5%, 2022: 10%, 2021: 10%) of the profit for the period / year to statutory reserve, which is non-distributable. The subsidiary has discontinued such annual transfers as the reserve has reached 50% of the issued and paid-up share capital of the subsidiary.

13 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
At the beginning of the period / year	12,921,328	11,216,918	11,216,918	6,018,357	4,213,383
Charge for the year	1,195,000	969,199	4,286,824	7,480,607	6,322,132
Payments during the year	(396,043)	(598,430)	(2,582,414)	(2,282,046)	(4,517,158)
At the end of the period / year	**13,720,285**	**11,587,687**	**12,921,328**	**11,216,918**	**6,018,357**

An actuarial valuation is not considered necessary by management in respect of employees' end of service benefits as the net impact of actuarial valuation is not considered material.

14 TRADE AND OTHER PAYABLES

	31 March 2024 AED	31 March 2023 AED	31 December 2023 AED	31 December 2022 AED	31 December 2021 AED
Trade payables	13,257,774	21,283,912	16,649,944	22,069,436	13,819,876
Accrued expenses and other payables	17,833,042	35,049,869	36,689,925	32,891,060	30,541,251
Advances from customers	72,189,327	71,686,794	30,801,639	17,595,525	30,966,627
Income tax payable	11,141,451	-	-	-	-
VAT payable	7,642,989	9,684,739	9,866,874	10,901,923	9,476,104
	122,064,583	137,705,314	94,008,382	83,457,944	84,803,858

The average credit term period on disbursements is 45 days.

15 RELATED PARTIES BALANCES AND TRANSACTIONS

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in the International Accounting Standard (IAS) 24 Related Party Disclosures. These represent transactions with related parties, i.e. shareholders, associates, affiliates, directors and key management personnel of the Group, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

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

	31 March 2024 AED	31 March 2023 AED	31 December 2023 AED	31 December 2022 AED	31 December 2021 AED
Amounts due from related parties					
Entities under common control					
Capital Investments L.L.C.	75,929,321	558,873,285	109,402,334	386,947,224	248,030,141
SAAL Operating System - Sole Proprietorship L.L.C.	250,978	59,206	195,579	63,188	-
New Century Education – Sole Proprietorship L.L.C.	46,722	-	157,575	-	1,802,989
	76,227,021	558,932,491	109,755,488	387,010,412	249,833,130
Amount due to a related party					
Entities under common control					
SAAL Operating System - Sole Proprietorship L.L.C.	-	-	-	-	37,826
	-	-	-	-	37,826

The amount receivable from Capital Investments L.L.C. relates to management of the investment portfolio of the Group. At 31 March 2024, the amount receivable includes an interest-bearing term deposits placed on behalf of the Group amounting to AED 75.93 million which was received subsequent to the period ended 31 March 2024 (outstanding at 31 March 2023: AED 50.71 million, 31 December 2023: AED 182.7 million, 31 December 2022: AED 50.1 million and 31 December 2021: AED nil). This interest-bearing balance carried interest at a prevailing market rate. The amount shown in the above disclosure is net of payable amounting to AED nil on 31 March 2024 (31 March 2023: AED 2.8 million, 31 December 2023: AED 73.3 million, 31 December 2022: AED nil and 31 December 2021: AED nil). Balance payable at 31 December 2023 was relating to dividend distribution to the shareholders which was distributed on behalf of the Group by Capital Investments LLC.

15 RELATED PARTIES BALANCES AND TRANSACTIONS (continued)

Based on past experience of the Group, balances with related parties are settled regularly and there is no history of significant write-off of receivables from related parties. Therefore, the Group believes there is no significant credit risk in relation to these balances. As of 31 March 2024, 31 March 2023, 31 December 2023, 31 December 2022 and 31 December 2021, there was no provision for expected credit losses required for the receivables from related parties.

At 31 March 2024, the Group's bank has issued a bank guarantee for the Group on behalf of a related party for an amount of AED 5,122,394 (31 March 2023: AED 5,122,394, 31 December 2023: AED 5,122,394, 31 December 2022: AED 5,122,394 and 31 December 2021: AED 5,122,394) (Note 20).

Transactions with related parties are as follows:

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
Interest income from a related party	**2,636,820**	**534,328**	**8,698,380**	**171,505**	-
Revenue from contracts with customers	**46,722**	**44,497**	**237,319**	-	-
Recharge of expense to a related party	**49,974**	-	**156,558**	-	**23,692**

During the period ended 31 March 2024, the Group has purchased the business of "Curio & Arabits" from SAAL Operating Systems – Sole Proprietorship L.L.C., a related party for an amount of AED 37.1 million.

Compensation of key management personnel

The remuneration of directors and other members of key management during the periods / years were as follows:

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
Short term benefits	1,873,879	1,820,921	8,402,011	7,536,852	6,925,057
Employees' end of service benefits	50,878	79,059	289,663	329,373	130,770
Remuneration for the directors of the subsidiary	-	-	3,600,000	4,800,000	4,800,000
	1,924,757	**1,899,980**	**12,291,674**	**12,666,225**	**11,855,827**

16 REVENUE FROM CONTRACTS WITH CUSTOMERS

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
Timing of revenue recognition					
Revenue recognized over the time	176,650,826	175,874,225	706,441,196	703,316,088	629,908,860
Revenue recognized at the point in time	-	-	43,084,230	69,377,251	37,450,483
	176,650,826	**175,874,225**	**749,525,426**	**772,693,339**	**667,359,343**

16 REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

Geographical markets
Revenue based on the geographical location of customers are as follows:

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
United Arab Emirates	176,642,816	175,874,225	749,355,846	772,587,901	667,359,343
United States of America	2,644	-	153,310	67,354	-
Indonesia	5,366	-	16,270	38,084	-
	176,650,826	**175,874,225**	**749,525,426**	**772,693,339**	**667,359,343**

17 INCOME FROM FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
Gain on sale of assets (note 8)	-	7,049,987	102,381,005	22,980,173	19,097,664
Change in fair value (note 8)	-	77,996,271	-	205,371,371	45,927,942
Dividend income	-	6,316,725	20,414,682	9,595,611	2,868,107
	-	**91,362,983**	**122,795,687**	**237,947,155**	**67,893,713**

18 CAPITAL MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. Capital comprises share capital, shareholders' contribution, retained earnings and other reserve.

The Group monitors and adjusts its capital structure with a view to promote the long-term success of the business while maintaining sustainable returns for shareholders. This is achieved through a combination of risk management actions including monitoring solvency, minimising financing costs and maintaining high standards of business conduct.

At 31 March 2024, 31 March 2023, 31 December 2023, 31 December 2022 and 31 December 2021, the Group is mainly funded by the shareholders and has no external debt.

19 FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities comprise of lease liability, amount due to a related party and trade and other payables. The main purpose of these financial liabilities is to manage Company's cash flows and partially finance capital work in progress. The Group has various financial assets such as trade and other receivables, amounts due from related parties and cash and cash equivalents, which arise directly from operations.

The main risk arising from Company's financial instruments are foreign currency risk, credit risk, liquidity risk, and interest rate risk.

19 FINANCIAL RISK MANAGEMENT (continued)

Foreign currency risk
The Group does not have significant exposure to foreign exchange risk as most of its monetary assets and liabilities are denominated in UAE Dirhams. The Group has a bank account in the Hashemite of Jordan which had a balance of AED 88,736 at 31 March 2024 (31 March 2023: AED 1,609,095, 31 December 2023: AED 629,900, 31 December 2022: AED 884,632, 31 December 2021: AED nil) which did not have a significant exposure at three-month periods ended 31 March 2024 and 31 March 2023 and years ended 31 December 2023, 2022 and 2021.

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

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank deposits and amounts due from related parties.

If interest rates had been 100 basis points higher/lower and all other variables held constant, the Group's profit (loss) for the period ended 31 March 2024 would have increased or decreased by AED 656,738 (31 March 2023: AED 113,797, 31 December 2023: AED 1,850,719, 31 December 2022: AED 36,490, 31 December 2021: AED nil). There is no direct impact on the Group's equity.

Credit risk
Credit risk refers the risk arising on account of a default by counterparty on its contractual obligations resulting in financial loss to the Group.

The Group has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Group annually. The Group uses its own trading records to rate its major customers.

The Group is exposed to credit risk on its accounts receivable, bank balances and amounts due from related parties. Credit risk is limited to the carrying values of each class of financial assets in the special purpose consolidated statement of financial position.

Concentration of credit risk
Concentration of credit risk arises when a number of counter-parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location. Management believes that the concentration of credit risk, as detailed in Note 9, is mitigated by high credit worthiness and financial stability of its trade customers.

Balances with banks are assessed to have low credit risk of default since these banks are among the major banks operating in the United Arab Emirates and Hashemite of Jordan and are highly regulated by Central Banks.

Trade and other receivables, amounts due from related parties and cash and cash equivalents are not secured by any collateral. The amount that best represents maximum credit risk exposure on financial assets at the end of the reporting period, in the event counter parties fail to perform their obligations generally approximates their carrying value.

19 FINANCIAL RISK MANAGEMENT continued

Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Total AED	*0-3 months AED*	*3-12 months AED*	*1 - 5 years AED*
31 March 2024				
Lease liability	259,055	-	259,055	-
Trade payables	13,257,774	13,257,774	-	-
	13,516,829	13,257,774	259,055	-
31 March 2023				
Lease liability	518,000	-	259,000	259,000
Trade payables	21,283,912	21,283,912	-	-
	21,801,912	21,283,912	259,000	259,000
31 December 2023				
Lease liability	517,590	258,795	-	258,795
Trade payables	16,649,944	16,649,944	-	-
	17,167,534	16,908,739	-	258,795
31 December 2022				
Trade payables	22,069,436	22,069,436	-	-
31 December 2021				
Amount due to a related party	37,826	37,826	-	-
Trade payables	13,819,876	13,819,876	-	-
	13,857,702	13,857,702	-	-

20 COMMITMENTS AND CONTINGENT LIABILITIES

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
Bank guarantees	**8,580,794**	8,580,794	8,580,794	8,580,794	9,155,098
	8,580,794	**8,580,794**	**8,580,794**	**8,580,794**	**9,155,098**

Bank guarantees are issued by the bank in the normal course of the Group's business against which the Group is required to maintain security deposits of equivalent amounts.

Included in the bank guarantees is an amount of AED 5,122,394 (31 March 2023: AED 5,122,394, 31 December 2023: AED 5,122,394, 31 December 2022: AED 5,122,394 and 31 December 2021: AED 5,122,394) (Note 21). which has been issued by the Group's bank on behalf of a related party (Note 15).

21 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities. Financial assets consist of bank balances, trade receivables, amounts due from related parties, financial assets carried at fair value through profit or loss and some other current assets. Financial liabilities consist of trade payables, lease liabilities, amounts due from a related party and other current liabilities.

The fair values of financial instruments are not materially different from their carrying values.

Fair value hierarchy
The Group uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique:

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

The Group held the following financial instruments measured at fair value:

The following table gives information about how the fair value of the Group's assets are determined.

Quoted equity investments -investment in financial assets	*Fair Value*	*Fair value hierarchy*	*Valuation techniques and key inputs*	*Significant unobservable input*	*Relationship of unobservable inputs to fair value*
31 March 2024	-	-	-	-	-
31 March 2023	**936,223,905**	Level 1	Quoted bid prices in an active market	None	Not applicable
31 December 2023	-	-	-	-	-
31 December 2022	**869,032,026**	Level 1	Quoted bid prices in an active market	None	Not applicable
31 December 2021	**269,863,572**	Level 1	Quoted bid prices in an active market	None	Not applicable

There were no transfers between each of levels during the three-month periods ended 31 March 2024 and 31 March 2023 and years ended 31 December 2023, 2022 and 2021. There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table.

22 REPORTING SEGMENTS

The Group is organized into business units based on its products and services for management purposes. The Chief Executive Officer (CEO) is the Chief Operating Decision Maker (CODM) for the Group and monitors the operating results of its business units separately for the purpose of decision making about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the special purpose consolidated financial statements.

Based on the information reported to the Group's senior management for the allocation of resources, and measurement of performance of business, the reportable segments under IFRS 8 were identified as below:

i) Education solution segment, which provides customers the right of access to the Group's learning platform.
ii) Support and services segment, includes ancillary services such as IT infrastructure set up and maintenance support and services.
iii) Financial investments segment pertains to maintenance of investment portfolio for returns based on market dynamics.

No operating segments have been aggregated to form the reportable operating segments below.

22 REPORTING SEGMENTS (continued)

31 March 2024	*Education solution AED*	*Support and services AED*	*Financial Investments AED*	*Unallocated AED*	*Consolidated AED*
Revenue from contracts with customers	164,078,655	12,572,171		-	176,650,826
Expenses	(28,160,888)	(9,722,922)	-	(9,010,344)	(46,894,154)
Depreciation	-	-	-	(396,671)	(396,671)
Amortisation	(8,409,112)	-	-	-	(8,409,112)
Total expenses	(36,570,000)	(9,722,922)	-	(9,407,015)	(55,699,937)
Operating profit for the period	127,508,655	2,849,249	-	(9,407,015)	120,950,889
Interest income	-	-	3,218,014	-	3,218,014
Profit before tax	127,508,655	2,849,249	3,218,014	(9,407,015)	124,168,903
Income tax expense	-	-	-	(11,141,451)	(11,141,451)
Profit and comprehensive income for the period after tax	**127,508,655**	**2,849,249**	**3,218,014**	**(20,548,466)**	**113,027,452**
Assets	**643,727,952**	**38,004,648**	**75,929,321**	**5,791,051**	**763,452,972**
Liabilities	**128,737,896**	**7,046,972**	-	**220,347**	**136,005,215**
Other disclosures					
Capital expenditures					
Purchase of property and equipment	-	-	-	135,944	**135,944**
Purchase of intangibles	56,496,029	-	-	-	**56,496,029**
Total	**56,496,029**	-	-	**135,944**	**56,631,973**

22 REPORTING SEGMENTS (continued)

31 March 2023	*Education solution* AED	*Support and services* AED	*Financial Investments* AED	*Unallocated* AED	*Consolidated* AED
Revenue from contracts with customers	163,730,173	12,144,052	-	-	**175,874,225**
Expenses	(35,993,378)	(7,882,573)	-	(8,640,742)	**(52,516,693)**
Depreciation	-	-	-	(1,420,165)	**(1,420,165)**
Amortisation	(7,778,730)	-	-	-	**(7,778,730)**
Total expenses	(43,772,108)	(7,882,573)	-	(10,060,907)	**(61,715,588)**
Operating profit for the period	119,958,065	4,261,479	-	(10,060,907)	**114,158,637**
Income from financial assets carried at fair value through profit or loss	-	-	91,362,983	-	**91,362,983**
Interest income	-	-	534,845	-	**534,845**
Profit and comprehensive income for the period	**119,958,065**	**4,261,479**	**91,897,828**	**(10,060,907)**	**206,056,465**
Assets	**405,937,475**	**450,862**	**1,495,097,190**	**14,411,608**	**1,915,897,135**
Liabilities	**148,982,706**	**310,295**	-	**439,885**	**149,732,886**
Other disclosures					
Capital expenditures					
Purchase of property and equipment	-	-	-	121,085	**121,085**
Purchase of intangibles	9,425,912	-	-	-	**9,425,912**
Total	**9,425,912**	-	-	**121,085**	**9,546,997**

22 REPORTING SEGMENTS (continued)

31 December 2023	*Education solution AED*	*Support and services AED*	*Financial Investments AED*	*Unallocated AED*	*Consolidated AED*
Revenue from contracts with customers	656,945,192	92,580,234	-	-	**749,525,426**
Expenses	(135,866,364)	(67,890,681)	-	(56,849,793)	**(260,606,838)**
Depreciation	-	-	-	(3,271,862)	**(3,271,862)**
Amortisation	(30,732,894)	-	-	-	**(30,732,894)**
Total expenses	(166,599,258)	(67,890,681)	-	(60,121,655)	**(294,611,594)**
Operating profit for the year	490,345,934	24,689,553	-	(60,121,655)	**454,913,832**
Income from financial assets carried at fair value through profit or loss	-	-	122,795,687	-	**122,795,687**
Interest income	-	-	8,698,380	-	**8,698,380**
Profit and comprehensive income for the year	**490,345,934**	**24,689,553**	**131,494,067**	**(60,121,655)**	**586,407,899**
Assets	**461,524,455**	**38,004,648**	**109,402,334**	**12,889,599**	**621,821,036**
Liabilities	**96,965,586**	**9,964,124**	-	**471,021**	**107,400,731**
Other disclosures					
Capital expenditures					
Purchase of property and equipment				1,162,776	**1,162,776**
Purchase of intangibles	35,845,700	-	-		**35,845,700**
Total	**35,845,700**	-	-	**1,162,776**	**37,008,476**

22 REPORTING SEGMENTS (continued)

31 December 2022	*Education solution* *AED*	*Support and services* *AED*	*Financial Investments* *AED*	*Unallocated* *AED*	*Consolidated* *AED*
Revenue from contracts with customers	654,596,955	118,096,384	-	-	**772,693,339**
Expenses	(159,419,973)	(87,433,485)	-	(50,061,109)	**(296,914,567)**
Depreciation	-	-	-	(8,563,942)	**(8,563,942)**
Amortisation	(30,238,093)	-	-	-	**(30,238,093)**
Total expenses	(189,658,066)	(87,433,485)	-	(58,625,051)	**(335,716,602)**
Operating profit for the year	464,938,889	30,662,899	-	(58,625,051)	**436,976,737**
Income from financial assets carried at fair value through profit or loss	-	-	237,947,155	-	**237,947,155**
Interest income	-	-	171,505	-	**171,505**
Profit and comprehensive for the year	**464,938,889**	**30,662,899**	**238,118,660**	**(58,625,051)**	**675,095,397**
Assets	**358,330,962**	**25,740,791**	**1,255,979,250**	**14,731,643**	**1,654,782,646**
Liabilities	**87,477,393**	**7,197,469**	-	-	**94,674,862**
Other disclosures					
Capital expenditures					
Purchase of property and equipment				2,711,786	**2,711,786**
Purchase of intangibles	29,922,616	-	-	-	**29,922,616**
Total	**29,922,616**	-	-	**2,711,786**	**32,634,402**

22 REPORTING SEGMENTS (continued)

31 December 2021	*Education solution AED*	*Support and services AED*	*Financial Investments AED*	*Unallocated AED*	*Consolidated AED*
Revenue from contracts with customers	585,660,789	81,698,554		-	**667,359,343**
Expenses	(134,882,565)	(82,377,286)	-	(54,580,944)	**(271,840,795)**
Depreciation	-	-	-	(9,748,612)	**(9,748,612)**
Amortisation	(26,512,823)	-	-	-	**(26,512,823)**
Total expenses	(161,395,388)	(82,377,286)	-	(64,329,556)	**(308,102,230)**
Operating profit for the year	424,265,401	(678,732)	-	(64,329,556)	**359,257,113**
Income from financial assets carried at fair value through profit or loss	-	-	67,893,713	-	**67,893,713**
Profit and comprehensive for the year	**424,265,401**	**(678,732)**	**67,893,713**	**(64,329,556)**	**427,150,826**
Assets	**399,552,884**	**37,114,713**	**517,893,713**	**21,311,118**	**975,872,428**
Liabilities	**86,310,307**	**4,549,734**	-	-	**90,860,041**
Other disclosures					
Purchase of property and equipment	-	-	-	1,182,247	1,182,247
Purchase of intangibles	16,852,819	-	-	-	16,852,819
Total	**16,852,819**	-	-	**1,182,247**	**18,035,066**

Geographical segments

The Group operates in the UAE, Indonesia and United States of America. Revenue from contracts with customers based in the UAE accounts for 99.9% of the total revenue from contracts with customers.

23 INCOME TAX

UAE Corporate Tax Law
On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime has become effective for accounting periods beginning on or after 1 June 2023. The Cabinet of Ministers Decision No. 116 of 2022 (widely accepted to be effective from 16 January 2023) specified the threshold of taxable income to which the 0% UAE CT rate would apply, and above which the 9% UAE CT rate would apply. It is widely considered that this would constitute 'substantive enactment' of the UAE CT Law for the purposes of IAS 12, the objective of which is to prescribe the basis for accounting for Income Taxes.

Current taxes should be measured at the amount expected to be paid to or recovered from the tax authorities by reference to tax rates and laws that have been enacted or substantively enacted, by the end of the any reporting period. Since no taxes were expected to be paid to or recovered from the tax authorities for the periods ended prior to 31 December 2023, no current tax was accounted for in the financial periods ended before 31 December 2023. Since the Group is expected to pay tax in accordance with the provision of the UAE CT Law on its operational results with effect from 1 January 2024, current taxes have been accounted for in the special purpose consolidated financial statements for the period beginning from 1 January 2024.

Deferred taxes should be measured by reference to the tax rates and laws, as enacted, or substantively enacted, by the end of the reporting period, that are expected to apply in the periods in which the assets and liabilities to which the deferred tax relates are realized or settled. As the UAE CT Law was 'substantively enacted' as at 31 December 2023 for the purposes of IAS 12, the Group considered the application of IAS 12 and any requirements for the measurement and recognition of deferred taxes (if any) for the financial periods ended post 1 June 2023. Based on an assessment conducted by the Group's management, no temporary differences were identified where the deferred tax should have been accounted for.

As the Group is based in the United Arab Emirates and therefore, there was zero tax rate for the period ended 31 March 2023, years ended 31 December 2023, 2022 and 2021.

Amount recognised in the special purpose consolidated statement of comprehensive income
The major components of income tax expense for the period ended 31 March 2024:

	31 March 2024 *AED*
Profit or loss	
Current income tax expense:	11,141,451
Current income tax charge	

Reconciliation of accounting income

	31 March 2024 *AED*
Profit before tax / taxable income	124,168,903
Less: acceptable threshold	(375,000)
Taxable income subject to 9%	123,793,903
Tax expense for the period	**11,141,451**

At 31 March 2024, there were no amounts recognised directly to equity or in other comprehensive income.

24 EARNINGS PER SHARE

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

Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares. As at 31 March 2024, there were no potential dilutive shares and hence, the basic and diluted EPS is same (31 March 2023, 31 December 2023, 31 December 2022 and 31 December 2021: Nil).

The information necessary to calculate basic and diluted earnings per share is as follows:

	31 March 2024 AED	*31 March 2023 AED*	*31 December 2023 AED*	*31 December 2022 AED*	*31 December 2021 AED*
Earnings:					
Profit attributable to the Equity holders of the Parent	**113,027,452**	206,056,462	586,407,899	675,095,397	427,150,826
Number of shares					
Weighted average number of ordinary shares - basic and diluted **	**230,769,231**	-*	-*	-*	-*
Earnings per share					
Basic and diluted earnings per share (AED)	**0.49**	-	-	-	-

*The earning per share for 31 March 2023, 31 December 2023, 31 December 2022 and 31 December 2021 is not calculated considering shares were only issued in March 2024 by the Company.

** The weighted average number of shares takes into account the weighted average effect of period from the date of incorporation of the Company and the reporting date. Had the earning per share been calculated assuming the entire 7 billion shares were issued for the full period, the earnings per share would have been 0.016.

25 DIVIDEND

In December 2023, the Group's shareholders through a resolution dated 13 December 2023 approved the distribution of dividend.

The total dividend distributed amounted to AED 1,632,095,378 which was settled on 18 December 2023 via, transfer of financial assets carried at fair value through profit or loss amounting to AED 614,606,186 (Note 8), along with cash balances of AED 1,017,489,192 paid through Capital Investment L.L.C., a related party, to the shareholders in full settlement of the dividend liability.

Annex 2 – Articles of Association

ARTICLES OF ASSOCIATION

PUBLIC COMPANY LIMITED BY SHARES

ALEF EDUCATION HOLDING PLC

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise—

"alternate" or "alternate director" has the meaning given in article 25,

"appointor" has the meaning given in article 26,

"articles" means the company's articles of association,

"bankruptcy" includes individual insolvency proceedings in any jurisdiction,

"call" has the meaning given in article 51,

"call notice" has the meaning given in article 51,

"certificate" means a paper certificate evidencing a person's title to specified shares or other securities,

"certificated" in relation to a share, means that it is not an uncertificated share,

"chairman" has the meaning given in article 13,

"chairman of the meeting" has the meaning given in article 31,

"Companies Regulations" means the Companies Regulations 2020,

"company's lien" has the meaning given in article 49,

"director" means a director of the company, and includes any person occupying the position of director, by whatever name called,

"distribution recipient" has the meaning given in article 69,

"document" includes, unless otherwise specified, any document sent or supplied in electronic form,

"electronic form" has the meaning given in section 1023 of the Companies Regulations,

"fully paid" in relation to a share, means that the issue price to be paid to the company in respect of that share have been paid to the company,

"Governance Regulations" the Chairman of the Authority's Board of Directors' Decision No. (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide (as amended from time to time). In the event of any conflict between the provisions of the of the Governance Regulations and the Mandatory Provisions of the Companies Regulations, the Mandatory Provisions of the Companies Regulations shall prevail, "hard copy form" has the meaning given in section 1023 of the Companies Regulations,

"holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares,

"instrument" means a document in hard copy form,

"lien enforcement notice" has the meaning given in article 50,

"Mandatory Provisions of the Companies Regulations" are the mandatory provisions set out under the Companies Regulations that the company, directors and/or the members of the company may not exclude, disapply or limit its legal effect,

"member" has the meaning given in section 117 of the Companies Regulations,

"ordinary resolution" has the meaning given in section 298 of the Companies Regulations,

"paid" means paid or credited as paid,

"participate", in relation to a directors' meeting, has the meaning given in article 10,

"partly paid" in relation to a share means that part of that share's issue price that has not been paid to the company,

"proxy notice" has the meaning given in article 36,

"Polices and Charters" are the polices and charters, as may be amended from time to time, that will be approved by the directors, or as the case may be, by the members of the company, as required by each policy and/or charter or stipulated in the Governance Regulations. The Policies and Charters constitute an integral part of this articles, and any conflict between the provisions of the Polices and Charters and the articles, the provisions of the Polices and Charters shall prevail,

"securities seal" has the meaning given in article 45,

"shares" means shares in the company,

"special resolution" has the meaning given in section 299 of the Companies Regulations,

"subsidiary" has the meaning given in section 1015 of the Companies Regulations,

"transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law,

"uncertificated" in relation to a share means that, by virtue of legislation (other than section 715 of the Companies Regulations) permitting title to shares to be evidenced and transferred without a certificate, title to that share is evidenced and may be transferred without a certificate, and

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Regulations as in force on the date when these articles become binding on the company.

Liability of members

2. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

3. Subject to the articles and the Governance Regulations, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

Members' reserve power

4. (1) The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.

(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

Applicability of the Governance Regulations

5. The Governance Regulations shall apply in its entirety on the company. Any conflict between the provisions of the Governance Regulations and the articles, the Governance Regulations shall prevail, unless the Mandatory Provisions of the Companies Regulations provides otherwise.

Directors may delegate

6. (1) Subject to the articles and the Governance Regulations, the directors may delegate any of the powers which are conferred on them under the articles—

(a) to such person or committee,

(b) by such means (including by power of attorney),

(c) to such an extent,

(d) in relation to such matters or territories, and

(e) on such terms and conditions,

as they think fit.

(2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

(3) The directors may revoke any delegation in whole or part or alter its terms and conditions.

Committees

7. (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

(2) The directors, or as the case may be the members of the company, may make Polices and Charters for all or any committees which can be amended from time to time, which prevail over rules derived from the articles if they are not consistent with them unless the Mandatory Provisions of the Companies Regulations provides otherwise.

DECISION-MAKING BY DIRECTORS

Directors to take decisions collectively

8. Decisions of the directors may be taken—

(a) at a directors' meeting, or

(b) in the form of a directors' written resolution.

Calling a directors' meeting

9. (1) Any director may call a directors' meeting.

(2) The company secretary must call a directors' meeting if a director so requests.

(3) A directors' meeting is called by giving notice of the meeting to the directors.

(4) Notice of any directors' meeting must indicate—

(a) its proposed date and time,

(b) where it is to take place, and

(c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

(5) Notice of a directors' meeting must be given to each director.

(6) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

10. (1) Subject to the articles and the Governance Regulations, directors participate in a directors' meeting, or part of a directors' meeting, when—

(a) the meeting has been called and takes place in accordance with the articles and the Governance Regulations, and

(b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

(2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

(3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for directors' meetings

11. (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

Meetings where total number of directors less than quorum

12. (1) This article applies where the total number of directors for the time being is less than the quorum for directors' meetings.

(2) If there is only one director, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so.

(3) If there is more than one director—

(a) a directors' meeting may take place, if it is called in accordance with the articles and the Governance Regulations and at least two directors participate in it, with a view to appointing sufficient directors to make up a quorum or calling a general meeting to do so, and

(b) if a directors' meeting is called but only one director attends at the appointed date and time to participate in it, that director may appoint sufficient directors to make up a quorum or call a general meeting to do so.

Chairing directors' meetings

13. (1) The directors may appoint a director to chair their meetings.

(2) The person so appointed for the time being is known as the chairman.

(3) The directors may appoint other directors as deputy or assistant chairmen to chair directors' meetings in the chairman's absence.

(5) If neither the chairman nor any director appointed generally to chair directors' meetings in the chairman's absence is participating in a meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

Voting at directors' meetings: general rules

14. (1) Subject to the articles and the Governance Regulations, a decision is taken at a directors' meeting by a majority of the votes of the participating directors.

(2) Subject to the articles and the Governance Regulations, each director participating in a directors' meeting has one vote.

(3) Subject to the articles and the Governance Regulations, if a director has an interest in an actual or proposed transaction or arrangement with the company—

(a) that director and that director's alternate may not vote on any proposal relating to it, but

(b) this does not preclude the alternate from voting in relation to that transaction or arrangement on behalf of another appointor who does not have such an interest.

Chairman's casting vote at directors' meetings

15. (1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

(2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

Alternates voting at directors' meetings

16. A director who is also an alternate director has an additional vote on behalf of each appointor who is—

(a) not participating in a directors' meeting, and

(b) would have been entitled to vote if they were participating in it.

Conflicts of interest

17. (1) If a directors' meeting, or part of a directors' meeting, is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in that meeting, or part of a meeting, for quorum or voting purposes.

(2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in a decision at a directors' meeting, or part of a directors' meeting, relating to it for quorum and voting purposes.

(3) This paragraph applies when—

(a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in, or voting at, a directors' meeting,

(b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest, or

(c) the director's conflict of interest arises from a permitted cause.

(4) For the purposes of this article, the following are permitted causes—

(a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries,

(b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities, and

(c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.

(5) Subject to paragraph (6), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

(6) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Proposing directors' written resolutions

18. (1) Any director may propose a directors' written resolution.

(2) The company secretary must propose a directors' written resolution if a director so requests.

(3) A directors' written resolution is proposed by giving notice of the proposed resolution to the directors.

(4) Notice of a proposed directors' written resolution must indicate—

(a) the proposed resolution, and

(b) the time by which it is proposed that the directors should adopt it.

(5) Notice of a proposed directors' written resolution must be given in writing to each director.

(6) Any decision which a person giving notice of a proposed directors' written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith.

Adoption of directors' written resolutions

19. (1) A proposed directors' written resolution is adopted when all the directors who would have been entitled to vote on the resolution at a directors' meeting have signed one or more copies of it, provided that those directors would have formed a quorum at such a meeting.

(2) It is immaterial whether any director signs the resolution before or after the time by which the notice proposed that it should be adopted.

(3) Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the articles and the Governance Regulations.

(4) The company secretary must ensure that the company keeps a record, in writing, of all directors' written resolutions for at least ten years from the date of their adoption.

Directors' discretion to make further rules

20. Subject to the articles and the Governance Regulations, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

ELECTION OF DIRECTORS

Methods of electing directors

21. Any person who is willing to act as a director, and is permitted by law to do so, may be elected to be a director in accordance with the Governance Regulations.

Termination of director's appointment

22. Subject to the Governance Regulations, a person ceases to be a director as soon as—

(a) that person ceases to be a director by virtue of any provision of the Companies Regulations and the Governance Regulations or is prohibited from being a director by law,

(b) that person becomes bankrupt,

(c) a composition is made with that person's creditors generally in satisfaction of that person's debts,

(d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,

(e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,

(f) notification is received by the company from the director that the director is resigning from office as director, and such resignation has taken effect in accordance with its terms.

Directors' remuneration

23. (1) Directors may undertake any services for the company that the directors decide.

(2) Directors are entitled to such remuneration as per these articles and the Governance Regulations—

(a) for their services to the company as directors, and

(b) for any other service which they undertake for the company.

(3) Subject to the articles and the Governance Regulations, a director's remuneration may—

(a) take any form, and

(b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

(4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.

(5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

Directors' expenses

24. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

(a) meetings of directors or committees of directors,

(b) general meetings, or

(c) separate meetings of the holders of any class of shares or of debentures of the company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

ALTERNATE DIRECTORS

Appointment and removal of alternates

25. (1) Any director (the "appointor") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to—

(a) exercise that director's powers, and

(b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's appointor.

(2) Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors.

(3) The notice must—

(a) identify the proposed alternate, and

(b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

Rights and responsibilities of alternate directors

26. (1) An alternate director has the same rights, in relation to any directors' meeting or directors' written resolution, as the alternate's appointor.

(2) Except as the articles specify otherwise, alternate directors—

(a) are deemed for all purposes to be directors,

(b) are liable for their own acts and omissions,

(c) are subject to the same restrictions as their appointors, and

(d) are not deemed to be agents of or for their appointors.

(3) A person who is an alternate director but not a director—

(a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and

(b) may sign a written resolution (but only if it is not signed or to be signed by that person's appointor).

No alternate may be counted as more than one director for such purposes.

(4) An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

Termination of alternate directorship

27. An alternate director's appointment as an alternate terminates—

(a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,

(b) on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,

(c) on the death of the alternate's appointor, or

(d) when the alternate's appointor's appointment as a director terminates

PART 3

DECISION-MAKING BY MEMBERS

ORGANISATION OF GENERAL MEETINGS

Members can call general meeting if not enough directors

28. If—

(a) the company has fewer than two directors, and

(b) the director (if any) is unable or unwilling to appoint sufficient directors to make up a quorum or to call a general meeting to do so,

then two or more members may call a general meeting (or instruct the company secretary to do so) for the purpose of appointing one or more directors.

Attendance and speaking at general meetings

29. (1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

(2) A person is able to exercise the right to vote at a general meeting when—

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

(b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

(3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

(4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

(5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

30. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. The quorum for general meetings shall be subject to the Governance Regulations.

Chairing general meetings

31. (1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

(2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start—

(a) the directors present, or

(b) if no directors are present), the meeting,

must appoint a director or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

Attendance and speaking by directors and non-members

32. (1) Directors may attend and speak at general meetings, whether or not they are members.

(2) The chairman of the meeting may permit other persons who are not—

(a) members of the company, or

(b) otherwise entitled to exercise the rights of members in relation to general meetings, to attend and speak at a general meeting.

Adjournment

33. (1) Subject to the Governance Regulations, if the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

(a) the meeting consents to an adjournment, or

(b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

(4) When adjourning a general meeting, the chairman of the meeting must—

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

(5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

(a) to the same persons to whom notice of the company's general meetings is required to be given, and

(b) containing the same information which such notice is required to contain.

(6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

34. The members of the company agree that the vote of a general meeting must be in accordance with the Governance Regulations.

Errors and disputes

35. (1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

(2) Any such objection must be referred to the chairman of the meeting whose decision is final.

Content of proxy notices

36. (1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which—

(a) states the name and address of the member appointing the proxy,

(b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed,

(c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine, and

(d) is delivered to the company in accordance with the articles and the Governance Regulations and any instructions contained in the notice of the general meeting to which they relate.

(2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

(3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

(4) Unless a proxy notice indicates otherwise, it must be treated as—

(a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

(b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

37. (1) Any notice of a general meeting must specify the address or addresses ("proxy notification address") at which the company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.

(2) A person who is entitled to attend, speak or vote at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.

(3) Subject to paragraphs (4) and (5), a proxy notice must be delivered to a proxy notification address not less than 48 hours before the general meeting or adjourned meeting to which it relates.

(6) An appointment under a proxy notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given to a proxy notification address.

(7) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

(8) If a proxy notice is not signed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

Amendments to resolutions

38. (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

(a) notice of the proposed amendment is given to the company secretary in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

(b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

(2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—

(a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

(b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

RESTRICTIONS ON MEMBERS' RIGHTS

No voting of shares on which money owed to company

39. No voting rights attached to a share may be exercised at any general meeting, at any adjournment of it or in relation to it, unless all amounts payable to the company in respect of that share have been paid.

APPLICATION OF RULES TO CLASS MEETINGS

Class meetings

40. The provisions of the articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares.

PART 4

SHARES AND DISTRIBUTIONS

ISSUE OF SHARES

Powers to issue different classes of share

41. (1) Subject to the articles and the Governance Regulations, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by a resolution of the members in accordance with the Governance Regulations.

(2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

Payment of commissions on subscription for shares

42. (1) The company may pay any person a commission in consideration for that person—

(a) subscribing, or agreeing to subscribe, for shares, or

(b) procuring, or agreeing to procure, subscriptions for shares.

(2) Any such commission may be paid—

(a) in cash, or in fully paid or partly paid shares or other securities, or partly in one way and partly in the other, and

(b) in respect of a conditional or an absolute subscription.

INTERESTS IN SHARES

Company not bound by less than absolute interests

43. Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

SHARE CERTIFICATES

Certificates to be issued except in certain cases

44. (1) The company must issue each member with one or more certificates in respect of the shares which that member holds.

(2) This article does not apply to—

(a) uncertificated shares, or

(b) shares in respect of which the Companies Regulations permit the company not to issue a certificate.

(3) Except as otherwise specified in the articles, all certificates must be issued free of charge.

(4) No certificate may be issued in respect of shares of more than one class.

(5) If more than one person holds a share, only one certificate may be issued in respect of it.

Contents and execution of share certificates

45. (1) Every certificate must specify—

(a) in respect of how many shares, of what class, it is issued,

(b) the issue price of those shares,

(c) the amount paid up on them, and

(d) any distinguishing numbers assigned to them.

(2) Certificates must—

(a) have affixed to them the company's common seal or an official seal which is a facsimile of the company's common seal with the addition on its face of the word "Securities" (a "securities seal"), or

(b) be otherwise executed in accordance with the Companies Regulations.

Consolidated share certificates

46. (1) When a member's holding of shares of a particular class increases, the company may issue that member with—

(a) a single, consolidated certificate in respect of all the shares of a particular class which that member holds, or

(b) a separate certificate in respect of only those shares by which that member's holding has increased.

(2) When a member's holding of shares of a particular class is reduced, the company must ensure that the member is issued with one or more certificates in respect of the number of shares held by the member after that reduction. But the company need not (in the absence of a request from the member) issue any new certificate if—

(a) all the shares which the member no longer holds as a result of the reduction, and

(b) none of the shares which the member retains following the reduction, were, immediately before the reduction, represented by the same certificate.

(3) A member may request the company, in writing, to replace—

(a) the member's separate certificates with a consolidated certificate, or

(b) the member's consolidated certificate with two or more separate certificates representing such proportion of the shares as the member may specify.

(4) When the company complies with such a request it may charge such

reasonable fee as the directors may decide for doing so.

(5) A consolidated certificate must not be issued unless any certificates which it is to replace have first been returned to the company for cancellation.

Replacement share certificates

47. (1) If a certificate issued in respect of a member's shares is—

(a) damaged or defaced, or

(b) said to be lost, stolen or destroyed,

that member is entitled to be issued with a replacement certificate in respect of the same shares.

(2) A member exercising the right to be issued with such a replacement certificate—

(a) may at the same time exercise the right to be issued with a single certificate or separate certificates,

(b) must return the certificate which is to be replaced to the company if it is damaged or defaced, and

(c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

SHARES NOT HELD IN CERTIFICATED FORM

Uncertificated shares

48. (1) In this article, "the relevant rules" means—

(a) any applicable provision of the Companies Regulations about the holding, evidencing of title to, or transfer of shares other than in certificated form, and

(b) any applicable legislation, rules or other arrangements made under or by virtue of such provision.

(2) The provisions of this article have effect subject to the relevant rules.

(3) Any provision of the articles which is inconsistent with the relevant rules must be disregarded, to the extent that it is inconsistent, whenever the relevant rules apply.

(4) Any share or class of shares of the company may be issued or held on such terms, or in such a way, that—

(a) title to it or them is not, or must not be, evidenced by a certificate, or

(b) it or they may or must be transferred wholly or partly without a certificate.

(5) The directors have power to take such steps as they think fit in relation to—

(a) the evidencing of and transfer of title to uncertificated shares (including in connection with the issue of such shares),

(b) any records relating to the holding of uncertificated shares,

(c) the conversion of certificated shares into uncertificated shares, or

(d) the conversion of uncertificated shares into certificated shares.

(6) The company may by notice to the holder of a share require that share—

(a) if it is uncertificated, to be converted into certificated form, and

(b) if it is certificated, to be converted into uncertificated form, to enable it to be dealt with in accordance with the articles.

(7) If—

(a) the articles give the directors power to take action, or require other persons to take action, in order to sell, transfer or otherwise dispose of shares, and

(b) uncertificated shares are subject to that power, but the power is expressed in terms which assume the use of a certificate or other written instrument,

the directors may take such action as is necessary or expedient to achieve the same results when exercising that power in relation to uncertificated shares.

(8) In particular, the directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it.

(9) Unless the directors otherwise determine, shares which a member holds in uncertificated form must be treated as separate holdings from any shares which that member holds in certificated form.

(10) A class of shares must not be treated as two classes simply because some shares of that class are held in certificated form and others are held in uncertificated form.

PARTLY PAID SHARES

Company's lien over partly paid shares

49. (1) The company has a lien ("the company's lien") over every share which is partly paid for any part of that share's issue price which has not been paid to the company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.

(2) The company's lien over a share—

(a) takes priority over any third party's interest in that share, and

(b) extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share.

(3) The directors may at any time decide that a share which is or would otherwise be subject to the company's lien shall not be subject to it, either wholly or in part.

Enforcement of the company's lien

50. (1) Subject to the provisions of this article, if—

(a) a lien enforcement notice has been given in respect of a share, and

(b) the person to whom the notice was given has failed to comply with it, the company may sell that share in such manner as the directors decide.

(2) A lien enforcement notice—

(a) may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,

(b) must specify the share concerned,

(c) must require payment of the sum payable within 14 days of the notice,

(d) must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise, and

(e) must state the company's intention to sell the share if the notice is not complied with.

(3) Where shares are sold under this article—

(a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and

(b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

(4) The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied—

(a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice,

(b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice.

(5) A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the company's lien on a specified date—

(a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and

(b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.

Call notices

51. (1) Subject to the articles and the terms on which shares are allotted, the directors may send a notice (a "call notice") to a member requiring the member to pay the company a specified sum of money (a "call") which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice.

(2) A call notice—

(a) may not require a member to pay a call which exceeds the total sum unpaid on that member's shares,

(b) must state when and how any call to which it relates it is to be paid, and

(c) may permit or require the call to be paid by instalments.

(3) A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent.

(4) Before the company has received any call due under a call notice the directors may—

(a) revoke it wholly or in part, or

(b) specify a later time for payment than is specified in the notice,

by a further notice in writing to the member in respect of whose shares the call is made.

Liability to pay calls

52. (1) Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.

(2) Joint holders of a share are jointly and severally liable to pay all calls in respect of that share. (3) Subject to the terms on which shares are allotted, the directors may, when issuing shares,

provide that call notices sent to the holders of those shares may require them—

(a) to pay calls which are not the same, or

(b) to pay calls at different times.

When call notice need not be issued

53. (1) A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share —

(a) on allotment,

(b) on the occurrence of a particular event, or

(c) on a date fixed by or in accordance with the terms of issue.

(2) But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

Failure to comply with call notice: automatic consequences

54. (1) If a person is liable to pay a call and fails to do so by the call payment date—

(a) the directors may issue a notice of intended forfeiture to that person, and

(b) until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate.

(2) For the purposes of this article—

(a) the "call payment date" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date,

(b) the "relevant rate" is—

(i) the rate fixed by the terms on which the share in respect of which the call is due was allotted,

(ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors, or

(iii) if no rate is fixed in either of these ways, 5 per cent per annum.

(4) The directors may waive any obligation to pay interest on a call wholly or in part.

Notice of intended forfeiture

55. A notice of intended forfeiture—

(a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,

(b) must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,

(c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice,

(d) must state how the payment is to be made, and

(e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited.

Directors' power to forfeit shares

56. If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

Effect of forfeiture

57. (1) Subject to the articles, the forfeiture of a share extinguishes

(a) all interests in that share, and all claims and demands against the company in respect of it, and

(b) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company.

(2) Any share which is forfeited in accordance with the articles—

(a) is deemed to have been forfeited when the directors decide that it is forfeited,

(b) is deemed to be the property of the company, and

(c) may be sold, re-allotted or otherwise disposed of as the directors think fit.

(3) If a person's shares have been forfeited—

(a) the company must send that person notice that forfeiture has occurred and record it in the register of members,

(b) that person ceases to be a member in respect of those shares,

(c) that person must surrender the certificate for the shares forfeited to the company for cancellation,

(d) that person remains liable to the company for all sums payable by that person under the articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture), and

(e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

(4) At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.

Procedure following forfeiture

58. (1) If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.

(2) A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date—

(a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and

(b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.

(3) A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.

(4) If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which—

(a) was, or would have become, payable, and

(b) had not, when that share was forfeited, been paid by that person in respect of that share, but no interest is payable to such a person in respect of such proceeds and the company is not required to account for any money earned on them.

Surrender of shares

59. (1) A member may surrender any share—

(a) in respect of which the directors may issue a notice of intended forfeiture,

(b) which the directors may forfeit, or

(c) which has been forfeited.

(2) The directors may accept the surrender of any such share.

(3) The effect of surrender on a share is the same as the effect of forfeiture on that share.

(4) A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

TRANSFER AND TRANSMISSION OF SHARES

Transfers of certificated shares

60. (1) Certificated shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of—

(a) the transferor, and

(b) if any of the shares is partly paid) the transferee.

(2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

(3) The company may retain any instrument of transfer which is registered.

(4) The transferor remains the holder of a certificated share until the transferee's name is entered in the register of members as holder of it.

(5) The directors may refuse to register the transfer of a certificated share if—

(a) the share is not fully paid,

(b) the transfer is not lodged at the company's registered office or such other place as the directors have appointed,

(c) the transfer is not accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf,

(d) the transfer is in respect of more than one class of share, or

(e) the transfer is in favour of more than four transferees.

(6) If the directors refuse to register the transfer of a share, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

Transfer of uncertificated shares

61. A transfer of an uncertificated share must not be registered if it is in favour of more than four transferees.

Transmission of shares

62. (1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

(2) Nothing in these articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member.

Transmittees' rights

63. (1) A transmittee who produces such evidence of entitlement to shares as the directors may properly require—

(a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and

(b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

(2) But transmittees do not have the right to attend or vote at a general meeting in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

Exercise of transmittees' rights

64. (1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

(2) If the share is a certificated share and a transmittee wishes to have it transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

(3) If the share is an uncertificated share and the transmittee wishes to have it transferred to another person, the transmittee must—

(a) procure that all appropriate instructions are given to effect the transfer, or

(b) procure that the uncertificated share is changed into certificated form and then execute an instrument of transfer in respect of it.

(4) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

Transmittees bound by prior notices

65. If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the member before the transmittee's name has been entered in the register of members.

CONSOLIDATION OF SHARES

Procedure for disposing of fractions of shares

66. (1) This article applies where—

(a) there has been a consolidation or division of shares, and

(b) as a result, members are entitled to fractions of shares.

(2) The directors may—

(a) sell the shares representing the fractions to any person including the company for the best price reasonably obtainable,

(b) in the case of a certificated share, authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and

(c) distribute the net proceeds of sale in due proportion among the holders of the shares.

(3) Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the laws of the Abu Dhabi.

(4) The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.

(5) The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

DISTRIBUTIONS

Procedure for declaring dividends

67. (1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

(2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

(3) No dividend may be declared or paid unless it is in accordance with members' respective rights.

(4) Unless the members' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each member's holding of shares on the date of the resolution or decision to declare or pay it.

(5) If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.

(6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

(7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

68. Calculation of dividends

(1) If, for the financial years ending 31 December 2024 and 2025 only, the portion of the declared dividend to all shareholders (other than Tech Nova Investment – Sole Proprietorship L.L.C and Kryptonite Investments L.L.C) are less than AED 120 million relating to the performance for the financial year ending 31 December 2024 and AED 120 million relating to the performance for the financial year ending 31 December 2025 (the "Target Minimum Dividend Amount"), then Tech Nova Investment – Sole Proprietorship L.L.C and Kryptonite Investments L.L.C may, subject to not breaching AAOIFI Shariah standards, forgo their right to receive dividends to the extent necessary to pay the intended Target Minimum Dividend Amount to all other shareholders (other than Tech Nova Investment – Sole Proprietorship L.L.C and Kryptonite Investments L.L.C).

(2) Except as otherwise provided by the articles or the rights attached to shares, all dividends must be—

(a) declared and paid according to the amounts paid up on the shares on which the dividend is paid, and

(b) apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

(2) If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.

(3) For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of the due date for payment of that amount.

Payment of dividends and other distributions

69. (1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means—

(a) transfer to a bank account specified by the distribution recipient either in writing or as the directors may otherwise decide,

(b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide,

(c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide, or

(d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

(2) In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable—

(a) the holder of the share, or

(b) if the share has two or more joint holders, whichever of them is named first in the register of members, or

(c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

Deductions from distributions in respect of sums owed to the company

70. (1) If—

(a) a share is subject to the company's lien, and

(b) the directors are entitled to issue a lien enforcement notice in respect of it, they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share any sum of money which is payable to the company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.

(2) Money so deducted must be used to pay any of the sums payable in respect of that share.

(3) The company must notify the distribution recipient in writing of—

(a) the fact and amount of any such deduction,

(b) any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction, and

(c) how the money deducted has been applied.

No interest on distributions

71. The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by—

(a) the terms on which the share was issued, or

(b) the provisions of another agreement between the holder of that share and the company.

Unclaimed distributions

72. (1) All dividends or other sums which are—

(a) payable in respect of shares, and

(b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

(2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

(3) If—

(a) twelve years have passed from the date on which a dividend or other sum became due for payment, and

(b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

Non-cash distributions

73. (1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

(2) If the shares in respect of which such a non-cash distribution is paid are uncertificated, any shares in the company which are issued as a non-cash distribution in respect of them must be uncertificated.

(3) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution—

(a) fixing the value of any assets,

(b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and

(c) vesting any assets in trustees.

Waiver of distributions

74. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if—

(a) the share has more than one holder, or

(b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

Authority to capitalise and appropriation of capitalised sums

75. (1) Subject to the articles and the Governance Regulations, the directors may, if they are so authorised by a resolution of the members—

(a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's capital redemption reserve, and

(b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

(2) Capitalised sums must be applied—

(a) on behalf of the persons entitled, and

(b) in the same proportions as a dividend would have been distributed to them.

(3) Any capitalised sum may be applied in paying up new shares of an issue price equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

(4) A capitalised sum which was appropriated from profits available for distribution may be applied—

(a) in or towards paying up any amounts unpaid on existing shares held by the persons entitled, or

(b) in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

(5) Subject to the articles the directors may—

(a) apply capitalised sums in accordance with paragraphs (3) and (4) partly in one way and partly in another,

(b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments), and

(c) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 5

MISCELLANEOUS PROVISIONS

COMMUNICATIONS

Means of communication to be used

76. (1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Regulations provides for documents or information which are authorised or required by any provision of the Companies Regulations to be sent or supplied by or to the company.

(2) Subject to the articles, any notice or document to be sent or supplied to

a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Failure to notify contact details

77. (1) If—

(a) the company sends two consecutive documents to a member over a period of at least 12 months, and

(b) each of those documents is returned undelivered, or the company receives notification that it has not been delivered,

that member ceases to be entitled to receive notices from the company.

(2) A member who has ceased to be entitled to receive notices from the company becomes entitled to receive such notices again by sending the company—

(a) a new address to be recorded in the register of members, or

(b) if the member has agreed that the company should use a means of communication other than sending things to such an address, the information that the company needs to use that means of communication effectively.

ADMINISTRATIVE ARRANGEMENTS

Company seals

78. (1) Any common seal may only be used by the authority of the directors.

(2) The directors may decide by what means and in what form any common seal or securities seal is to be used.

(3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

(4) For the purposes of this article, an authorised person is—

(a) any director of the company,

(b) the company secretary, or

(c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

(5) If the company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the directors.

(6) If the company has a securities seal, it may only be affixed to securities by the company secretary or a person authorised to apply it to securities by the company secretary.

(7) For the purposes of the articles, references to the securities seal being affixed to any document include the reproduction of the image of that seal on or in a document by any mechanical or electronic means which has been approved by the directors in relation to that document or documents of a class to which it belongs.

Destruction of documents

79. (1) The company is entitled to destroy—

(a) all instruments of transfer of shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six years after the date of registration,

(b) all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, from two years after they have been recorded,

(c) all share certificates which have been cancelled from one year after the date of the cancellation,

(d) all paid dividend warrants and cheques from one year after the date of actual payment, and

(e) all proxy notices from one year after the end of the meeting to which the proxy notice relates.

(2) If the company destroys a document in good faith, in accordance with the articles, and without notice of any claim to which that document may be relevant, it is conclusively presumed in favour of the company that—

(a) entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made,

(b) any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered,

(c) any share certificate so destroyed was a valid and effective certificate duly and properly cancelled, and

(d) any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the company.

(3) This article does not impose on the company any liability which it would not otherwise have if it destroys any document before the time at which this article permits it to do so.

(4) In this article, references to the destruction of any document include a reference to its being disposed of in any manner.

No right to inspect accounts and other records

80. Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a member.

Provision for employees on cessation of business

81. The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

82. (1) Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against—

(a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,

(b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 222(6) of the Companies Regulations),

(c) any other liability incurred by that director as an officer of the company or an associated company.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Regulations or by any other provision of law.

(3) In this article—

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

(b) a "relevant director" means any director or former director of the company or an associated company.

Insurance

83. (1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article—

(a) a "relevant director" means any director or former director of the company or an associated company,

(b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and

(c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

Annex 3 – Receiving Banks' Branches

First Abu Dhabi Bank – Participating Branches

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
1	Business Park, Abu Dhabi	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Khalifa Park Al Qurm, PO BOX:6316
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturda)	
2	FAB One Tower, Abu Dhabi	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Intersection of Shaikh Khalifa street and Baniyas street,PO BOX:2993
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
3	Khubeirah	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Near Spinneys Khalidya Street Abu Dhabi
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
4	Al Batin	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Street No. 9 Next to Bateen Bus Terminal and Al Bateen Mall;PO BOX:7644
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturda)	
5	Salam Street	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Salam Street, Abu Dhabi
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturda)	
6	Al Ain New	Al Ain - Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Al Ain New PO BOX: 17822
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
7	Bur Dubai	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Abdulla Al Rostamani Building, Khalid Bin Walid Road, Bur Dubai; PO BOX:115689
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
8	Sheikh Zayed Rd.	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	ALQUZE NEXT TO GOLDEN DAIMOND ;PO BOX:52053
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
9	Deira Branch (ABS)	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Abu Baker Al Siddique Rd, Deira
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
10	Sharjah	Sharjah	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Al Reem Plaza, Ground floor Buheira Corniche, Sharjah;PO BOX:1109
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
11	Ajman	Ajman	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Lulu Center, Al Ittihad street, Downtown, Ajman
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
12	Fujairah	Fujairah	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Opposite to Plaza Theatre Hamdan Bin Abdulla street;PO BOX:79
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
13	RAK (LNBAD)	Ras Al Khaimah	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	FAB RAK (LNBAD) , Corniche Al Qawasim Road , Near to NMC Royal Medical Center , RAK
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
14	Umm Al Quwain	Umm Al Quwain	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Building No 211, King Faisal Road Al Maidan Area, Umm Al Quwain;Po BOX:733
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	

Abu Dhabi Islamic Bank – Participating Branches

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Customer Timing (Monday -Saturday)	Customer Timing (Friday)	Branch Address
1	Al Bateen Branch	Normal Branch	33	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	Abu Dhabi - Al Bateen king Abdulla bin AbdulAziz Al Sauod Street - near UAE Central Bank
2	Sheikh Zayed Main Branch	Normal Branch	403	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	Sheikh Rashid Bin Saeed St(Old Airport Road) opposite to Hilton Capital Grand Hotel
3	Nation Towers Branch	Mall Branch	71	Abu Dhabi	1	10:00 AM to 10:00 pm	04:00 PM to 10:00 PM	Nation Towers Galleria – Corniche Road, First Floor
4	Baniyas Branch	Normal Branch	13	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	Al Mafraq –Dubai Road opposite Al Mafraq Hospital - Baniyas
5	Khalifa A City Branch	Normal Branch	94	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	Khalifa A city, street # 16/21 south west.
6	Madinat Zayed Branch	Normal Branch	7	Abu Dhabi West (Gharbiya)	5	08:00 am to 02:00 pm	8:00 AM to 12:00 PM	Madinat Zayed City - Western Region
7	Oud Al Toba Branch	Normal Branch	54	Al Ain	2	08:00 am to 08:00 pm	8:00 AM to 12:00 PM	Oud Al Toba St., No.133
8	Al Tawaam Branch	Normal Branch	365	Al Ain	2	08:00 am to 08:00 pm	8:00 AM to 12:00 PM	Sheik Khalifa Bin Zayed St, 135th St, Opposite UAE university
9	Al Qusais Branch	Normal Branch	51	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Al Qusais Area -Al Wasl Building
10	Second of December Branch	Normal Branch	86	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Jumeirah beach street, Dubai
11	Sheikh Zayed Road Branch	Normal Branch	14	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Emarat Atrium Building, Sheikh Zayed Road
12	Nad Al Sheba Branch	Normal Branch	15	Dubai	3	10:00am to 05:00pm	04:00 PM to 10:00 PM	Avenue Mall - Nad Al Sheba - Nad Al Sheba 2 - Dubai
13	Dubai Internet City - Arenco Branch	Normal Branch	53	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Arenco Tower, Dubai Internet City
14	Fujairah Branch	Normal Branch	6	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Shaikh Hamad Bin Abdulla Street
15	Ras Al Khaimah Branch	Normal Branch	11	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Opposite Al Manar Mall, Al Muntasir Road
16	Dibba Branch	Normal Branch	17	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Sheikh Zayed Street, Opposite Dibba Police Station - Fujairah

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Customer Timing (Monday -Saturday)	Customer Timing (Friday)	Branch Address
17	Kalba Branch	Normal Branch	49	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Al Wahda Street - Khamis Khalfan Al Zahmi Building - Block No:19
18	Al Dhaid Branch	Normal Branch	38	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Al Dhaid Expo Center
19	Khorfakkan Branch	Normal Branch	22	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Corniche Road, Banks Area
20	Umm Al Quwain Branch	Normal Branch	29	Sharjah North East Area	4	08: am to 02:00 pm	8:00 AM to 12:00 PM	Umm Al Quwain Union Coop
21	Sharjah Main Branch	Normal Branch	5	Sharjah North East Area	4	08: am to 02:00 pm	8:00 AM to 12:00 PM	Al Mussala Area opposite Etisalat building

Abu Dhabi Commercial Bank – Participating Branches

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Customer Timing (Monday to Thursday & Saturday)	Customer Timing (Friday)	IPO Subscription Timings (Monday to Thursday & Saturday)	IPO Subscription Timings (Friday)	Branch Address
1	Shahama Branch	Normal Branch	00153	Abu Dhabi		08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	Dubai Abu Dhabi Road, Near Bani Yas Coop , P.O.Box: 76122
2	Hazza Bin Zayed Stadium Branch	Normal Branch	00207	Abu Dhabi, Al Ain		08:00 AM - 07:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	Hazza Bin Zayed Stadium, Al Ain
3	Zayed Town Branch	Normal Branch	00152	Abu Dhabi, Al Dhafra Region		08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	Zayed Town Main Street, Near Zayed Town Court, P.O.Box: 50013 Zayed Town
4	Al Riggah Branch	Normal Branch	00251	Dubai		08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	Al Riggah Road, Near Al Riggah Metro-Station, P.O.Box: 5550
5	Business Bay Branch	Normal Branch	00265	Dubai		08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	Business Bay, Al Khaleej Al Tejari, Dubai, Nearest landmark-Business bay metro station
6	Ajman Branch	Normal Branch	00321	Ajman		08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	Al Ittihad Street, Near Lulu centre, P.O.Box: 1843
7	Ras Al Khaimah Branch	Normal Branch	00341	Ras Al Khaimah		08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	Al Naeem Mall, New central business district, P.O.Box: 1633

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Customer Timing (Monday to Thursday & Saturday)	Customer Timing (Friday)	IPO Subscription Timings (Monday to Thursday & Saturday)	IPO Subscription Timings (Friday)	Branch Address
8	Fujairah Branch	Normal Branch	00331	Fujairah		08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	Hamed Bin Abdulla Street, Near ADNOC P.O.Box: 770 Fujairah
9	Ruwais Branch	Normal Branch	00154	Abu Dhabi, Al Dhafra Region		08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	Ruwais Housing Complex Sh. Zayed Road, Near Etisalat Office P.O.Box: 11851 Ruwais
10	Al Zahiya City Centre Branch	Mall Branch	00302	Sharjah		10:00 AM - 09:00 PM Monday to Thursday & Saturday	03:00 PM - 09:00 PM	10:00 AM - 03:00 PM Monday to Thursday & Saturday	No IPO Subscription on Friday	Sheikh Mohammed Bin Zayed Street, Al Zahia City Centre, Ground level, near Entrance A, P.O.Box: 23657
11	Reem Mall Branch	Mall Branch	00166	Abu Dhabi		10:00 AM - 09:00 PM Monday to Thursday & Saturday	03:00 PM - 09:00 PM	10:00 AM - 03:00 PM Monday to Thursday & Saturday	No IPO Subscription on Friday	Ground level, Al Reem Island, Abu Dhabi. P.O.Box: 939 Abu Dhabi
12	Al Nahyan Camp Branch	Normal Branch	00161	Abu Dhabi		08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	08:00 AM - 03:00 PM Monday to Thursday & Saturday	08:00 AM - 12:00 PM	Delma Street, Behind Al Nahyan Camp, Abu Dhabi P.O.Box: 939 Abu Dhabi

Al Maryah Bank – Participating Branches

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Customer Timing (Monday - Saturday)	Customer Timing (Friday)	IPO Subscription Timings (Monday - Saturday)	IPO Subscription Timings (Friday)	Branch Address
1	Al Maryah Community Bank, Innovation Hub			Abu Dhabi		Mon-Sat: 8AM to 5PM	Fri: 8AM to 3PM	Mon-Sat: 8AM to 5PM and 24x7 through Mbank app	Fri: 8AM to 3PM and 24x7 through Mbank app	Al Maryah Community Bank, Innovation Hub, 454 Shakbout Bin Sultan Street, Abu Dhabi, UAE
2	Al Maryah Community Bank, Mall of the Emirates			Dubai		Mon-Sun: 10AM to 10PM	Mon-Sun: 10AM to 10PM	Mon-Sun: 10AM to 10PM and 24x7 through Mbank app	Mon-Sun: 10AM to 10PM and 24x7 through Mbank app	Al Maryah Community Bank, Level 1, Ski Dubai Entrance, Mall of the Emirates, Dubai, UAE
3	Al Maryah Community Bank, ADNOC HQ			Abu Dhabi		Mon-Thu: 8AM to 4PM	Fri: 8AM to 3PM	Mon-Thu 8AM to 4PM and 24x7 through Mbank app	Fri: 8AM to 3PM and 24x7 through Mbank app	Al Maryah Community Bank, ADNOC HQ, Corniche, Abu Dhabi, UAE
4	Al Maryah Community Bank, Capital Mall			Abu Dhabi		Mon-Sun: 10AM to 10PM	Mon-Sun: 10AM to 10PM	Mon-Sun: 10AM to 10PM and 24x7 through Mbank app	Mon-Sun: 10AM to 10PM and 24x7 through Mbank app	Al Maryah Community Bank, Mohammed Bin Zayed City, Mussaffah - Abu Dhabi, UAE

Annex 4 – Company's Investments in the Subsidiaries[1] of the Company

Name	Percentage of Ownership	Country of Incorporation
Alef Education Consultancy LLC	100%	UAE
Arabic Scale Educational Consultancy LLC - OPC	100%	UAE

[1] Subsidiaries are entities in which the Company holds at least 50% of its share capital.

Annex 5 – Company's Organization Chart