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 PUBLIC SUBSCRIPTION IN THE UAE ONLY

Prospectus for the Public Offering of Shares in Dubai Taxi Company PJSC (the "Company" or "DTC")

(Incorporated in the United Arab Emirates as a Public Joint Stock Company)

Dated: 13 November 2023

This is the prospectus (the "**Prospectus**") for the sale of 624,750,000 (six hundred twenty four million seven hundred fifty thousand) of the ordinary shares with a nominal value of AED 0.04 (four fils) each (representing 24.99% of the total issued the share capital of the Company (the "**Offer Shares**") to be sold by the Company's sole shareholder namely; the Department of Finance (representing the Government of Dubai) (the "**Selling Shareholder**") in a public subscription in the United Arab Emirates (the "**UAE**") only. The Selling Shareholder 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 its sole discretion, subject to applicable laws of the UAE and the approval of the Securities and Commodities Authority (the "**SCA**" or the "**Authority**"). The offer price will be in AED and determined based on the offer price range, which will be announced in a listing announcement that will be published on the same day and before opening of the Offer Period on **21 November 2023** (the "**Offer Price Range**"). The Offer Shares will be duly and validly issued and listed as at the date of listing (the "**Listing**") of the Offer Shares on the Dubai Financial Market (the "**DFM**").

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, 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.

Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers should carefully read the “Investment Risks” and “Important Notice” section 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 21 November 2023 and will close on 28 November 2023 for the First Tranche and on 29 November 2023 for the Second Tranche.

This is the initial public offering (“**Offering**”), including the offer to the Emirates Investment Authority (“**EIA**”) and the offer to the Pensions and Social Security Fund of Local Military Personnel in the Emirate of Dubai (“**Fund**”), of 624,750,000 (six hundred twenty four million seven hundred fifty thousand) Offer Shares in the share capital of the Company, a public joint stock company ("**PJSC**") incorporated in the UAE, which is being offered for sale by the Selling Shareholder 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 Professional Investors.

If all of the Offer Shares are subscribed for and allocated, and there is no increase in the number of Offer Shares, the Offer Shares will represent 24.99% of the total issued ordinary shares in the capital of the Company (the “**Shares**”), and the Selling Shareholder reserves 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 its 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 Periods in respect of the First Tranche and the Second Tranche, the Company will apply to list its Shares on the DFM.

Date of the SCA’s approval of this Prospectus: 10 November 2023.

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 this Prospectus has been approved by the SCA on 10 November 2023. However, the SCA’s approval of this Prospectus does not constitute an endorsement of the feasibility of investment nor a recommendation to subscribe to the Offer Shares; the approval only means 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 considered 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 studies, 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 sale of the Offer Shares in a public subscription

The Offer Shares represent 624,750,000 (six hundred twenty four million seven hundred fifty thousand) Shares with a nominal value of AED 0.04 (four fils) for each share of the total issued shares in the Company's share capital and representing 24.99% from the total issued Shares in the capital of the Company equivalent to 2,500,000,000 (two billion five hundred million) Shares, which will be sold by the Selling Shareholder and offered for subscription 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 Shareholder reserves 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 its sole discretion, subject to the applicable laws of the UAE and the SCA's approval.

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 Professional Investors must not be less than 60% and the subscription percentage of First Tranche Subscribers must not be more than 40% of the Offer Shares.

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 Offer Shares and any earned profit on investment of such amounts within five working days from the date on which all allocations of Offer Shares to all tranches are determined.

The Selling Shareholder may not directly subscribe in 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 hires one or more investment banks to act as lead manager(s) who are licensed by SCA to carry out on behalf of the Company the management of the Offering, and to provide advice related to the Offering, and to coordinate with SCA and the Offering Participants and to assist the Company 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 also invite other Professional Investors), to submit applications 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 qualified 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 appointed lead managers analyze the information and based on that analysis, determine with the Company and its Selling Shareholder 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 its Selling Shareholder.

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, in which 10% (ten per cent) of the Offer Shares, representing 62,475,000 (sixty-two million four hundred seventy five thousand) Shares are allocated to the First Tranche. 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 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 1933, as amended (the "**US Securities Act**")). There are no other citizenship or residence requirements 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, that 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 National Investor Number ("**NIN**") with the DFM.

  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 Authority) the Selling Shareholder 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 Selling Shareholder reserves the right to amend the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA. Any increase in the size of the First Tranche will result in a corresponding reduction in the size of the Second Tranche (as applicable), 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.

  The minimum application size for subscribers in the First Tranche is AED 5,000 (five thousand UAE dirhams) with any additional application in increments of at least AED 1,000 (one thousand UAE dirhams).

  There is no maximum application size for subscribers in the First Tranche.

  Each Subscriber in the First Tranche will have a guaranteed minimum allocation of 2,000

Shares (two thousand Shares).

B. ***Second Tranche***

The Second Tranche offer will be made pursuant to the Second Tranche Document and this Prospectus in which 90% (ninety per cent) of the Offer Shares, amounting to 562,275,000 (five hundred sixty two million two hundred seventy five thousand) 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 categorized in the following manner:

i. **"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. 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.

ii. ***"*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.**

iii. **"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");**

(B) **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;

(C) **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;

(D) **special purpose vehicles and trusts established for the purpose of managing an investment portfolio of assets for a HNWI; and**

(E) **an undertaking which satisfies the following requirements:**

(I) maintain 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

(F) **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 Shareholder, 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 Professional Investors must hold an NIN with the DFM.

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

The Selling Shareholder reserves the right to amend the size of the Second Tranche at any time prior to the end of the subscription period at its 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% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche does not exceed 40% of the Offer Shares.

The minimum application size for Second Tranche Subscribers is AED 5,000,000 (five million UAE Dirhams)

There is no maximum application size for Professional Investors.

C. *EIA*

A number of Offer Shares, representing 5% of Offer Shares are reserved for the Emirates Investment Authority ("**EIA**"), in accordance with the requirements of article 127 of Federal Decree by Law No. 32 for the year 2021 with regard to commercial companies, and its amendments (the "**Companies Law**"). Offer Shares allocated to the EIA under this preferential rights regime will be deducted from the total size of the Second Tranche. If the EIA does not exercise its preferential rights to apply for Offer Shares, then those Offer Shares will be available to other Second Tranche Subscribers.

D. *Pensions and Social Security Fund of Local Military Personnel*

A number of Offer Shares, representing 5% of Offer, are reserved for the Pensions and Social Security Fund of Local Military Personnel (the "**Fund**"), in accordance with the requirements of Resolution No. 2 of 2022 issued by the Supreme Fiscal Committee concerning the subscription in shares of companies owned by the Government of Dubai. Offer Shares allocated to the Fund under this preferential rights regime will be deducted from the total size of the Second Tranche. If the Fund does not exercise its preferential rights to apply for Offer Shares then those Offer Shares will be available to other Second Tranche Subscribers.

Every Subscriber must hold a NIN with DFM and a 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 Lead Receiving Bank, 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 this Prospectus for the sale of the Offer Shares in a public subscription in the UAE (outside the ADGM and the DIFC). 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 in accordance with the provisions of the Companies Law.

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 https://www.dubaitaxi.ae/en/IPO. No information contained in, or referred to in, the Second Tranche Document, forms part of, or is incorporated into, this Prospectus.

In accordance with Article 121 of the Companies Law, each of the Offer Participants shall be liable for the performance of its duties in connection with the Offering process, including the Selling Shareholder and the Board members, with regard to the validity of the information contained in this Prospectus, in each case within the limits of the scope of work and expertise of each Offer Participant.

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

This Prospectus was issued on 13 November 2023

This Prospectus is available on the website of the Company at

https://www.dubaitaxi.ae/en/IPO

Name and Contact Details of the Offer Participants

Joint Lead Managers

Emirates NBD Capital PSC
1st Floor, Emirates NBD Head Office Building
Baniyas Road, Deira, P.O. Box 2336
Dubai, United Arab Emirates
Telephone: +971 4 2012940

First Abu Dhabi Bank PJSC
FAB Building
Khalifa Business Park – Al Qurm District
P.O. Box 6316
Abu Dhabi, United Arab Emirates
Telephone+971 2 3053635

EFG Hermes UAE LLC
Office 106, The Offices 3
One Central, DWTC, Dubai, UAE
P.O. Box 112736
Telephone: +971 4 3634000

Lead Receiving Bank

Emirates NBD Bank PJSC
Headquarters
Baniyas Road, Deira
P.O. Box 777
Dubai, United Arab Emirates
Telephone: +971 4 316 0018

Receiving Banks

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

IPO Subscription Legal Counsel

Legal advisor to the Company as to English and US law

Allen & Overy LLP
Level 11, Burj Daman, Al Mustaqbal St,
Dubai International Financial Centre
Dubai, United Arab Emirates
Telephone:+971 2 4180400

Legal advisor to the Company as to UAE law

IBRAHIM & PARTNERS
Al Sila Tower, Floor 24
ADGM Square
E-mail address: info@inp.legal
PO Box 5100746
Abu Dhabi, United Arab Emirates
Telephone: +971 2 694 8668

Legal advisor to the Joint Bookrunners as to US law and English law

Clifford Chance LLP

ICD Brookfield Place, Level 32

Dubai International Financial Centre

P.O. Box 9380

Dubai, United Arab Emirates

Telephone: +971 4 5032600

Clifford Chance LLP

10 Upper Bank Street

E14 5JJ, London

United Kingdom

Auditors to the Company

KPMG Lower Gulf Limited

E-mail address: ae-fmclientsmarkets@kpmg.com

Dubai, United Arab Emirates

Telephone: +971 4 030300

IPO Subscription Auditor

Deloitte & Touche (M.E)

Emaar Square Building 3, Downtown Dubai

P.O. Box: 4254

Dubai, United Arab Emirates

Telephone: +971 4 376 8888

Investor Relations

Aravind Manoharan

Telephone: +971 42 080 676

E-mail address: ir@dtc.gov.ae

Dubai, United Arab Emirates

This Prospectus is dated 13 November 2023.

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 document 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 9 ("**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 Shareholder reserves the right to cancel the Offering at any time and at its sole discretion with the prior written approval of the Authority.

- The Offer Shares are being offered 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 Authority.

- 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 ADGM Financial Services Regulatory Authority ("**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 Authority. The Authority'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 Authority have been met. The Authority and the DFM 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.

This Prospectus was approved on 10 November 2023.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

General

No representation or warranty, express or implied, is made and no responsibility or liability is accepted by any person other than the Company, as to the accuracy, completeness, verification or sufficiency of the information contained herein, and nothing in this Prospectus may be relied upon as a promise or representation in this respect, as to the past or future. No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Company. The delivery of this Prospectus shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this Prospectus or that the information contained herein is correct as of any time subsequent to its date.

The contents of this Prospectus are not to be construed as legal, business or tax advice.

Historical financial information

The historical Financial Statements included in this Prospectus are:

- the audited financial statements of the Company as of and for the year ended 31 December 2020, which includes the comparative financial information as of and for the year ended 31 December 2019 and the related notes thereto (the **"2020 Financial Statements"**);

- the audited financial statements of the Company as of and for the year ended 31 December 2021, which includes the comparative financial information as of and for the year ended 31 December 2020 and the related notes thereto (the **"2021 Financial Statements"**);

- the audited financial statements of the Company as of and for the year ended 31 December 2022, which includes the comparative financial information as of and for the year ended 31 December 2021, and the related notes thereto (the **"2022 Financial Statements" and together with the 2021 Financial Statements the "Annual Financial Statements"**);

- the unaudited interim condensed financial statements of the Company as of and for the six months ended 30 June 2023 (including the reviewed comparative financial information for the six months (unaudited) ended 30 June 2022 and the related notes thereto (the **"June 2023 Interim Financial Statements"**); and

- the unaudited interim condensed financial statements of the Company as of and for the nine months ended 30 September 2023 (including the unaudited and not reviewed comparative financial information for the nine months ended 30 September 2022 and the related notes thereto (the **"September 2023 Interim Financial Statements" and together with the June 2023 Interim Financial Statements the "Interim Financial Statements"**).

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The Annual Financial Statements have been audited by KPMG Lower Gulf Limited in accordance with International Standards on Auditing ("**ISAs**") as stated in their independent auditor's reports, included herein.

The Interim Financial Statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"). The Interim Financial Statements have been reviewed by KPMG Lower Gulf Limited in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as stated in their review reports included herein.

Except as described below, or indicated otherwise in the Prospectus, (i) the financial information of the Company in this Prospectus as at and for the nine months ended 30 September 2023, and 30 September 2022, has been extracted from the September 2023 Interim Financial Statements; (ii) the financial information of the Company in this Prospectus as at and for the six months ended 30 June 2023 and 30 June 2022 has been extracted from the June 2023 Interim Financial Statements; (iii) the financial information of the Company in this Prospectus as at and for the year ended 31 December 2022 has been extracted from the 2022 Financial Statements; and (vi) the financial information of the Company in this Prospectus as at and for the years ended 31 December 2021 and 2020 has been extracted from the 2020 Financial Statements.

The Company's financial year ends on 31 December of each year.

References to any financial year refer to the year ended 31 December of the calendar year specified.

Potential investors should consult their own professional advisers to gain an understanding of the Financial Statements and the Interim Financial Statements in the "Third Section: Financial Disclosures" and in "Annex 1 - Financial Statements".

Unaudited Pro-forma statement of financial position

This Prospectus contains the unaudited pro-forma statement of financial position of the Company as at 30 September 2023, which has been compiled by the management to illustrate the impact of certain transactions described in the notes thereto on the Company's financial position as at 30 September 2023 as if those transactions had taken place before or on 30 September 2023. As part of this process, information about the Company's financial position has been extracted by the management from the September 2023 Interim Financial Statements.

Non-IFRS measures

Non-IFRS measures are of certain financial measures that are not defined or recognized under IFRS, or any generally acceptable accounting principles, including EBIT, EBITDA Margin, Direct Costs, Gross Profit, Gross Profit Margin, Direct Costs as a Percentage of Revenue, Net Capex, Cash Conversion, Cash Conversion Ratio, Net Working Capital, Free Cash Flow, Free Cash Flow Conversion Ratio, Net Income Margin, ROE, ROCE, Net Debt, and Net Debt to EBITDA Ratio (the "**Non-IFRS Measures**"). These Non-IFRS measures are derived from the financial information included in the Company’s Financial Statements. See “*Definitions and Abbreviations*” and “Third Section: *Financial Disclosures*” for additional information.

The Company believes that these Non-IFRS measures provide valuable information to the investors and financial analysts in highlighting trends in its overall business. These measures are used by the Company’s management to evaluate the efficiency of its operations and ability to employ its earnings toward payment of outstanding financing amounts, capital expenditures and working capital requirements. There are no generally accepted principles governing the calculation of these measures and the criteria upon which these measures are based can vary from company to company. As these measures are not standardized, these measures, by themselves, do not provide a sufficient basis to compare the Company’s performance with that of other companies and should not be considered in isolation or as a substitute for operating profit or any other measure as an indicator of operating performance, or as an alternative to cash generated from operating activities as a measure of liquidity. The Company has presented these Non-IFRS measures because it believes these are helpful to investors and financial analysts in highlighting trends in the overall business of the Company.

None of the Non-IFRS measures are a measurement of performance or liquidity under IFRS or any other generally accepted accounting principles and you should not consider EBITDA, EBITDA Margin, Cash Flow Conversion, Net Working Capital, Capital Expenditure and Free Cash Flow as an alternative to net income, operating profit or other financial measures determined in accordance with IFRS or other generally accepted accounting principles. Non-IFRS measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of the Company’s operating performance reported in accordance with IFRS.

The Non-IFRS measures are management’s responsibility and are based on management’s review of its financial results and estimates; accordingly the above information has not been audited or reviewed by KPMG Lower Gulf Limited or any audit firm, and are to be read in conjunction with the historical information presented, but it is not intended to form part of the Company’s statement of financial position or profit and comprehensive income up to the date hereof. Accordingly, prospective investors should not place undue reliance on the Non-IFRS Measures contained in this Prospectus.

EBITDA and EBITDA Margin

The Company defines EBITDA as profit/(loss) for the period minus finance income-net (excluding dividend income and gain/(loss) on equity securities measured at FVTPL (i.e., fair value through profit or loss) (the "FVTPL"), which do not reflect finance costs but are reported within this line item), depreciation of property and equipment, amortisation of right-of-use asset, and taxes. With respect to taxes, during the periods presented herein there have been no corporate tax charges incurred; however, starting from 1 January 2024, the date that taxes under UAE corporate law will first be reflected on the income statement, the Company will deduct its corporate taxes from profit/(loss) to determine its EBITDA.

The Company defines EBITDA Margin as EBITDA divided by revenue, expressed as a percentage. EBITDA and EBITDA Margin are key performance metrics reviewed by the Directors.

EBIT

The Company defines EBIT as profit/(loss) for the period minus finance income-net (excluding dividend income and gain/(loss) on equity securities measured at FVTPL, which do not reflect financing costs but are reported within this line item) and taxes. With respect to taxes, during the periods presented herein there have been no corporate tax charges incurred; however, starting from 1 January 2024, the date that taxes under UAE corporate law will first be reflected on the income statement, the Company will deduct its corporate taxes to determine its EBITDA.

Direct Costs and Gross Profit

The Company defines direct costs as the sum of its plate and licence fees and its other direct costs (which other direct costs were referred to as operating costs in the Audited Financial Statements) (the "**Direct Costs**"). In the H1 2023 Interim Financial Statements, the Company changed the presentation of its income statement to report the plate and licence fee line item as one of its operating costs. This presentation is more consistent with how the Company's management analyses the performance of the Company.

The Company defines gross profit as revenue minus Direct Costs ("**Gross Profit**"). As a result of reclassifying plate and licence fees as an operating cost from an expense in the H1 2023 Interim Financial Statements, this affects the calculation of gross profit as presented in the Financial Statements. In this non-IFRS measure, Gross Profit has been reclassified to be shown in the Audited Financial Statements in the same manner as it is presented in the H1 2023 Interim Financial Statements.

Direct Costs and Gross Profit as presented in these non-IFRS measures for the years ended 31 December 2019, 2020, 2021 and 2022 will not match the presentation or figures in the Audited Financial Statements.

Direct Costs as a Percentage of Revenue

The Company defines Direct Costs as a Percentage of Revenue as its Direct Costs divided by revenue, expressed as a percentage.

Gross Profit Margin

The Company defines Gross Profit Margin as its Gross Profit divided by revenue, expressed as a percentage.

Net Capex

The Company defines Net Capex as the purchase of property and equipment and the purchase of intangible assets minus the proceeds from disposal of property and equipment. The purchase of intangible assets also includes as part of Net Capex relates to the purchase of taxi plates from the RTA ("**plate capex**").

Cash Conversion

The Company defines Cash Conversion as EBITDA minus Net Capex.

Cash Conversion Ratio

The Company defines Cash Conversion Ratio as Cash Conversion divided by EBITDA.

Net Working Capital

The Company defines Net Working Capital as inventories plus trade and other receivables minus trade and other payables.

Changes in Working Capital

The Company defines Changes in Working Capital as the change in net trade and other receivables minus change in the trade and other payables between period ends.

Free Cash Flow

The Company defines Free Cash Flow as EBITDA minus Net Capex minus Changes in Working Capital.

Free Cash Flow Conversion Ratio

The Company defines Free Cash Flow Conversion Ratio as Free Cash Flow divided by EBITDA.

Net Income Margin

The Company defines Net Income margin as profit/(loss) for the period (i.e. net income) divided by revenue.

*Return on Equity (**"ROE"**)*

The Company defines ROE as profit/(loss) for the period (i.e. net income) divided by total equity.

Net Debt

The Company defines Net Debt as long-term debt minus cash and cash equivalents.

Net Debt to EBITDA Ratio

The Company defines Net Debt to EBITDA Ratio as Net Debt divided by EBITDA for the last twelve months. When calculating Net Debt for the Company's leverage covenant for its Facilities, Net Debt will include, in the case of any finance leases only, their capitalised value.

*Return on Capital Employed ("**ROCE**")*

The Company defines ROCE as EBIT divided by the sum of total equity plus non-current liabilities. The Company's ROCE presented on an as adjusted basis as at and for the last twelve months ended 30 September 2023 takes into account the adjustments to the total equity and non-current liabilities presented in "*Capitalisation*" in this Prospectus.

Currency presentation

Unless otherwise indicated, all references in this document to:

- The “**UAE dirham**” or “**AED**” are to the lawful currency of the United Arab Emirates; and

- The “**US dollar**” or “**USD**” are to the lawful currency of the United States of America.

The value of UAE dirhams has been pegged to 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 document includes forward-looking statements. The forward-looking statements contained in this document 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”, “shall”, “risk”, “intends”, “estimates”, “aims”, “plans”, “predicts”, “continues”, “assumes”, “positioned” or “anticipates” 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 and are based on the assumptions of the Company’s management, as well as the assumptions made by and the information currently available to the Company’s management. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, however the Company can not give any assurance that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not place undue reliance on such forward-looking statements. 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 document 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 the 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. Additionally, the important factors that could cause actual results to differ materially from the Company’s expectations are contained in cautionary statements in this Prospectus. Please refer to Section 9 (“**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. Such 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 Offering or Offer Shares which is not contained in this Prospectus and, if given or made, such information or representation must not be relied on as having been so authorized by the Company, the Selling Shareholder, or the other Offer Participants. By applying for Offer Shares under the First Tranche, 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 Shareholder, any other Offer Participant, the Joint Bookrunners or any other of the Company's or the Selling Shareholder's advisors (the "**Advisors**").

No person or Advisor, except the Joint Lead Managers and the Receiving Banks, as set out in pages 9 and 10, are participating in, or managing, the public offering of the Offer Shares. All the Offering proceeds shall ultimately be deposited with the Lead Receiving Bank including the proceeds of the First Tranche and the Second Tranche and that the Lead Receiving Bank shall issue a certificate to that effect addressed to SCA.

Neither the content of the Company's website or any other website, 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 Shareholder, any other Offer Participants, nor the Advisors bears or accepts any responsibility for the contents of such websites.

None of the Company, the Selling Shareholder, the Offer Participants, the Joint Lead Managers, the Joint Bookrunners or the Advisors accepts 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 Offering or the Offer Shares. None of the Company, the Selling Shareholder, the Offer Participants, the Joint Lead Managers, the Joint Bookrunners or the Advisors makes any representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication provided by those parties.

None of the Company, the Selling Shareholder, the Offer Participants, the Joint Lead Managers, the Joint Bookrunners or the Advisors warrant or guarantee 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 may be subject to revision, with the prior written approval of the Authority. Any revision will become effective only after it has been announced in two daily newspapers circulating in the UAE. The Selling Shareholder reserves the right, with the prior approval of the Authority, to withdraw this Prospectus and cancel the Offering at any time and in its sole discretion. If the Offering is withdrawn, the subscription amounts will be fully refunded to the Subscribers, along with any profits earned as a result of its investment. 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 document or that the information in it is correct as of any subsequent time.

Emirates NBD Capital PSC, First Abu Dhabi Bank PJSC, and EFG Hermes UAE LLC have been appointed as joint lead managers (the "**Joint Lead Managers**"), each of whom is licensed by SCA on 10 October 2018, 5 November 2017, and 5 November 2017 respectively and will manage the issuance, marketing and promotion of the Offer Shares in the UAE and coordinate with the Company, the Selling Shareholder, the Authority and the other Offering Participants with regard to the offering of the Offer Shares in the UAE. Emirates NBD 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.

Emirates NBD Capital PSC, First Abu Dhabi Bank PJSC, and EFG Hermes UAE LLC and a syndicate of regional and international banks have been appointed as joint bookrunners (the "**Joint Bookrunners**").

The Joint Lead Managers are acting exclusively for the Company and the Selling Shareholder and no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this document) as a client to any of the Offer Participants in relation to the Offering.

The Joint Lead Managers, the Joint Bookrunners, 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 Shareholder for which they would have received customary fees. Any previous transactions between the Joint Lead Managers, the Joint Bookrunners and the Offer Participants and the Company or the Selling Shareholder do not constitute any conflict with the subscription process or any interest between them.

The board members of the Company in its entirety and whose names are set out in this Prospectus assume joint and several responsibilities 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.

Each of Offer Participants shall be liable, including the Selling Shareholder and the Board members, with regard to the completeness and accuracy of the information contained in this Prospectus, within the limits of the scope of work and expertise of each Offer Participant.

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

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).

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 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 Shareholder, 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 electronic mail. None of the Company, the Selling Shareholder, the other 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.

The Internal Shariah Supervision Committee of Emirates NBD Bank PJSC has issued (or is expected to issue) a fatwa confirming that, its view, the Offering is compliant with Shariah principles. Investors should undertake their own due diligence to ensure that the Offering is compliant with Shariah principles for their own purposes.

Apart from the responsibilities and liabilities, if any, which may be imposed on any of the Joint Lead Managers and 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 and the 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 whether arising in tort, contract or otherwise for, or makes any representation or warranty, express or implied, as to the accuracy, completeness or verification of the contents of this document 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. Other than what is provided for within the limits of the scope of work and expertise of each the Joint Lead Managers, and each Joint Bookrunners, each of the Joint Lead Managers and the Joint Bookrunners and their respective subsidiary undertakings and affiliates and their (or their subsidiary undertakings' or affiliates') respective directors, officers, employees or agents disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), 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 members of the Company in its entirety 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. Each of Offer Participants shall be liable, including the Selling Shareholder and the Board members, with regard to the completeness and accuracy of the information contained in this Prospectus, within the limits of the scope of work and expertise of each Offer Participant.

This Prospectus was approved by the SCA on 10 November 2023.

Definitions and Abbreviations

ADGM	Abu Dhabi Global Market.
AED or UAE Dirham	The lawful currency of the United Arab Emirates.
Articles of Association	The articles of association of the Company, as attached in Annex 2 to this Prospectus.
Financial Statements	The Company's audited financial statements as of and for the years ended, 31 December 2020 (including the comparative financial information as of and for the year ended 31 December 2019); 31 December 2021 (including the comparative financial information as of and for the year ended 31 December 2020); and 31 December 2022 (with comparative financial information as of and for the year ended 31 December 2021) and the related notes thereto.
Authority or SCA	The Securities and Commodities Authority of the United Arab Emirates.
Board or Board of Directors	The board of Directors of the Company.
Capital Expenditure	Payment for property, plant and equipment, net of project accruals, retention payables to capex suppliers plus acquisition of subsidiary.
Closing Date	28 November 2023 for the First Tranche and 29 November 2023 for the Second Tranche.
Companies Law	Federal Law by Decree No. 32 of 2021 Concerning Commercial Companies (as amended from time to time).
Company or DTC	Dubai Taxi Company PJSC, a public joint stock company in Dubai pursuant to the applicable laws of the UAE.
DFM	Dubai Financial Market in the UAE.
DFSA	Dubai Financial Services Authority.
DIFC	Dubai International Financial Centre.
DTC Law or Amending Decree	Law No. 21 of 2023 Concerning Dubai Taxi Company, a public joint-stock company (PJSC) and having legal personality, financial and administrative autonomy, and the full legal

	capacity to conduct its activities and achieve its objectives which law has been issued by the Ruler of Dubai.
Directors	The members of the Board of Directors of the Company.
Dubai CSD	Dubai CSD is an independent Central Securities Depository licensed by SCA. Dubai CSD performs depository services for all DFM listed securities.
EBITDA	Calculated as net profit for the year / period excluding the impact of net financing costs (excluding dividend income and gain/loss on equity securities measured as FVTPL), tax, depreciation and amortization.
EIA	Emirates Investment Authority.
Electronic Applications	Applications via online internet / mobile banking and ATMs as provided by the Receiving Banks to the First Tranche Subscribers.
ESG	Environmental, Social and Governance.
Final Offer Price	The offer price at which all the Subscribers in the First Tranche and the Second Tranche will purchase each Offer Share. 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 Shareholder and the Company. The shares of 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**"), which will be published in on the Company's website https://www.dubaitaxi.ae/en/IPO.
Final Offer Size	The final number of the Offer Shares that will be offered for sale by the Selling Shareholder and which will be determined following closing of the Second Tranche.
Financial Statements	The Annual Financial Statements and Interim Financial Statements.
Financial Year	The financial year of the Company will start on 1st January and end on 31st 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 DFM and have a bank account.
FTS Fund Transfer Mode	UAE Central Bank Fund Transfer ("**FTS**") mode.
FSRA	ADGM Financial Services Regulatory Authority.
FSMR Regulations	Financial Services and Markets Regulations.
Fund	Pensions and Social Security Fund of Local Military Personnel in the Emirate of Dubai.
FVTPL	Fair value through profit or loss.
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.
Government	The Government of Dubai.
Governance Rules	The Chairman of Authority's Board of Directors' Decision no (3/Chairman) of 2020 Concerning approval of Joint Stock Companies Governance Guide as amended.
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board.
Individual Subscribers	Natural persons who hold a NIN with the DFM and have a bank account (including natural persons constituting Assessed Professional Investors) and who do not participate in the Second Tranche. There are no other citizenship or residence requirements.
Interim Financial Statements	The unaudited interim condensed financial statements of the Company as of and for the six months ended 30 June 2023 (including the comparative financial information for the six months (unaudited) ended 30 June 2022, and the related notes thereto (the "**June 2023 Interim Financial Statements**"); and the unaudited interim condensed financial statements of the

	Company as of and for the nine months ended 30 September 2023 (including the unaudited and not reviewed comparative financial information for the nine months ended 30 September 2022) and the related notes thereto (the “**September 2023 Interim Financial Statements**”).
Joint Bookrunners	Emirates NBD Capital PSC, First Abu Dhabi Bank PJSC, and EFG Hermes UAE LLC and a syndicate of regional and international banks.
Joint Lead Managers	Emirates NBD Capital PSC, First Abu Dhabi Bank PJSC and EFG Hermes UAE LLC.
KSA	Kingdom of Saudi Arabia.
Listing of the Shares or Listing	Following the closing of the subscription and the allocation of Offer Shares to successful Subscribers, the Company will apply to list all of its Shares on the DFM. Trading in the Shares on the DFM will be effected through the DFM Share Registry.
Lead Receiving Bank	Emirates NBD 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.
Minimum Investment	The minimum subscription for Offer Shares in the First Tranche has been set at AED 5,000, with any additional investment to be made in increments of at least AED 1,000. The minimum subscription for Offer Shares in the Second Tranche has been set at AED 5,000,000 (see the section on “Subscription Amounts” in the first section of this Prospectus).
Net Debt	Calculated as total bank financings less cash and cash equivalents.
NIN	A national investor number that a Subscriber must obtain from the DFM for the purposes of subscription.
Non-IFRS Measures	Certain measures that are not defined or recognized under IFRS, or any other generally acceptable accounting principles, including EBIT, EBITDA, EBITDA Margin, Direct Costs, Gross Profit, Gross Profit Margin, Direct Costs as a Percentage of

	Revenue, Net Capex, Cash Conversion, Cash Conversion Ratio, Net Working Capital, Changes in Working Capital, Free Cash Flow, Free Cash Flow Conversion Ratio, Net Income Margin, ROE, ROCE, Net Debt, and Net Debt to EBITDA Ratio.
Offering or Offer	The public subscription of 624,750,000 (six hundred twenty four million seven hundred fifty thousand) Shares which are being offered for sale by the Selling Shareholder and which represent 24.99%of the share capital of the Company. The Selling Shareholder reserves 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 its sole discretion, subject to the applicable laws of the UAE and the SCA's approval.
Offer Price Range	The Offer Shares are being offered at an offer price range in AED that will be published on the first day of the opening of the Offer Period.
Offer Participants	The entities listed on pages 9 and 10 of this Prospectus.
Offer Period	The subscription period for the First Tranche starts on 21 November 2023 and will close on 28 November 2023. The subscription period for the Second Tranche starts on 21 November 2023 and will close on 29 November 2023.
Offer Shares	624,750,000 (six hundred twenty four million seven hundred fifty thousand) Shares which will be sold by the Selling Shareholder in a public subscription process. The Selling Shareholder reserves 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 its sole discretion, subject to the applicable laws of the UAE and the SCA's approval.
PJSC	Public Joint Stock Company.
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 categorized in the following manner: i. **"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: (a) holds total assets of AED 75,000,000 or more (excluding short-term liabilities and long-term liabilities); (b) has a net annual revenue of AED 150,000,000 or more; or

	(c) 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. ***ii. “*Service-Based Professional Investors”, which include:** **a. Any person conducting an activity involving the provision of credit facilities for commercial purposes for:** (a) an undertaking; (b) a person in control of an undertaking; (c) any member of the group to which the undertaking belongs; or (d) 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.** iii. **“Assessed Professional Investors”** which include: (G) **a natural person who owns net assets, excluding the value of their main residence, of not less than AED 4,000,000 (a “HNWI”);** (H) **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; (I) **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; (J) **special purpose vehicles and trusts established for the purpose of managing an investment portfolio of assets for a HNWI; and** (K) **an undertaking which satisfies the following requirements:** (I) maintain 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 (L) **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 Shareholder, 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.
Unaudited Pro-forma statement of financial position	The unaudited pro-forma statement of financial position of the Company as at 30 September 2023, which has been compiled by the management to illustrate the impact of certain transactions described in the notes thereto on the Company's financial position as at 30 September 2023 as if those transactions had taken place on 30 September 2023.
Receiving Banks	The group of banks led by the Lead Receiving Bank, comprising those banks and the other participating receiving banks as set out in the list of receiving banks attached in Annex 3 to 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 offer document that has been drafted in a specific manner to be addressed only to Professional Investors subscribing for Offer Shares in the Second Tranche and in compliance with the laws and regulations of the relevant competent jurisdictions and acceptable to such jurisdictions, and which has not been approved by the Authority. Such offer document does not form part of this Prospectus and the information contained therein does not form part of this Prospectus. This offer document for the Second Tranche will be available at https://www.dubaitaxi.ae/en/IPO and all investors can review it.

Second Tranche Subscribers	Professional Investors.
Selling Shareholder	Department of Finance (DoF) representing the Government of Dubai.
Shares	The ordinary shares of the Company with a nominal value of AED 0.04 (four fils) each, which are fully paid. The Shares have the rights set out in the articles of association.
Shareholder	Holder of Shares in the capital of the Company.
SMS	Short Message Service.
Subscriber	A natural or juridical applicant, in either case who applies for subscription in the Offer Shares.
Subscription Opening Date	21 November 2023 for the First Tranche and the Second Tranche.
UAE	United Arab Emirates.
UAE Central Bank	The Central Bank of United Arab Emirates.
UK	The United Kingdom of Great Britain and Northern Ireland.
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.
US Securities Act	The US Securities Act of 1933, as amended.

First section: Subscription terms and conditions

Key details of shares offered for sale to the public:

- **Name of the Company:** Dubai Taxi Company PJSC.

- **Share capital:** The share capital of the Company as at the date of this Prospectus has been set at AED 100,000,000 (one hundred million UAE dirhams) divided into 2,500,000,000 two billion five hundred million shares paid in full, with the nominal value of each Share being AED 0.04 (four fils).

- **Percentage, number and type of the Offer Shares:** 624,750,000 (six hundred twenty four million seven hundred fifty thousand) Shares, all of which are ordinary shares, and which constitute 24.99%) of the Company's issued share capital. The Selling Shareholder 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 its sole discretion, subject to the applicable laws of the UAE and the SCA's approval.

- **Offer Price Range per Offer Share:** The Offer Price Range will be published on 21 November 2023 prior to opening the subscription period.

- **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 in the "Definitions and Abbreviations" section of this Prospectus. All Subscribers in the First Tranche must hold a NIN with the DFM and have a bank account number. 10% (ten per cent) of the Offer Shares, 62,475,000 (sixty two million four hundred seventy five thousand) Shares are allocated to the First Tranche. The Selling Shareholder reserves the right to amend the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA. Subject to the Offer Size not being increased, any increase in the size of the First Tranche will result in a corresponding reduction in the size of the Second Tranche (as applicable), 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.

  - **Second Tranche:** The Second Tranche of the Offering will be open to Professional Investors as described in the "Definitions and Abbreviations" section of this Prospectus. All Subscribers in the Second Tranche must hold a NIN. 90% of the Offer Shares, representing 562,275,000 (five hundred sixty two million two hundred seventy five thousand), are allocated to the Second Tranche. The Selling Shareholder reserves the right to amend the size of the Second Tranche at any time prior to the end of the subscription period at its 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% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche does not exceed 40% of the Offer Shares.

- **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 belongs. 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 subscription:** The minimum subscription in Offer Shares in the First Tranche has been set at AED 5,000 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).

- **Maximum subscription:** No maximum subscription in Offer Shares has been set.

- **Lock-up period:** Pursuant to an underwriting agreement that is expected to be entered into between the Company, the Selling Shareholder and the Joint Bookrunners prior to the date of Listing (the "**Underwriting Agreement**"), the Shares held by the Selling Shareholder following Listing are expected to be subject to a lock-up which starts on the date of Listing and ends 180 days thereafter, subject to certain permitted transfers as set out in the Underwriting Agreement.

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

  The Company will not receive any proceeds from the Offering and no transaction costs of the Offering will be borne by the Company. The net proceeds generated by the Offering (after deduction of all expenses related to the Offering including but not limited to any selling commissions and any discretionary fees paid) will be received by the Selling Shareholder.

  The Offering is being conducted, among other reasons, to allow the Selling Shareholder to sell part of its shareholding, while providing increased trading liquidity in the Shares and raising the Company's profile with the international investment community. Assuming that the Selling Shareholder sells all of the Shares being offered and that the size of the Offering is not increased, the Selling Shareholder will continue to be a significant shareholder following the Offering with a controlling stake of at least 75.01% of the share capital of the Company.

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 Lead Receiving Bank and the Joint Lead Managers reserve the right to accept all or disqualify all or some of the Subscription Applications submitted by such Subscriber and not to allocate any Offer Shares to such Subscriber.

Subscribers must ensure to have an updated NIN and complete all of the relevant fields in the subscription application along with all required documents and submit it to any Receiving Bank or through one of the electronic subscription channels as set below, 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 Bank 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 Assembly. 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. 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 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:

- 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);
- the subscription application amount is paid using a method that is not a permitted method of payment;
- the subscription application amount presented with the subscription application does not match the minimum required investment or the increments set for the First Tranche offers; and
- the completed subscription application form is not clear and fully legible.
- the manager's cheque is returned for any reason;
- 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;

- the NIN is not made available to DFM or an incorrect NIN is provided;
- the subscription application is found to be duplicated, any acceptance of such applications is solely at the discretion of the Selling Shareholder;
- the subscription application is otherwise found not to be in accordance with the terms of the Offering;
- the Subscriber is found to have submitted more than one application (it is not permitted to apply in both the First Tranche and the Second Tranche - any acceptance of such application is solely at the discretion of the Selling Shareholder.
- 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);
- a Subscriber has not adhered to the rules applicable to the First Tranche offer;
- if it is otherwise necessary to reject the subscription application to ensure compliance with the provisions of the Companies Law, the Articles of Association, this Prospectus or the requirements of the UAE Central Bank, the Authority or the DFM; and
- if for any reason FTS/SWIFT/Payment gateway system (PGS)/ any other electronic channels funds transfer fails or the required information in the special fields is not enough to process the application.

The Receiving Banks and the Lead Receiving Bank 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.

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:

- NIN details
- Passport/Emirates ID
- 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;
    - 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;

- The original passport and copy of passport/Emirates ID of the signatory; and
- NIN details.

- 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.

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
- NIN details.

2. Method of subscription and payment for the First Tranche

The subscription application must be submitted by a Subscriber to any of the Receiving Banks listed in this Prospectus and the NIN 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 favor of **Dubai Taxi Company PJSC** – IPO; or
- Debiting a Subscriber's account with a Receiving Bank; or
- Electronic Subscriptions (please refer to the section on Electronic Subscription below).

Details of the Subscribers' bank account must be filled in the subscription application form, even if the subscription amount is to be paid by a 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 the Annex (3) for the Receiving Bank's participating branches

Electronic subscription

DFM E-subscription

The DFM will make its official website www.dfm.ae and DFM mobile application available to Subscribers with a NIN registered on the DFM website www.dfm.ae or DFM mobile application and holding a valid iVESTOR Card or through online banking via UAE Central Bank payment gateway or through offline manual transfer on the provided IBAN. DFM accepts subscription through iVestor Card and PGS and it continues to accept such payments until the last day of the IPO. For the offline manual transfer payment option will be stopped 2 days prior to the IPO closure.

The Receiving Banks and securities brokerage firms may also have their own electronic channels (On-line internet banking applications, mobile banking applications, ATMs, securities brokerage firms' applications and subscription channels provided by DFM etc.) interfaced with the DFM IPO system.

By submitting the electronic subscription form the customer submitting the application is accepting the Offering terms and conditions on behalf of the Subscriber and is authorising the iVESTOR Card issuing bank and the Receiving Bank to pay the total subscription amount by debiting the amount from the respective iVESTOR Card or the bank account of the customer and transferring the same to the IPO account in favor of **Dubai Taxi Company PJSC** – IPO held at the Lead 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 document 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 earned profits as a result of its investment 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 original application for subscription was submitted.

In the event any of the Subscribers do not comply with the terms and conditions contained set out in this Prospectus, especially in relation to the electronic subscription and/or iVESTOR Card, none of the DFM, the Selling Shareholder, the Company, the Board, the Lead Receiving Bank, the Receiving Banks nor the iVESTOR Card issuing bank shall in any way be liable for the use of the electronic subscription facility by the customer of the bank or the Subscriber, the debiting of the customer account of the Lead Receiving Bank, Receiving Banks, nor the debiting of the iVESTOR Card by the iVESTOR Card issuing bank, in respect of all and any losses or damages suffered, directly or indirectly as a result of the electronic subscription facility and/or the iVESTOR Card.

Subscription applications may also be received through UAE Central Bank Fund Transfer ("FTS") mode. Any Subscriber choosing the FTS method will be required to provide their valid NIN along with the value of Offer Shares subscribed for in the special instructions field Important Dates relevant to the methods of payment of the subscription amounts.

E-subscription through the Receiving Banks General Terms

The Receiving Banks may also have their own electronic channels (ATMs, Internet Banking, Mobile Banking applications, Website, etc.) interfaced with the DFM 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 authorize the relevant Receiving Banks to retrieve Investor details from DFM Market to submit the subscription application and 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 favor of "Dubai Taxi Company P.J.S.C." held at the Receiving Banks, 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 returns 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.

In the event any of the Subscribers do not comply with this Prospectus, especially in relation to the electronic subscription, neither the DFM, the Selling Shareholder, the Company, the Board, the Receiving Banks shall in anyway be liable for the use of the electronic subscription facility by the customer of the bank or the Subscriber, the debiting of the customer account of the Receiving Banks, in respect of all and any losses or damages suffered, directly or indirectly as a result of the electronic subscription facility.

Emirates NBD Bank E-Subscription

Account holders with Emirates NBD Bank can subscribe via the bank's online internet banking and mobile application channel as well as through ATMs. Eligible persons can access Emirates NBD Bank's ATMs with their debit card, and online banking or mobile application using their relevant username and password (as is customary with these channels). This will be deemed sufficient for the purposes of identification and accordingly the supporting documentation in relation to application set out elsewhere in this Prospectus will not apply to electronic applications.

Subscribers without an Emirates NBD Bank account, who are either in the UAE or outside the UAE, can subscribe through the dedicated IPO website https://IPO.EmiratesNBD.com and pay through Online Banking via the UAE Central Bank Payment Gateway ("PGS") or through UAE Central Bank Fund Transfer ("FTS") or SWIFT.

In case of any issues or support, please contact the dedicated Emirates NBD Bank IPO team through our call center 800 ENBD IPO (800 3623 476)

Emirates Islamic Bank E-Subscription

Account holders with Emirates Islamic Bank can subscribe via the bank's online internet banking and mobile application channel as well as through ATMs. Eligible persons can access Emirates Islamic Bank ATMs with their debit card, and online banking or mobile application using their relevant username and password (as is customary with these channels).

This will be deemed sufficient for the purposes of identification and accordingly the supporting documentation in relation to application set out elsewhere in this Prospectus will not apply to electronic applications.

In case of any issues or support, please contact the dedicated Emirates Islamic Bank IPO team through our call center (04)3160301 or visit http://www.emiratesislamic.ae/ipo.

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 DFM 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 DFM 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 favor 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.

For any further queries, kindly contact us on +971 2 652 0878.

Ajman Bank E-Subscription

Account holders with Ajman Bank can subscribe via Banks online banking or visiting the 8 designated branches across UAE.

Finance applications will be processed at the main branch only.

For any queries kindly contact 800 22.

Commercial Bank of Dubai E-Subscription

The IPO will be open to all CBD account holders.

Account holders can login to their CBD online banking portal and submit their interest for the IPO. The dedicated team will then contact the client and complete the requirements including opening up of CBD FS brokerage account.

CBD will collect applications in the selected 6 branches and enter them into DFM eIPO system manually. CBD also has a centralized IPO Centre that will manage, approve and oversee all applications on DFM system.

For any queries kindly contact +9714-2121156.

Dubai Islamic Bank E-Subscription

DIB Customers can submit the IPO subscription through WhatsApp digital journey.

Add +97146092222 in your WhatsApp and type IPOSUB and follow the instruction.

For any further queries kindly contact us on +971 4 609 2222 or visit the www.dib.ae

First Abu Dhabi Bank PJSC E-Subscription

FAB EIPO-Subscription

Access https://www.bankfab.com/en-ae/cib/iposubscription.

Refer to the "How to subscribe page" and follow the instructions and submit subscriptions for the First Tranche.

FAB Mobile Banking application (For FAB Client)

If you need any support, please call FAB Call Centre No. 026161800.

Mashreq E-Subscription

Mashreq's Digital IPO subscription allows existing customers to digitally submit their IPO subscription requests, generate NINs with DFM & open brokerage account with Mashreq Securities in real-time through one seamless journey via their Mashreq Mobile App.

Eligible clients can avail instant leverage on their IPO subscriptions.

Non-Mashreq customers can avail the above by first opening their Mashreq account instantly through the Mashreq Mobile App.

For further clarifications please refer to https://mashreq.com/dtc-ipo

For any queries kindly contact +9714-424-4457.

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

- Subscription amounts paid by way of cheque must be submitted by 1:00pm on 25 November 2023
- Subscription applications received through E-subscription online and mobile banking / FTS / SWIFT / PGS must be made by 1:00pm on 27 November 2023
- Subscription applications received through ATM, Internet Banking, Mobile Application & Website must be made before/ by 1:00pm on 28 November 2023

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 at least 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 an initial 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 on the extent of demand at various prices provided by these Second Tranche Subscribers to determine and recommend to the Company and the Selling Shareholder the Final Offer Price (which must be within the Offer Price Range) for all participants in the Offering.

The Shares of the Professional Investors must represent the majority 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 their NIN and bank account details will not be eligible for subscription and will not be allocated any Offer Shares.

Subscribers may only apply in one tranche. In the event a person applies in more than one tranche, then the Lead Receiving Bank, 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 investment. The acknowledgement in the case of Electronic Applications via online internet banking and ATM would provide basic information of the application such as the NIN number, amount, date and customer bank account details.

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

3. Further information on various matters

Offer Period

Commences on 21 November 2023 and closes on 28 November 2023 for the First Tranche and 29 November 2023 for the Second Tranche.

Lead Receiving Bank: Emirates NBD Bank PJSC.

Receiving Banks

A list of all Receiving Banks is attached in Annex 3 to 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 Shareholder will allocate the Offer Shares according to the allotment policy specified below and will refund to Subscribers the excess subscription amounts and any earned profit as a result of its investments thereon.

Notice of Allocation

A notice to successful Subscribers in the First Tranche will be sent by way of SMS initially confirming the acceptance of subscription and number of Offer Shares allocated to them. This will be followed by a notice setting out to each Subscriber's Share allocation, which will be sent by registered mail to each Subscriber in the First Tranche.

Method of refunding surplus amounts to Subscribers

By no later than 5 December 2023 (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 earned profit resulting thereon (if any), shall be refunded to Subscribers in the First Tranche who did not receive Offer Shares, and the subscription amounts and any earned profit as a result of its investments 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 earned profit thereon (if any) will be 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 Shareholder 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 Investor Relations Manager. The Subscriber must remain updated on the status. 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 DFM in accordance with the applicable listing and trading rules as at the Listing date of 7 December 2023. Trading in the Shares will be effected on an electronic basis, through the DFM's share registry, with the commencement of such trading estimated to take place after completion of the registration.

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.

Emirates Investment Authority

The EIA shall be entitled to subscribe to (5%) five per cent. of the Offer Shares, and the percentage of subscription which the EIA will purchase shall be allocated in full before the commencement of allocation. Shares allocated to the EIA under this preferential rights regime will be deducted from the total size of the Second Tranche. If the EIA does not exercise its preferential rights then its reserved portion shall be available to Professional Investors for subscription.

Pensions and Social Security Fund of Local Military Personnel

The Fund shall be entitled to subscribe up to (5%) five per cent of the Offer Shares, and the percentage of subscription which the Fund will purchase shall be allocated in full before the commencement of allocation. Shares allocated to the Fund under this preferential rights regime will be deducted from the total size of the Second Tranche. If the Fund does not exercise its preferential rights then its reserved portion shall be available to Second Tranche Subscribers for subscription.

4. Timetable for subscription and Listing

The dates set out below outline the expected timetable for the Offering. However, the Company reserves 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 DFM and publishing such change(s) during the Offering period in daily newspapers.

Event	Date

Offering commencement date (Subscription Opening Date) of the First Tranche and Second Tranche (The Offer Period for the First Tranche shall continue for 7 days, including Saturdays, for the purposes of accepting Subscribers' applications)	21 November 2023
Closing Date of the First Tranche	28 November 2023
Closing Date of the Second Tranche	29 November 2023
Announcement of Final Offer Price	30 November 2023
Allocation of First Tranche	5 December 2023
SMS notification of final allocations of the First Tranche	5 December 2023
Commencement of refunds related to the investment surplus, and any earned profit as a result of its investment thereon, to the First Tranche Subscribers as well as commencement of dispatch of registered mail relating to allotment of shares	5 December 2023
Expected date of listing the Shares on the DFM	7 December 2023

5. Tranches

The Offering of the Offer Shares is divided as follows:

The First Tranche:

Size:	62,475,000 sixty two million four hundred seventy five thousand Shares representing 10% of the Offer Shares. The Selling Shareholder reserves the right to amend the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA. Any increase in the size of the First Tranche will result in a corresponding reduction in the size of the Second Tranche, 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.
Eligibility:	First Tranche Subscribers (as described in the "*Definitions and Abbreviations*" section of this Prospectus).
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, Offer Shares will 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 allotment policy, based on the Final Offer Price. Each Subscriber in the First Tranche will have a guaranteed minimum allocation of 2,000 Shares (two thousand Shares).
Unsubscribed Offer Shares:	If all of the Offer Shares allocated to the First Tranche are not fully subscribed, the unsubscribed Offer Shares shall be available to Second Tranche Subscribers, or alternatively (in consultation with the Authority) the Selling Shareholder may extend the Closing Date for the First Tranche and the Second Tranche or close the Offering at the level of applications received.

The Second Tranche:

Size:	562,275,000 five hundred sixty two million two hundred seventy five thousand Shares representing 90% of the Offer Shares. The Selling Shareholder reserves the right to amend the size of the Second Tranche at any time prior to the end of the subscription period at its 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.
Eligibility:	Professional Investors as described in the "Definitions and Abbreviations" section of this Prospectus.
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 Shareholder, 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 Shares or that they are allocated a number of Shares lower

	than the number of Shares mentioned in their subscription application.
Discretionary allocation:	The Company and the Selling Shareholder reserves the right to allocate Offer Shares in the Second Tranche in any way as they deem necessary. It is therefore possible that Subscribers who have submitted applications in this tranche may not be allocated any Shares or that they are allocated a number of Shares lower than the number of Shares mentioned in their subscription application.
Unsubscribed Offer Shares:	If all the Offer Shares allocated to the Second Tranche are not fully subscribed, then the Offer will be withdrawn.

Multiple applications

A Subscriber should only submit an application for Offer Shares under one tranche. Multiple applications within one tranche will be aggregated under a single NIN (and the minimum threshold outlined above under “allocation policy” will apply to such NIN). In the event a Subscriber applies for subscription in more than one tranche, the Receiving Banks and the Joint Lead Managers 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 Offer Shares by means of an SMS from DFM through Dubai CSD.

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

Subject to the approval of the Authority, the Company reserves 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:	**Dubai Taxi Company PJSC**
Primary objectives of the Company:	The objectives of the Company pursuant to its articles of association are as follows: 1- Carrying out specialized transportation activities through taxi cars according to the applicable regulations in the Emirate of Dubai, whether through transit, communication, electronic media, or smart applications. 2- Carrying out specialized transportation activities through autonomous vehicles and aerial vehicles inside and outside the Emirate in accordance with the applicable legislations. 3- Renting vehicles, whether with or without a driver, and providing services for the procurement, supply and outsourcing of drivers. 4- Carrying out the necessary studies and research related to the Company's purposes and providing consultation services in the field of specialized transportation. 5- Establishing, managing, and operating a system for vehicle rental and transportation via taxi cars and school transportation and specialized transportation, according to the applicable laws of the Emirate of Dubai. 6- Carrying out the activity of renting bicycles to goods transport companies. 7- Carrying out the activity of vehicle maintenance, and establishing, owning, renting and leasing workshops necessary for the maintenance and repair of its vehicles. 8- Establishing gas and electricity stations for their vehicles, and supplying them with fuel or energy, in accordance with the applicable legislations in the Emirate of Dubai. 9- Carrying out the activity of technical inspection of its vehicles in accordance with the applicable legislations in the Emirate of Dubai. 10- Any other purposes specified by in the Company's articles of association.
Head office:	Al Muhaisnah 4, Dubai, UAE. P.O. Box 2647
Term of the Company:	99 years to be automatically renewed thereafter.
Financial year:	1 January to 31 December
Independent Auditors:	KPMG Lower Gulf Limited
Major banks dealing with the Company:	• Emirates Islamic Bank • Commercial Bank International • First Abu Dhabi Bank

Details of Board of Directors:

The Board is expected to consist of the seven Board members whose names appear below**:**

Name	Year of Birth	Nationality	Capacity	Year of Appointment
Abdul Muhsen Ibrahim Kalbat	1967	UAE	Chairman	2023
Ahmed Ali Al Kaabi	1971	UAE	Vice-Chairman	2023
Shehab Hamad Abdullah Hamad Bu Shehab	1971	UAE	Director	2023
Abdulla Mohammed Abdulla Bin Damithan Al Qemzi	1978	UAE	Director	2023
Essa Abdulla Khamis Bin Natoof Al Falasi	1979	UAE	Director	2023
Yousuf Ahmad Ali Saeed Bin Ghulaita Almheiri	1968	UAE	Director	2023
Dr. Hanan Sulaiman Mohamed Khalifa Al Suwaidi	1980	UAE	Director	2023

None of the board members hold memberships on the boards of directors of other joint stock companies in the UAE, except for:

Name	Membership in the boards of directors of other joint stock companies in the UAE
Abdul Muhsen Ibrahim Kalbat	Vice Chairman at Salik PJSC

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

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

Summary of current remuneration to the Board of Directors and the executive management

The aggregate total remuneration which is paid to the Board and executive management of the Company was AED 2.4 million in the year ended 31 December 2022 as compared to AED 0.5 million for the year ended 31 December 2021.

2. BUSINESS DESCRIPTION:

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

Where stated, financial information in this section of this document has been extracted from the Financial Statements.

Certain differences exist in the presentation and accounting treatment in the Audited Financial Statements for the years ended 31 December 2020, 2021 and 2022 and in the Interim Financial Statements which make certain financial information less comparable across the different financial periods. See "Presentation of Financial and Other Information—Financial Statements" for further information. Unless otherwise indicated, the financial information has been presented in accordance with how the information is presented in the Audited Financial Statements and Interim Financial Statements. Where information from the Audited Financial Statements and Interim Financial Statements are presented together, the presentation of the Interim Financial Statements has been used, unless otherwise indicated.

*Certain market, economic and industry data in this Prospectus have been extracted from an industry report prepared by FTI Consulting Solutions Limited (Dubai Branch) (the "**Industry Consultant**") exclusively for the benefit of the Company in relation to the markets in which the Company operates (the "Industry Report"). The Industry Consultant makes no representation or warranty, expressed or implied, to any party with respect to the accuracy or completeness of the information contained in the Industry Report. The Industry Consultant assumes no liabilities with respect to any other party's use or damages, resulting from such use of any information, conclusions or recommendations disclosed in the Industry Report.*

OVERVIEW

The Company is a leading provider of comprehensive mobility solutions in Dubai. With an approximately 44% market share (by size of taxi fleet) as at 30 June 2023 according to the Industry Consultant, it is currently the number one taxi operator in Dubai, with its next largest taxi competitor having only a 22% market share. Having been established as a taxi company in 1994, with operations starting in 1995 with only 81 taxi cars, the Company has since expanded to other mobility businesses by leveraging its dominant leadership in the taxi sector and operational strength. It offers an extensive range of transportation solutions across its four key business lines, including taxi services through its large, eco-friendly fleet; VIP limousine services made up of chauffeur-driven vehicles for luxury service; its bus services; and its last mile delivery bike services. Between 1 July 2022 and 30 June 2023, the Company's taxis and limousines made 44 million trips, 42 million of which were taxi trips. Across its business lines, as at 30 June 2023, the Company operated more than 7,000 vehicles (of which 5,216 were taxis) and managed a workforce of more than 14,000 driver partners.

HISTORY

DTC was established on 28 June 1994 by the Emiri decree of His Highness the Ruler of Dubai Sheikh Maktoum bin Rashid Al Maktoum in order to operate a fleet of taxis in Dubai. Having been established as a taxi company in 1994, with operations starting in 1995 with only 81 taxi cars, DTC grew to an average of 221 taxi cars completing about one million trips during that year. In 1996, DTC opened its first training centre for its drivers as well as a vehicle maintenance workshop for its fleet. The following year, DTC began providing high-quality transport services, including taxi services, at the Dubai International Airport on an exclusive basis with designated pick-up points at the airport for DTC. DTC began providing similar offerings at Al Maktoum International Airport in 2010. By 2000, DTC's operations had grown to provide approximately 14 million trips during that year. In 2007, DTC began to transform its existing taxi fleet by launching its hybrid car programme in an effort to reduce the overall fuel consumption of its operations. The programme is still underway and as at 30 June 2023, approximately 80% of the Company's taxis were hybrid and approximately 77% of its limousines were hybrid or electric. In 2008, DTC began operating as a subsidiary of the then-newly established RTA, which was established in Dubai under decree no. 17/2005 issued by His Highness the Ruler of Dubai Sheikh Maktoum bin Rashid Al Maktoum on 1 November 2005, in order to develop solutions for Dubai's transportation needs, including taxi services, and regulate the Emirates' roads and traffic systems.

In 2015, the Company began to expand its service offerings and began offering bus transport services. Later in 2017, DTC continued its fleet transformation by launching the Tesla electric vehicle programme for its limousines, in addition to continuing to increase its hybrid taxi and limousine numbers. By the end of this same year, DTC achieved a significant milestone as it had transported approximately one billion passengers since its establishment in 1994.

In response to the growing penetration of digital platforms for transportation services, DTC launched its in-house developed smart application for its limousine services (the "**DTC App**"), in 2019. During the same year, within its taxi business, DTC agreed to a partnership with Hala, a joint venture between the RTA and Careem, a Dubai-based smart-app, aimed at transforming and enhancing transportation services in Dubai.

On 9 November 2023, in preparation for the Offering and based on the Dubai Government's direction, RTA transferred all its shares in DTC to the Dubai Department of Finance, who became the sole shareholder in the Company on 9 November 2023.

COMPETITIVE STRENGTHS

Operating in an attractive market with strong macro tailwinds

DTC is currently Dubai's main taxi operator and is also active in other mobility business lines, specifically buses, limousines, and delivery bikes. The Company believes it is thereby well placed to benefit from operating in the wider mobility market, which is strategically positioned to benefit from Dubai's growing economy and favourable demographics. The taxi and e-hailing market in Dubai is expected to grow in part as a result of an approximately 3% projected CAGR in Dubai's population from 2023 to 2040 (with the populations of Hong Kong, London and New York all only expected to grow at a CAGR of 0.5% during the same period), coupled with a forecasted approximately 20% CAGR growth in tourism in Dubai from 2022 to 2025, with the Dubai International Airport the busiest international airport for international passengers for nine consecutive years as of 2022, according to the Industry Consultant. These expected population and tourism trends are supported by government strategic plans, including the Dubai Economic Agenda D33, which aims to double the size of Dubai's economy over the next decade and position Dubai among the top three global cities, the Dubai 2040 Urban Master Plan on urban sustainability, the creation of several visa and residency schemes, social and legal reforms and programmes to attract talent and foreign direct investment to the region. Further supporting this expected growth, the UAE Tourism Strategy 2031 includes 25 separate initiatives and policies to support the UAE tourism sector.

In Dubai, the RTA has developed an efficient and connected public transport network. The primary metro line run the length of the city and is complemented by taxis, limousines, trams and buses. From 2017 to 2022, taxi ridership as a percentage of overall ridership in Dubai (which consists of taxi, metro, tram and buses) has remained relatively constant between approximately 32% to 34% each year. This consistent high taxi usage in Dubai is also driven by low traffic congestion, affordable taxi customer tariffs by international standards, seasonality of weather conditions (which often do not allow for comfortable walking, biking or other similar forms of transport), high availability of taxis which reduces waiting times in a geographical dispersed city like Dubai and high disposable incomes. As Dubai continues expanding with the creation of new urban centres and clusters, the demand for agile modes of transportation and for interconnected and efficient transportation is also expected to grow.

Largest taxi operator in Dubai with a dominant market share

DTC is the largest taxi operator in Dubai, with a dominant market share of approximately 44% of total taxis as at 30 June 2023 (and providing 44% of total revenue kilometres travelled by taxi and approximately 39% of taxi trips) as at 31 May 2023 according to the Industry Consultant, making it twice as large as the next largest taxi operator. In a city like Dubai, where taxi usage represents a high proportion of public transport ridership and has maintained a stable percentage of public transportation ridership since 2017, DTC's market leading position provides a key competitive strength to the business. Management has built this dominant position in the industry over the years mainly thanks to its pioneering role in the UAE taxi industry, its consistent investment in its own systems and its people. Today, the Company has accumulated almost three decades of experience and the size of its operations provides DTC with significant economies of scale and negotiating leverage for its payment terms with car and parts suppliers, fuel providers and other vendors.

Further supporting DTC's market position is its ability to win key commercial contracts on an exclusive basis and at prime sought-after locations. DTC is the sole taxi franchise to provide its pick-up services from the Dubai Airports from which it also provides limousine services. Due to the regulatory pricing framework that charges customers an airport surcharge for all trips originating at the airport, off-peak pricing for taxi customer tariffs from the Dubai International Airport for a 10-kilometre trip earns DTC almost double the tariff for all other taxi trips of comparable length in Dubai. DTC also provides limousine services on an exclusive pick-up basis from landmark points of interest in Dubai, typically located in high density areas such as the Dubai Mall, one of the largest malls in the world, Atlantis Hotel and Dubai World Trade Centre.

In addition to the above, DTC is the exclusive provider of taxi and limousine services at pick-up points in Port Rashid, which has been the Middle East’s leading cruise tourist destination for the last eight consecutive years and can handle seven cruise vessels (or 25,000 passengers at once), according to the Industry Consultant. DTC also has exclusivity pick-up points for its limousines at the Global Village. This exclusivity in key locations protects DTC's market position and drives strong customer engagement due to the availability of cars and low waiting time at key locations with high pick-up volumes. To support an agile and efficient operating system with expedited supply of vehicles to key areas, DTC has established strategically placed depots adjacent to these exclusive pick-up locations, enabling fast and efficient services while optimising resource allocation. Given the size of DTC's fleet, coupled with its exclusivity in key locations, the Company's red-roofed taxis are near ubiquitous in key areas across Dubai.

Over the years, its market leadership has provided DTC with the opportunity to take an active role in shaping Dubai's regulatory framework and the RTA's broader sector strategy. Thanks to its strong position, competitive edge, scale and market insights, DTC believes it is the preferred partner for vehicle launches, prototype tests and bespoke car designs in Dubai, and has also become a key partner with an app developer, underscoring its critical role in Dubai's growing mobility sector.

Finally, DTC's scale has allowed the creation of its own operating control centre ("**OCC**") with in-house analytics (including predictive analysis through heatmaps) that enables the Company to dispatch vehicles, monitor live traffic and congestion, and allocate drivers accordingly.

The scale of its fleet, integrated model and exclusivity at high-traffic locations positions the Company as the preferred choice for customers and partners alike.

Favourable taxi regulatory framework, creating high barriers to entry

DTC benefits from a favourable regulatory framework with high barriers to entry. The RTA, as the sole regulator for the Dubai taxi industry, ensures a controlled supply, regulatory safeguarding and stable market dynamics, by closely managing the creation and issuance of new licence plates, which are issued through an auction process, and thus controlling the introduction of new taxis into the market. The RTA carefully balances the issuance of new licence plates against forecasted market demand for taxis. Since 2018, the RTA has introduced 1,350 new licence plates in the entire Dubai taxi market, reflecting its policy of avoiding oversupply. Every RTA auction is open to the existing five taxi franchisees operating under franchise agreements with the RTA. Any other bidders would need to go through the RTA's pre-authorisation process before being able to bid, which process can be extensive. Bids are submitted by franchisees or any bidders that have been approved by the RTA and the RTA manages a robust procurement and selection process, guided by financial (mainly pricing) and technical (mainly consisting of the vehicle availability and driver ratio thresholds) criteria. Management believes that DTC's significant market share, network operational capabilities and economies of scale provide it with an advantage in delivering against the RTA's key performance indicators and auction criteria.

In addition to the auction process, the RTA has established a robust and defensive pricing system that provides a certain level of protection from competition and from volatility in the franchisees' costs. The RTA requires all franchisees to charge passengers a fixed tariff based on a formula that accounts for fuel volatility. The RTA's fixed- tariff model is regularly adjusted every two months for fuel prices. Periodic inflation adjustments are at the discretion of the RTA, subject to the recommendation of each franchisee. In addition, when new plates are awarded, the RTA allows franchisees to pay the plate capex within five years. The plate capex represents the cost (approximately AED 250,000 to AED 370,000 per plate) of being issued the taxi plate, payable once a plate is awarded and are accounted for as intangible assets having an indefinite life. The payment for these plate capex is paid to RTA over a period of 5 years.

For limousines, the RTA mandates that customer tariffs be at least a 30% premium over taxi customer tariffs through mandatory licensing requirements for limousine drivers. While other geographic markets often allow new entrants into the market through e-hailing apps, the Dubai taxi and limousine market is regulated by the RTA. In Dubai, the RTA oversees a robust licensing process, which directly allows it to closely govern the taxi sector, and indirectly govern the limousine and e-hailing mobility sectors. Such mandates provide a key point of value and security for DTC taxis given the impact and displacement e-hailing services have had in other geographic markets in competing with local taxis.

Collectively, the regulation framework provides stability for DTC, while supporting for a diverse mobility sector.

Leading comprehensive UAE mobility company with focused workforce management

DTC is a diverse and dynamic company operating on other mobility segments aside from its taxi franchise therefore offering a comprehensive portfolio of transportation services. DTC is present in the luxury mobility segment, since 2012, via its VIP limousine services. Within the limousines business line, as of 30 June 2023, the Company operated 387 luxury vehicles, offering chauffeur-driven services tailored for Dubai's thriving tourism industry and available 24 hours a day, 7 days a week. DTC is keen to cater for various segments of the population and its specific needs, leading to the launch of Ameera limousine, Dubai's first limousine fleet driven by women for women, as well as a fleet of luxury electric cars providing eco-friendly rides within Dubai and across Emirates as well.

In its bus business line, which commenced operations in 2015, the Company has experienced significant recent growth by successfully winning strategic contracts and rapidly deploying new buses following the COVID-19 pandemic. As of 30 June 2023, the Company operated 946 buses including school buses and commercial buses, serving private and public schools, nurseries, corporates, tourists and events. The Company has secured key contracts with private and public partners and notably with the UAE Ministry of Education for transportation in Dubai and Ajman. The Company's buses have the highest safety measures. Moreover, according to the Industry Consultant, Dubai's school population is expected to increase from 343,000 in 2023 to 550,000 by 2040. Management believes DTC is well-positioned to capture the growth opportunities in the education sector. Management believes DTC's already strong brand is further strengthened by its 24/7 control centre and its unwavering commitment to safety and reliability.

Following the COVID-19 pandemic and the increasing demand for online shopping and other delivery services, DTC entered the market for last mile delivery services by launching its own delivery bikes service in 2022. DTC currently provides turnkey transportation solutions through highly trained drivers. Beyond DTC's core services in this business line, management believes that the Company is strongly positioned to gain a sizeable share of the growing online delivery services market as the value of this sector in the UAE is expected to grow from an estimated U.S.$1.9 billion in 2023 to U.S.$3.4 billion by 2027, reflecting a CAGR of 15% over that period, according to the Industry Consultant.

To support its operations, DTC has put in place a focused workforce management programme and it believes that its drivers are a core element in its current success and future prospects as the leading comprehensive UAE mobility services provider. As of 30 June 2023, DTC's services were provided by 14,538 drivers, of which 12,336 were for taxis, 970 were for buses, 630 were for delivery bikes and 602 were for limousines. DTC's international recruitment platform and internal recruitment process enable it to recruit and retain driver partners. Once recruited, drivers go through a robust five-level training programme at the DTC training centre to ensure they are equipped to deliver the highest standards of safety, service, and professionalism. Between 2019 and 2022, DTC trained more than 9,000 drivers each year at its accredited training centre. DTC ensures drivers are well-supported, a performance-based commission slab that ensures consistent recognition and reward for drivers throughout the year based on transparent set criteria and benefits which include health insurance, awards through various programmes, like its Shukran programme, and a variety of services and facilities at the Company's main depot, including driver counselling services by an in-house psychologist.

Integrated business model, leveraging superior technology solutions

Management believes that technology is integral to the success of the Company's operations and its ability to capitalise on further opportunities in the future. As such, it has invested over the years significant resources in developing the technology infrastructure it currently has and that can be scaled in the future providing the Company with multiple avenues of growth.

DTC was one of the first companies to participate in the e-hailing business and to enter into a partnership with Hala in 2019 to cater for the very nascent e-hailing market in Dubai. The growing e-hailing sector is beneficial to the overall customer experience and operational efficiencies. In 2020, e-hailing was responsible for only 11% of taxi services in Dubai. Now, in the first half of 2023, e-hailing generated 31% of taxi services in Dubai, with DTC providing 33% of these trips. The Dubai Government is targeting e-hailing to generate 80% of these services in the coming years.

In parallel to partnering with Hala, DTC launched its own proprietary application to cater for e-hailing: the DTC App. Currently the DTC App is only providing VIP limousines services to customers throughout Dubai and from Dubai to neighbouring emirates. The Company's DTC App is interlinked with key booking engines throughout Dubai and with partner portals including events, hotels and hospitals, corporate partners and with the DTC Partner App, the Company's key platform for internal communications with its drivers, and is being developed to further integrate with the Company's other business lines. As at 30 April 2023, the DTC App had been downloaded more than 400,000 times, used to hail over 400,000 rides and averaged more than 30,000 monthly active users. Further, DTC launched its own app for its bus business line as well. The DTC School Bus App is a DTC-proprietary smart-app that connects families with school bus drivers and the operations team that aims to ensure children travel safely and on time to and from their schools.

DTC's integrated business model also relies on innovative solutions such as the RTA's "Taxi eHail Automated Management Systems" ("**TEAMS**") architecture which is key to creating connections that ensure driver, customer and operators benefit. In order to combine these systems and applications, the Company relies on its own advanced OCC where it is able to track live its operations, utilise and manage the fleet, its employees and drivers, monitor key performance indicators and command any changes necessary to ensure operations are being executed in an efficient and timely manner. Management has made and intends to make further investments in AI, automation, big data and integration into Dubai's smart-city initiatives that will be commanded at its OCC.

Looking ahead, and following the liberalisation of e-hailing from April 2024 by the RTA and the expiration of the DTC's exclusivity agreement with RTA Careem at the end of 2024, DTC may broaden its e-hailing approach and explore partnerships with other international e-hailing apps outside of Hala and other local apps (which regulations and other taxi franchisees have allowed for since July 2023). Management believes DTC to be the partner of choice for many smart-app companies that may enter the market due to its scale, know-how and technological capabilities. DTC also intends to potentially scale up its own DTC App to its other business lines.

In line with Dubai's agenda to become one of the smartest cities in the world, DTC believes it is well positioned to invest in technologies such as process automation, big data in order to be future ready and drive the government's agenda.

Seasoned senior managers and a wider management team with strong execution capabilities

DTC is led by highly experienced senior managers and a wider management team that has a proven track record of operational execution and success. Particularly, DTC's senior managers and wider management team is significantly experienced within the Company and the RTA, providing it with a highly valuable understanding of the entire mobility sector. The Company is further supported by committed stakeholders such as the RTA (as its regulator and operational partner in areas like the TEAMS architecture) and its current shareholder, the Department of Finance, who supports management in its aim to provide the best services and exceed customer expectations, gaining their continual satisfaction. Under this leadership, DTC is well recognised internationally having won the "Great Organisations Culture" award in 2022 and the "Digital Transformation and Innovation (Solution of the Year)" from Seamless Middle East in 2022, the "Best application of technologies in the field of logistics services" awarded by Future Enterprise Awards as well as the Prestige Award for "Taxi Company of the Year – UAE".

Leading ESG partner with strong focus on urban sustainability

Central to DTC's mobility vision are the tenets of ESG and urban sustainability which further aligns with Dubai and the larger UAE's mobility vision and Dubai's sustainability goals. The UAE was the first GCC country to commit to net zero emissions by 2050 and Dubai has set ambitious targets to become a sustainable metropolis and green mobility champion in line with these commitments.

Since the launch of its hybrid car programme in 2007, DTC has targeted green mobility, having been a pioneer in helping Dubai set up the necessary infrastructure, and now having the largest fleet of environmentally-friendly vehicles in Dubai of which approximately 80% of its taxis were hybrid and approximately 77% of its limousines are hybrid or electric as of 30 June 2023. DTC has targets in place to reach 100% hybrid or electric vehicles by the end of 2024 which is three years ahead of the RTA's target of 2027 for all taxis and limousines in Dubai. To deliver on this ambition, DTC has already entered into a number of memoranda of understanding with several vehicle dealers to support the electrification and hybridisation of its fleet, increasing its eco-friendliness. As part of these arrangements, DTC has in place an agreement with KIA to contribute to the specifications of KIA's 100% electric purpose-built vehicle which will suit the Dubai market and environment, with planned development of an autonomous vehicle post-2025. DTC is prioritising its fleet transformation as this green initiative will also enable the Company to improve its profitability by reducing fuel costs.

In addition, DTC plays an active role in social initiatives offered within its company and throughout the community, including providing over 45 awareness campaigns to educate its drivers and other drivers across Dubai in various fields of work in partnership with certain third parties, including, Civil Defence, Dubai Police, Dubai Health Authority, Dubai Culture and Arts Authority and Noor Dubai Corporation, ensuring its service offerings are able to accommodate all of persons including people of determination and providing any additional security, privacy or comfort that women, children or families may require. Drivers are also able to receive instant bonuses for good hospitality, clean vehicles and customer satisfaction through the Company's Shukran programme. The people of determination services are only operated by DTC and no other franchisees.

Across all of the Company's stakeholder groups, DTC is fully transparent, providing full clarity on both customer tariffs and criteria for allotment of taxis and has committees who oversee key aspects of operations and report to the Board. Combining these factors, the Company believes its commitment to people and good governance contributes to high customer satisfaction.

Robust financials demonstrating profitability, cash flow and return on capital employed strengths

DTC has a robust financial model which demonstrated resilience during COVID-19 and recovery from 2021, with performance from 2021 demonstrating profitability and positive Free Cash Flow generation. For the year ended 31 December 2022, total revenue saw growth of 31.4% compared to the prior year and above the level recorded prior to the pandemic in the year ended 31 December 2019. For the six months ended 30 June 2023, revenue was up 10.7% compared to the same period in 2022, as the Company continues to experience strong and steady demand for its services. The Company continues to expand on its utilisation of e-hailing and increase the number of trips it provides, whilst managing its cost structure (including through a reduction of fuel prices due to the increase in hybrid vehicles). For the six months ended 30 June 2023, EBITDA Margin grew to 25.4% compared to 17.8% in the prior period, which is also significantly above the 20.7% EBITDA Margin achieved prior to the pandemic in the year ended 31 December 2019 and above the year ended 31 December 2022.

Net Income Margin for the Company was 19.5% for the six months ended 30 June 2023, having increased significantly following the pandemic from negative 16.4% for the year ended 31 December 2020, which supports the Company's expectation it will be able to maintain an attractive dividend distribution. Despite increases in capital expenditure seen over the last 18 months due to the Company's decision to delay capital expenditures as a result of the COVID-19 pandemic, DTC continues to hold a strong Free Cash Flow of AED 95.4 million and a strong Cash Conversion Ratio at 44.8% for the six months ended 30 June 2023. Even during the disruptions experienced as a result of the COVID-19 pandemic, DTC maintained a favourable working capital cycle, recently impacted by higher capital expenditure trade payables resulting from delayed capital expenditures following the COVID-19 pandemic. Other than during 2020, DTC has maintained positive and strong Free Cash Flow generation.

The Company also has a favourable ROCE, which was 50.9% as at and for the year ended 31 December 2022. As at and for the last twelve months ended 30 September 2023, the Company’s ROCE was 27.8%, as adjusted for the pre-IPO dividend and share capital changes resulting from the board resolution passed by the board of directors of the RTA on 3 November 2023.

Well positioned to benefit from additional growth levers

With the flexibility afforded by its operations and financial performance, DTC is well positioned to drive its future growth as it invests in expanding in the following levers:

- **consistently improving operational efficiency** by increasing fleet utilisation and the average number of trips per day;
- **capitalising on the growth of e-hailing penetration** which currently accounts for 31.0% of all taxi rides in Dubai with the Dubai Government targeting e-hailing to reach 80.0%;
- **scaling-up other verticals,** with the next phase of DTC's expansion focused on growing its bus and delivery bike business lines;
- **expanding its taxi fleet** with the number of new licence plates to be awarded by the RTA expected to be in line with DTC's current market share;

- **ongoing investment in digital** across AI, big data, security and process automation, while also continuing to develop the capabilities of DTC app;
- **introduction of surge pricing customer tariffs** for taxi (where approved by the RTA) and limousine trips during peak times of demand; the RTA is expected to introduce surge pricing for taxis booked through e-hailing from the fourth quarter of 2023 and the DTC is exploring the introduction of surge pricing for its limousine services;
- **expanding operations beyond Dubai,** with DTC already present in Ajman through the DTC bus business line; and
- **through inorganic expansion** where DTC is well positioned to absorb smaller competitors in a scale-driven industry.

STRATEGY

DTC has developed a well-defined growth strategy that is focused on capitalising on its strengths.

Organic growth across business lines

The favourable macroeconomic conditions and fundamentals of operating in Dubai translates into unique growth avenues for DTC across each of its business lines. As such, a core aspect of DTC's growth strategy focuses on expanding its fleet while relying on the underlying market demand and growth of the Dubai city area.

With the government's implementation of social and legal reforms and the launch of initiatives that attract foreign talent to the Dubai such as the Golden Visas Scheme, virtual working visas, the 'Retire in Dubai' programme and the creation of several other visa and residency schemes, the Dubai resident population is expected to grow from approximately 3.5 million for the year ended 2022 to approximately 5.8 million in 2030, a CAGR of approximately 3.0%, according to the Industry Consultant. In addition, the tourist population visiting Dubai is set to grow from approximately 14.4 million in the year ended 2022 to approximately 25.0 million in 2025, a CAGR of 20.0%, according to the Industry Consultant. In 2022, Dubai International Airport was the world's busiest international airport with more than 66 million passengers recorded during the year and the airport having recorded its highest number of international travellers during this period as well according to the Industry Consultant. In 2022, the average total hotel occupancy rate for Dubai was recorded at 72.0%. In addition, Dubai is also a host of major events, which draw on visitors from all over the world, with an aim to hold 400 global events per year by 2025. The government's 'Dubai 2040 Urban Masterplan' is also expected to drive population growth and the number of tourists to the city. As part of the Dubai 2040 Urban Masterplan the city will be developed into five main urban areas and the land area for tourism and hotel activities will increase 134% by 2040. Under the plan, the land area for education and health facilities will also increase 25% by 2040, and built into the plan, are sustainable and flexible means for mobility for the city. In turn, the number of taxis needed to meet the city's demands is expected to increase as larger urban areas will lead to longer taxi rides and higher occupancy of taxis and increases in the density of the city area and urban centres is expected to result in a higher frequency of taxi rides as people move around the city. In addition, according to Industry Consultant estimates, disposable income across the UAE is expected to grow a CAGR of approximately 5.0% from 2022 to 2027, from AED 23,000 per capita to AED 30,000 per capita, with such growth supported by the absence of personal income tax, capital gains tax and inheritance tax in the UAE, a diverse expatriate workforce earning high salaries and Dubai's strategic position as a global business and investment hub attracting multinational companies and entrepreneurs. As such, DTC's strategy will target organic volume growth across each of its business lines.

For its taxi services, the Company will prioritise methodical and systematic expansion of its fleet to meet the increasing demand due to growth in the population of Dubai and tourists, while targeting increased revenue and margins. As part of the growth of its taxi services, the Company plans to maximise its efficiency by focusing on three operational areas: fuel efficiency, utilisation rates and revenue generated from kilometres driven. DTC's fuel efficiency will be driven by a full switch to hybrid vehicles in the short-term with approximately 80% of its taxi fleet were hybrid and approximately 77% of its limousine fleet were hybrid or electric as at 30 June 2023 and targets for 100% to be hybrid or electric in 2024, and in the long-term, switching the fleet to include more electric vehicles. Better fuel efficiency will also be driven by periodic upgrades of its vehicle technology by manufacturers, making them more fuel efficient. The full switch to hybrid will also result in higher utilisation rates as the hybrid vehicles require less maintenance. Higher utilisation rates are also expected to be driven by increases in the driver-to-taxi ratio which will lead to a larger number of drivers and higher fleet occupancy. The Company also plans to utilise e-hailing and other digital capabilities such as predictive analysis, heat maps and automation of driver monitoring technologies to push higher utilisation rates and revenue generating kilometres driven.

For its limousine services, the Company's strategy will prioritise a gradual and sustainable fleet expansion following recent optimisation, to meet the increasing demand from riders with high disposable income. With the expected increase in executive-level travellers and high-net worth tourists, growth for the Company's limousine services will aim to capitalise on these tourists as its passengers by exploring the potential for exclusivity agreements with additional venues, apps and events in Dubai.

For its bus services, the Company will prioritise steady long-term growth in volume, supported by the contractual nature of the business line and the increase in the underlying student population in Dubai, while also capitalising on potential large corporate entities to offer its high-quality bus services in a segmented market with only a few key providers.

For its delivery bike services, the Company is targeting robust fleet expansion, which it expects will be driven by the rapid growth in the UAE online food delivery market (with an estimated CAGR of 14.9% from 2023 to 2027 according to the Industry Consultant) while capitalising on the potential it has to diversify its partnerships and flexibility to work with a broader base of aggregators.

Investment in digital capabilities and operational excellence

The digitisation of the mobility services industry is a clear trend in which the Company will continue to strategically invest in to boost its operational excellence. As part of its strategy, DTC relies on its strong e-hailing platform, valuable partnerships in the industry and targeted technology investments to improve its margins, grow its market share, optimise its technical and operational efficiency, increase automation in its operations, and increase customer and driver satisfaction.

Through the Company's in-house e-hailing app, the DTC App, which currently serves only limousine customers, DTC plans to capitalise on the growing e-hailing market by expanding the app's coverage to include taxi services. Currently, through the RTA Careem's customer app, Hala, the Company has given RTA Careem the exclusive right to provide all e-haling for DTC taxis, which remains in effect through December 2024.

The Company couples its strong e-hailing platform and valuable partnerships with selected technology investments in big data, artificial intelligence and the Dubai smart-city initiatives and automation, system upgrades and smart services. In order to capitalise on the opportunities provided by big data, DTC's strategy invests in better structuring, storage and processing of its large database for smart decision-making of its fleet and the streamlining of the DTC platform into a single platform that is able to host a range of services in one place. To capture the growth opportunities presented by artificial intelligence and the Dubai smart-city initiatives, DTC has invested and will continue to invest in its taxi demand prediction system to enhance the distribution of its vehicles throughout the city and its smart school bus system which enable it to track details of school trips, attendance and departure of students. To increase the satisfaction of its customers and drivers, DTC also invests in automation, system upgrades and smart services such as upgrades to its intelligent driver training system, converting it to a smart driver education system, upgrades to its monitoring systems to avoid server crashes and system upgrades to integrate customer relationship management technology frameworks to promote accuracy and the quality of customer data tracked across the Company's platforms.

Expansion beyond Dubai and through organic and inorganic growth

In addition to offering its services in Dubai, DTC monitors growth opportunities to expand into the broader UAE and supports this potential with well-defined organic and inorganic growth strategies. The Company currently has a presence in Ras Al Khaimah where its limousine services operate and in Ajman where its bus services operates. As such it has experience in pursuing organic growth opportunities. Given DTC's size, it may also execute its taxi service expansion via inorganic strategies such as an acquisition of a smaller taxi company in Dubai and/or other Emirates. For its limousine services, DTC's organic growth strategy plans to build on its existing presence and expand to other Emirates while also considering the potential for partnerships with hotel and booking aggregators for exclusivity rights in other Emirates as is done in Dubai to drive expansion in the business line. For its bus services, DTC's plans to build on its existing presence in Ajman by catering to a larger number of corporates and schools, capitalising on its high-quality service offering and the extension of the DTC Bus App in Ajman while also leveraging its existing relationship with the Ministry of Education to seek expansion to other Emirates under long-term contracts. For its delivery bike services, DTC plans to further consolidate opportunities in the market in the long-term given the existence of a number of small-scale operators and the increasing costs to operate in the business line.

DESCRIPTION OF BUSINESS

Business lines

Since establishing its initial taxi fleet in 1994, DTC has expanded its range of operations to provide its customers with comprehensive services, comforts, and customer care, adhering to the highest levels of transportation industry quality standards. DTC provides an extensive range of mobility services across four key business lines: taxis, VIP limousine, buses and other services (which includes last-mile delivery bike services).

Taxis

At the core of DTC's mobility offerings are its taxi services, offered through its large eco-friendly fleet. As at 30 June 2023, DTC holds the largest vehicle fleet in Dubai, owning 5,216 taxis, or 44% of Dubai's total taxi fleet, giving it a leading position in the market against its four direct competitors. The Company is generally able to quickly and efficiently procure its taxis from local dealers, and in

2022, it added or replaced 1,000 of its taxi fleet over a four month period. Out of the 5,216 vehicles in DTC's taxi fleet as at 30 June 2023, 4,191 or approximately 80% are hybrid vehicles.

Through the Company's taxis, customers are offered comfort and quality transportation in regularly maintained vehicles at regulated prices. The Company's taxis are outfitted with cameras for both passenger and driver safety as well as a variety of telematics that provide integration of services for smart-apps and website bookings, record the number of trips and trip locations and revenue generated per trip, each of which is communicated to the Company's Operations and Control Centre (the "**OCC**").

DTC provides its taxi services through Franchise Agreements with the RTA. The Company, rather than its drivers or the RTA, own all the taxi vehicles used for its services. Under the terms of the Company's Franchise Agreements with the RTA, it typically pays the RTA a monthly franchise fee of AED 5,000 per vehicle. However, a certain number of its taxi plate, 410 as of the date of this Prospectus, which relate to its airport taxi plates and ladies taxi plates, are subject to a reduced monthly franchise fee of AED 3,600 per month. The Company also has 14 exempt licence plates for its people of determination taxis (and is expecting to receive 13 additional such plates in the near future), which are not subject to a monthly franchisee fee or plate capex. In addition, starting from 2023 the Company is not required to pay monthly franchise fees for 5% of its license plates. This is to account for the fact that, typically, 5% of the fleet is undergoing maintenance on any given day.

Solutions

<u>Taxis (Regular)</u>

Taxis are the Company's traditional taxi service, capable of providing customers with transport throughout the Emirates for journeys beginning in Dubai. DTC provides services to key locations such as hospitals, shopping malls and metro stations. While any of the five taxi companies authorised in Dubai typically can pick up passengers throughout Dubai (including locations where the Company or its competitors may have exclusivity agreements in place with the venue for limousine services), the Company is the only taxi company authorised to pick up passengers by taxi at the Dubai Airports and Port Rashid. As at 30 June 2023, 4,741 of the Company's 5,216 taxis in its fleet were regular taxis and vans capable of providing customers with transport.

Currently, customers are able to request taxi services from the Company and its competitors through the smart app Hala or through traditional street hailing. However, after 31 December 2024, the Company expects its customers will also be able to hail the Company's taxis through its own DTC App and potentially other taxi e-hailing apps.

<u>Rental taxis</u>

For travel within Dubai, customers can rent the Company's taxis for a period of time rather than per trip. Rental taxi services are charged through time-based rates regulated by the RTA.

Customers are able to request rental taxi services through the DTC Call Centre or by email.

<u>People of determination taxis</u>

The Company's people of determination taxis are large, highly sophisticated vehicles, equipped with special features including special lifts for wheelchairs, artificial respiratory systems and seat accommodations for persons with special needs. For the six months ended 30 June 2023, 27 of the Company's 5,216 taxis in its fleet were dedicated people of determination taxis.

Customers are able to request people of determination taxis through Hala or the DTC Call Centre for pick-ups at the Dubai airports or throughout Dubai.

Ladies and family taxis

Through its ladies and family taxis, the Company provides mobility solutions exclusively to women and family commuters in taxis driven solely by female drivers. As at 30 June 2023, 98 of the Company's 5,216 taxis in its fleet were dedicated ladies and family taxis.

Customers are able to request ladies and family taxis via Hala or the DTC Call Centre for pick-ups at the Dubai airports or throughout Dubai.

Limousines

Through its limousine transportation service, the Company provides luxury chauffeur-driven vehicles for Dubai visitors, business professionals and various clients with competitive rates, convenient booking and 24/7 customer care.

As at 30 June 2023, the Company's limousine fleet consisted of 387 luxury vehicles, of which approximately 35% (137 vehicles) were hybrid and 41% were electric vehicles (which consisted of 160 Tesla vehicles). The Company also provides two premium limousine options: Ameera limousines and XL limousines, as well as a service targeted towards women, children, students, families and people of determination called "In Safe Hands". Customers are also able to rent limousines for hourly rates.

Through its Ameera limousine services, the Company provides women and families with a premium experience that includes tinted windows, Wi-Fi and phone chargers and a female-chauffeur driver – Dubai's first female-chauffeur service for women. Through its XL limousine services, the Company provides a large vehicle, luxury chauffeured service for group-commute experiences.

The Company has agreements in place to exclusively provide limousine pick-up services at exclusive pick-up points found at the Dubai Airports, Port Rashid, Global Village and the Dubai World Trade Centre, with partial exclusivity at Dubai Mall and the Atlantis (meaning, it has the exclusive right to pick up customers at certain pick-up points at the venue but not exclusivity over the entire venue). Customers can also request the Company's limousine services via the DTC App, the Company's call centre or via the Careem limousine or Uber apps or other aggregators.

Bus Services

The Company's bus services business line provides transportation for schools and other student requirements, as well as commercial entities with professional and trained drivers and modern and regularly maintained buses, at competitive prices that are not set by regulation. Currently, 87% of the Company's bus services are linked to the Company’s contracts with the Ministry of Education.

The Company's buses are outfitted with advanced safety features for passengers (including surveillance systems) and a variety of telematics that provide driver assistance, route optimisation, integration of services for the Company's smart-apps, bus tracking, monitor driving behaviour, status updates on the bus (including engine status and performance) and safety features, each of which are communicated to the OCC. Through the DTC School Bus App, parents are able to track their child's bus receiving notifications of when their child checks in, estimated times of arrivals, location changes and cancellations.

As at 30 June 2023, the Company had 946 customised buses which serve more than 24,500 registered school and university students under long-term contractual agreements in Dubai and Ajman with private schools and the Ministry of Education. Of the Company's 946 buses in its fleet, all but 130 are owned by the Company. Because of supply chain issues and an inability to buy new buses, the Company leased additional buses in order to fulfil its contracts during COVID-19. The Company is currently sourcing buses to purchase to replace its leased buses at the time that its lease agreement expires. The Company also provides bus services to passengers of government and commercial entities such as Global Village, Dubai Police, DP World and Dubai Sports Council on an ad hoc basis. Passengers for government or commercial customers range from employees transiting to work, tourists or event visitors, with the Company's services tailored to the needs of each customer. As at 30 June 2023, the Company was in the process of procuring an additional 315 buses to expand its fleet.

Other Services

In addition to its taxi, limousine and bus services, the Company offers delivery bike services and "My Driver" services.

Delivery Bikes

Launched in September 2022, the Company provides a reliable service for customers on motorised delivery bikes. The customers of the delivery bikes service are last-mile delivery companies such as Careem, Noon and Power Lease (with additional customers expected to be added during the second half of 2023). As at 30 June 2023, the Company had 597 delivery bikes and from September 2022 to June 2023, DTC's delivery bikes completed 443,000 deliveries according to the Industry Consultant. Through its delivery bikes service, the Company offers petrol-powered delivery bikes and trained, professional drivers to service the delivery needs of Dubai-based restaurants and food retailers. Customers benefit from the 24/7 support, safety and reliability provided by DTC. The delivery bikes and drivers are integrated into the customers' business, with the delivery bikes outfitted in that customer's branding and logos, drivers undergoing additional training as required by customers and being subject to a customer's quality and standard controls. The last-mile delivery bike services' end-customers are then able to use the aggregator's platforms and other delivery channels to order a product while DTC bikes and drivers are dispatched to deliver it.

For its delivery bikes, the Company is paid per delivery with negotiated minimum commitment clauses with each customer. Drivers also receive additional trip earnings according to a sliding scale based on the distance travelled and subject to meeting certain service and availability requirements.

Although the Company currently has no plans to create its own smart-app for delivery bike services, in the future, the Company does intend to expand its delivery bike operations to attract customers who are last-mile delivery providers for groceries and other business lines and plans to electrify its fleet of delivery bikes.

Mashaweer ("My Driver")

Mashaweer, or My Driver, is a service DTC offers to customers who have their own vehicles. Through Mashaweer, DTC's trained drivers are available to chauffer customers for a minimum of four hours at an hourly rate or daily, weekly or monthly as the case may be, at an agreed fee, using the customer's provided car, fuel and insurance. The type of services offered by My Driver are not regulated by the RTA.

Regulatory Framework

Plate auction

Currently, the RTA has franchise agreements with five taxi companies in Dubai (including the Company). The RTA, as the sole regulator for the industry, monitors and controls the supply of new taxis to the market through an auction process for taxi licence plates. Using its forecasted market demand for taxi vehicles, the RTA determines how many additional taxi vehicles can be added to the market for the following year. Since 1 January 2018, the RTA has issued only 1,350 new taxi licence plates in the entire Dubai taxi market, which reflects a limited supply of new taxis for the Company and the market overall.

Every auction is a closed bid which is only open to the existing five taxi franchisees. Bids to purchase new licence plates are submitted and the RTA organises a procurement and selection process whereby entrants are awarded new licence plates based on their financial performance and technical performance (mainly consisting of vehicle availability and driver ratio thresholds) criteria and the price of their bid. Ultimately, the RTA retains discretion over the award of the plates and weighs the bids against various criteria, as well as the benefit of awarding plates to multiple franchisees to retain a competitive market. Following a successful bid, a taxi franchisee has approximately three months to purchase the vehicles, complete registration, employ and train drivers and deploy the vehicles on the road or the plates revert to the RTA. The plate capex due to the RTA on each plate is payable over a five-year period.

Customer Tariffs

The Company's taxi services provide customers with four key mobility solutions: taxis (city and airport), rental taxis, people of determination taxis and ladies and family taxis, each of which charges customer tariffs in line with regulated tariff amounts established by the RTA. These tariffs are applicable to all five of the taxi franchisees that operate in Dubai and regularly adjusted by the RTA to reflect fuel price movements. On a yearly basis and upon request from each franchisee, the RTA can also incorporate the impact of inflation on taxis customer tariffs and adjust accordingly. Pick-ups for the Company's taxis are restricted to Dubai and Hatta (an inland exclave of the Emirate of Dubai).

Customer tariffs for the Company's limousine services are not directly regulated by the RTA (as is the case for taxis), and DTC and other limousine companies are able to compete based on pricing, revising prices as needed. However, the Company's pricing model charges rates for its limousine services at rates that are indirectly determined by the taxi prices set by the RTA, as limousine customer tariffs must by regulation be, at a minimum, 30% higher than taxi tariffs fixed by the RTA. The Company adjusts its limousine pricing from time to time to remain competitive.

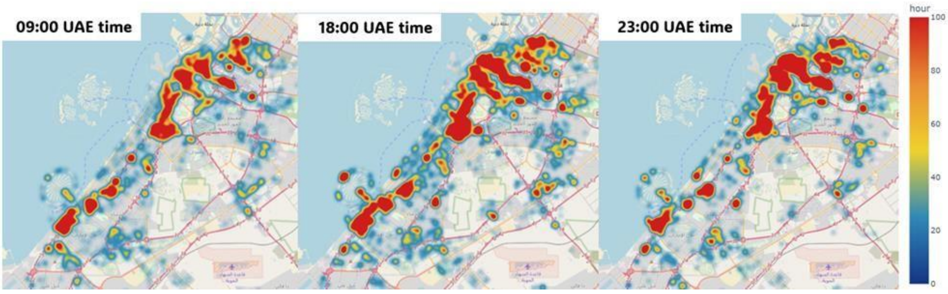
As the Company has started to expand its VIP limousine service outside of Dubai into neighbouring emirates, customer tariffs will be regulated by the relevant local transport authorities.

Operations

Operations Control Centre

The Company manages a 24/7 advanced OCC that is dedicated to managing all fleet operations and monitoring driver and vehicle performance. From the OCC, the Company can monitor driver behaviour and alert drivers of road conditions, direct vehicles in the fleet to high demand areas, support drivers, coordinate with drivers to move offline or vacant vehicles to various locations, track revenue, analyse fleet and system data and prepare periodic reports. Management utilises data gathered from the OCC, such as predictive analysis and heat maps, to reduce the time required to fulfil the peak demand requirements and thus utilise their mobility assets. The OCC's heatmaps are able to track and depict traffic activity at various times of the day enabling the Company to manage its operations.

Figure 1. Heatmap of DTC Taxis (As of 28 August 2023)



The OCC is integrated with a number of smart-apps that the Company utilises to manage its operations, including the DTC App and DTC School Bus App.

DTC App

The Company's DTC App is its smart application, developed in-house, that enables customers to reserve its limousines in a simple and user-friendly way using their smartphones. The app is integrated with the OCC where the requests are received and then transmitted to relevant drivers to link with customers. Customers are also able to use a variety of payment methods, including cash, card or in-app payments. Given the app's integration with the OCC, the Company is able to track a number of key performance indicators for its limousine services through the app including, daily revenue, customer engagement, acceptance rates, trips and locations and estimated times of arrivals. The OCC is also able to monitor complaints from customers shared via the app. Similar to Uber and Careem, the DTC App aggregates trips for both the Company’s limousine drivers and drivers from external limousine companies.

While currently only offered for hailing the Company's limousines, the DTC App ecosystem has been designed to be able to scale up and expand to the Company's other service offerings in the future. Following the expiration of the DTC's exclusivity agreement with RTA Careem at the end of 2024, DTC may adopt a full e-hailing approach and explore partnerships with other e-hailing apps. DTC may also scale up its own DTC application to its other business lines.

DTC School Bus App

The Company's DTC School Bus App is its smart-application, developed in-house, that provides parents and guardians with confidence in their children's safety by utilising the information captured onboard the Company's bus telematics systems and data captured from the OCC analytics systems. Once a student is registered via the app, parents are able to track the movement of the buses to and from schools, sending notifications when a student arrives at home or school or in the event of an unexpected delay. Parents are also able to report student absences via the app, enabling bus drivers to proceed on the route without stopping, which increases efficiency.

DTC Partner App

The Company's DTC Partner App is its smart application that provides for internal communications with its drivers and serves as a services portal, which enables them to check their commission breakdown, apply for annual leave and manage their benefits. Since the DTC Partner App provides drivers with certain KPIs that contribute to their commission, it can be used by drivers to help them monitor and manage their efficiency and commission targets.

Key Suppliers

Fuel costs

The Company's operations are heavily dependent upon the use of fuel. The Company actively manages its fuel costs through its fuel purchase agreement with ENOC, a state-owned energy group which is wholly owned by the government of Dubai. Under its current agreement with DTC, ENOC provides access to high-quality, petrol and diesel fuel for the Company's mobility services. ENOC petrol and diesel are available at most petrol stations across Dubai. The Company's cars are equipped with radio-frequency indication powered fuel tags for purchase of the fuel and ENOC applies a discount to the market price per litre when it bills the Company for such purchases. The Company's fuel agreement with ENOC is subject to an annual cap, which has been enough to cover substantially all of the Company's fuel costs since 2021 when such fuel discount was introduced. Once the cap has been reached, the Company may purchase fuel from other suppliers or may continue to purchase from ENOC at the market price (i.e. without the agreed discount). The Company's current fuel contract expires on 29 February 2024 and can be terminated without cause by ENOC with three month's notice.

The Company also has in place a fuel agreement with the Abu Dhabi National Oil Company ("**ADNOC**"), the state-owned energy group which is wholly owned by the government of Abu Dhabi, on an undiscounted basis for the fuel of its buses in Abu Dhabi. This agreement runs from 1 July 2023 to 30 July 2025.

In-house Maintenance

As part of its competitive advantage, the Company has in-house maintenance capabilities that permit it to maintain and service its non-electric taxis, limousines and delivery bikes at its own maintenance centres, ensuring a 24-hour recovery service for vehicle breakdowns. It has a repair capacity of 400 vehicles per day. This also allows the Company to do predictive maintenance, rather than just corrective maintenance, on its vehicles in order to keep them running more smoothly. For certain specialist repairs, such as for its electric vehicles and its buses, the Company utilises third party suppliers rather than using in-house maintenance, for which through the scale of its vehicle fleet, the Company is able negotiate reduced service fees.

The Company's in-house maintenance facilities allow it to service and maintain its fleet (other than buses and electric vehicles) in a cost-effective manner and thus, eliminating service fees payable to third party maintenance services providers. In order to maintain these costs, the Company has systems in place so that its vehicles are maintained in accordance with manufacturer recommendation and an established monitoring system that tracks vehicle key performance indicators with the aim of ensuring optimum fleet utilisation. The Company's maintenance analysis also includes a failure analysis by brand or auto manufacturer which the Company integrates into its vehicle replacement and procurement framework.

Vehicle replacement and procurement

As part of the management of its fleet and in line with its contractual obligations with the PTA, the Company typically replaces between 25% to 30% of its taxi and limousine fleet every year, resulting in a complete fleet overhaul approximately every four years for its taxis and non-electric limousines (with its electric limousines are replaced every seven years). For its buses, the Company expects a complete fleet overhaul approximately every 15 years. For the bikes, the Company replaces them every 4 years.

As part of its vehicle replacement strategy, the Company has a points-based system to evaluate disposal criteria. Its evaluation includes the following criteria:

- its operational requirements;
- the RTA green vehicle regulatory requirements;
- its vehicles lifetime based on operating capability;
- total losses of its fleet; and
- maintenance of its fleet.

In considering each of the above, the Company follows a points system, assigning a value to each of the criteria above as well as considerations on availability of replacement vehicles, economic conditions and the book value of the vehicle. The Company generally targets receiving approximately 15% of the purchase price of the vehicle at disposal under its points system. The information captured is later used to assist the Company in determining which vehicles to purchase.

The Company primarily relies on Dubai-based car suppliers for the purchase of new vehicles. The Company regularly enters into new agreements with car suppliers to meet its fleet procurement and replacement needs. The Company does not have any ongoing purchasing agreements in place with car suppliers, however, due to the scale of its operations, DTC believes it has a degree of negotiating power with its suppliers, which has historically allowed for better payment terms, lower acquisition costs, discounts on spare parts and charges from the suppliers in the case of delays. Management also believes that DTC's scale also makes it the preferred partner for car suppliers seeking to launch new vehicles, test prototypes or to provide bespoke car designs.

HUMAN CAPITAL: DRIVERS AND EMPLOYEES

Drivers

The Company views its drivers as integral partners in the provision of its mobility services. As the Company's taxi and limousine drivers are compensated through performance-based commission slabs, they are not classified as employees but are sponsored by DTC and work on a commission basis. The drivers in the bus and other services business lines, which includes bus drivers and drivers for My Driver, are classified as employees.

Driver Recruitment, Training and Retention

Recruitment

The Company has a recruitment unit to develop and implement a driver recruitment strategy for its taxis, buses and other services based on the current and future needs of the Company to support its operational efficiency. The Company targets a driver-to-vehicle ratio of approximately 2.5x for taxis and 2x for limousines, reflecting the fact that its taxi and limousine mobility services operate 24 hours a day, seven days a week.

Generally, the Company does not directly recruit limousine drivers. Instead, limousine drivers are experienced taxi drivers who excelled in the Company's training modules. Limousine drivers are often able to earn more in commission as the average cost for the ride is higher.

Training

In addition to the initial training required as part of the recruitment process, the Company has a driver training centre that provides ongoing internal training at no cost to drivers in order to increase their competencies beyond the requirements of obtaining a taxi driver ID permit. The Company offering these internal trainings to its taxi, limousine and bus drivers. Delivery bike drivers are trained by third-party aggregators.

The Company's driver training centre is certified by various certifying entities including: Rospa, Knowledge and Human Development Authority, Highfield International, and it holds ISO9001, ISO45001, and ISO 29993 certification standards, amongst others. It has also received recognition and awards, including the Gulf Sustainability Award for its Education Programme for DTC drivers in 2021. The British Highfield International 2019-2022 recognised the Company's drivers training centre as a distinguished training centre.

Driver Compensation and Retention

The pay for DTC drivers varies based on the mobility solution. Bus drivers are paid a monthly fixed salary. Taxi drivers, limousine drivers and delivery bike drivers are each paid variable performance-based commissions based on a specific percentage of their net earnings achieved at the end of each month.

The Company's performance-based commission slab is divided into different tiers, which are determined according to the income achieved for each tier of revenue. Drivers' performance is evaluated based on several criteria, including traffic safety and the absence of any accidents or traffic violations, as well as excellence in customer service, any complaints or quality violations related to the driver, operational efficiency, kilometres driven and revenue generated.

The Company's taxi drivers are subject to a regulatory requirement whereby, within two years after leaving the employment of or ending their association with the Company, they must receive a no objection certificate from the Company before working as a taxi or limousine driver for another company in Dubai. This requirement is applicable to all taxi drivers working for licenced taxi companies in Dubai.

Employee and Driver Numbers

Employees

The table below provides an overview of the number of employees employed by the Company as at the end of the periods indicated.

	As at 31 December			As at 30 June	
	2020	2021	2022	2022	2023
Regular staff (1)	411	422	442	439	450
Special contract employees (2)	103	97	102	102	108
School bus drivers (3)	356	943	961	1,561	970
School bus conductors (3)	119	709	785	-	863
Total	989	2,171	2,290	2,102	2,391(4)

(1) "Regular staff" is defined as full time equivalent staff and personnel.

(2) "Special contract employees" are defined as fixed-term contract employees hired for specific tasks. These primarily include the Company's support staff found in its IT and administrative departments.

(3) "School bus drivers and conductors" are defined at drivers and conductors contracted to operate the Company's buses. As at 30 June 2023, there were 936 bus drivers and 746 bus conductors.

(4) Of which 61% were male and 39% female, from 36 different nationalities.

None of the Company's employees are subject to collective bargaining agreements. The Company's management considers its employee relations to be good. The Company has never experienced a work stoppage.

Non-employee drivers

The Company recruits and has a large pool of drivers for its taxis, limousine and delivery bike services who are not considered as regular staff, special contract employees, or employee drivers such as its school bus drivers and conductors. However, non-employee drivers still form a critical asset to the operations. See *"—Drivers"* above for more information. The table below provides an overview of the number of drivers employed by the Company for each period indicated.

	Year ended 31 December			Six months ended 30 June
	2020	2021	2022	2023

	Year ended 31 December			Six months ended 30 June
	2020	**2021**	**2022**	**2023**
Taxi and limousine drivers at start of period	12,039	10,928	8,199	10,222
Taxi and limousine drivers terminated/resigning or leaving during the period	(2,516)	(2,963)	(371)	-
Taxi and limousine drivers recruited during the period	1,402	237	2,394	2,716
Taxi drivers at end of period	**10,142**	**7,589**	**9,700**	**12,336**
Limousine drivers at end of period	**783**	**613**	**522**	**602**
Delivery drivers at the start of the period	-	-	-	100
Delivery drivers terminated/resigning or leaving during the period	-	-	(1)	(54)
Deliver drivers recruited during the period	-	-	101	584
Delivery drivers at the end of the period	-	-	**100**	**630**
Total	**10,925**	**8,202**	**10,322**	**13,568**(1)

(1) of which 99% were male and 1% were female, from 52 different nationalities.

The Company does not directly recruit limousine drivers. Instead, limousine drivers are experienced taxi drivers who excelled in the Company's training modules and are hired as limousine drivers.

MARKETING AND CUSTOMER ACQUISITION

Marketing

At the core of its marketing strategy is the Company's intention to provide innovative, high quality and sustainable digital mobility services in line with global best practices, and in a manner which will contribute to its customers' happiness. To deliver on this goal, the Company relies on its investments in bolstering brand recognition as well as its digital strategy and technology usage, including smart-apps and social media platforms.

Brand recognition

Management believes that its brand and focus on customer experience are key differentiators for its business and DTC therefore invests in providing a distinctive, high-quality service featuring clean and well-maintained interiors across each of its operations. Across its service locations, DTC vehicles can be recognised by the Company's distinctive branding and logos. Its taxis are distinguished from competitors by their red rooftops and its limousines and buses display the DTC logo.

Digital Strategy

DTC has an established digital marketing approach intended to acquire and retain customers. At the core of the Company's digital marketing approach is an interactive ecosystem across various digital systems that enable communication with customers.

Under the Company's digital strategy, customers can interact with its services, via websites of the Company, email or social media. Social media platforms are critical means through which the Company can communicate with its audiences. Through each, the Company is able to highlight the brand vision, mission and objectives and the services that its offers. The Company is also able to promote its commitment to sustainability by highlighting its electric and hybrid vehicles and usage across the various digital mediums.

Customer acquisition

In addition to its marketing strategy, DTC relies on a variety of means to acquire customers including exclusivity agreements, smart technology and other tracking and monitoring systems, such as e-hailing apps and heat maps.

Exclusivity agreement

In addition to the street hailing and booking options described above, the Company's taxi and limousine services benefit from a number of exclusivity agreements which allow the Company to exclusively provide taxi and limousine pick-up services at key locations with high pickup volumes and thus increase the number of customers it is able to acquire. Under its exclusivity agreements, DTC has the exclusive right (with only partial exclusivity in certain cases) to provide its pick-up services to customers at the taxi and limousine ranks of specified venues. In exchange for the exclusive right over the designated ranks, the Company typically pays the venue a service charge for each trip made by the Company's taxis or limousines from the designated ranks and must ensure that a certain number of vehicles are available at the venue at all times or at certain times of day, subject to the terms of the respective exclusivity agreement. With the exception of pick-up points at the Dubai Airports and Port Rashid, any exclusivity agreement entered into, including those that the Company has for its limousines, are not permitted to restrict other taxis from any such pick-up location as a result of RTA regulations. The Company does not pay additional fees to the RTA based on these agreements.

The Company currently has exclusivity agreements in place for pick-up at the Dubai International Airport Terminals 1, 2 and 3 and Port Rashid for its taxi services and exclusivity agreements in place for limousine pick-up at the Dubai International Airport at Terminals 1, 2 and 3, Port Rashid, the Global Village and Dubai World Trade Centre, with partial exclusivity for limousine pick-up at the Dubai Mall and the Atlantis. This partial exclusivity means that other limousine companies can be e-hailed to pick up guests from the location, but that the Company has exclusive right to have cars waiting at the specified pick up points. The Company also has agreements with Uber and Careem to provide limousine services required from the airport through their e-hailing apps. Uber and Careem also operate certain pick-up points in outer parking lots of the Dubai International Airport, which are not part of the Company’s exclusivity arrangement with the Dubai Airports.

Many of the exclusivity agreements have been re-signed or extended and the list below does not show the initial start date of exclusivity. The current terms of each agreement are:

Location	Start of Service	Expiration
Dubai Airports	1 October 2021	30 September 2024
Port Rashid	27 December 2018	Automatically renews
The Global Village	25 October 2022	30 April 2025
Dubai World Trade Centre	6 February 2023	6 February 2026
Dubai Mall	1 June 2023	1 June 2026
The Atlantis	1 September 2023	31 August 2025

Smart-technology and other Tracking and Monitoring Systems

DTC has integrated its services with smart-technology including e-hailing apps, such as the DTC App and Hala, and heat maps that allow the Company to access more customers. Through e-hailing, DTC is able to reduce its carbon emissions and the amount of milage and fuel expended in its vehicles as customers are able to quickly and easily request rides using either app on their mobile devices, rather than having the taxis driving around in search of customers. In addition, e-hailing apps enable the Company to access and serve a wider customer base, including those who may not have access to traditional taxi or limousine services. The Company also encourages use of the smart-apps for ride-hailing by providing special offers or promotions and by engaging with its customers through the features of the apps.

In addition to e-hailing, DTC also relies on the use of heat maps and other tracking and monitoring systems that show areas of high demand and areas where passengers are more likely to be found. The Company's heat maps are updated directly based on data monitored and analysed using AI in the OCC that compares the number of vehicles located in an area to the fleet's ability to meet the demand. Management believes that the Company's use of heat maps and other tracking and monitoring systems contributes to it achieving the highest satisfaction rates for passengers in terms of arrival times, which can be drastically reduced by the demand indicators shown by the maps and operational efficiency as fuel consumption is reduced.

CUSTOMERS AND CUSTOMER CARE

Customers

DTC's customers are a diverse and dynamic representation of the communities in which the Company operates. They represent all age groups and backgrounds and various industries or government authorities. DTC customers include: (i) passengers utilising the Company's taxis and limousines; (ii) government authorities or commercial entities contracting the Company's buses to serve students or employees; or (iii) last-mile delivery services utilising DTC delivery bikes and drivers to meet the needs of their customers. For each, DTC aims to provide a high-quality mobility solution and management considers customer satisfaction as crucial to being able to do so.

For the year ended 31 December 2022, the Company achieved a general happiness rating of 88.4% for transport using the Company's taxis or limousines based on the PTA's rating. For bus services, the Company achieved a rating of 87.4% based on third-party customer ratings for the year ended 31 December 2022.

Customer Care

DTC strives to provide innovative, high-quality and sustainable digital transport services in line with global best practices, achieving high customer satisfaction. To do so, DTC aims to create a distinctive, high-quality service in clean and well-maintained interiors across each of its operations that will encourage its customers to frequently utilise their services and recommend the Company or its services to colleagues, friends and family.

Drivers are trained in customer satisfaction and management, ensuring that passengers are provided with a professional, high-quality services and that taxis, limousines or buses are well-maintained and clean.

HEALTH AND SAFETY

The Company is committed to achieving a best practice approach to maintaining safe and healthy working environments, equipment and safety systems on each of its vehicles and adequate certification, licensing and training of its drivers and conductors. As part of this commitment, the Company has performance indicators in place, including (but not limited to) the number of reported accidents and incidents in its vehicles, customer satisfaction scores, vehicle maintenance checklists as well as vehicle maintenance protocols and adequate levels of training for its drivers and conductors. In order to ensure proper checks are taken daily by its drivers, the Company also levies penalties and quality check fines on its drivers if they violate its quality control policies.

In addition, the Company is subject to various health and safety related laws and policies in the UAE, including the RTA's Health, Safety and Environment Sustainability Policy (the "**HSAESP**"). Under the HSAESP, all RTA agencies or sectors are required to identify health and safety hazards and any associated impacts in their various activities and is required to assess the risks associated with the identified hazards and ensure adequate controls are established to prevent injuries, losses or other detrimental health and safety outcomes.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Company has built an ESG framework that embeds ESG into its way of working. Management believes that DTC is often a leading ESG partner for its government authority and commercial entity customers, given its strong focus on sustainability, full alignment with Dubai's ESG goals and commitment to people and governance.

Through its own organisation and alignment with Dubai sustainability goals, DTC has implemented various sustainability measures and initiatives around ESG related themes to supports its members and the community it serves, of which some examples are included below.

Environmental

- As of 30 June 2023, the Company holds the largest fleet of environmentally-friendly vehicles in Dubai, with approximately 80% of the vehicles in its taxi being hybrid and approximately 77% of its limousine business lines being hybrid or electric, with a target to reach 100% hybrid or electric taxis and limousines by the end of 2024. This target is three years ahead of RTA's regulatory target of 2027 for taxis. The Company may look to procure electric and hydrogen-powered buses for its fleet in the future.

- DTC has signed various memorandums of understandings with clean-technology innovators and auto-manufacturers such as Blu Wave AI, Hyundai and KIA for AI-enabled fleet electrification and optimisation, customisation of hybrid taxi vehicles and to design 100% electric purpose-built vehicles with developments for an autonomous model in the future.

- In line with the RTA's ESG strategy, DTC intends to decarbonise its bus fleet by switching to electric or hydrogen powered buses by 2045.

- DTC, indirectly via RTA, was one of the first firm globally in the roads and public sector to release a GRI sustainability report.

- DTC, indirectly via RTA, is aligned with the ISO certification regime with a triple certification for its asset, environmental and energy management.

- For the period from 2015 to 2021, DTC directly had achieved up to 174,147 in tCO2e savings and has accelerated its efforts with a 22.5% reduction in tCO2e from the six months ended 30 June 2020 to the six months ended 30 June 2023.

Social

- DTC provides several initiatives for its drivers, including non-employee drivers. The initiatives range from over 45 awareness campaigns to educate drivers in various fields of work to partnerships with Dubai ambulance for first aid trainings. DTC has also signed a memorandum of understanding with Noor Dubai Corporation to provide free eye tests to its drivers.

- DTC recruits a diverse set of drivers, which come from approximately 52 different countries as at 30 June 2023.

- With the establishment of its Ameera limousines, DTC provided the first female chauffeured service for women in Dubai.

- In addition to Ameera limousines, DTC also provides designed services to women, children and people of determination through its ladies and family taxis, In Safe Hands Service, and people of determination taxis.

Governance

- DTC has a seasoned management team.

- DTC's governance structure has a number of committees that oversee key aspects of its operations and regularly report to its Supervisory Board.

INSURANCE

The principal risks covered by the Company's insurance policies relate to loss, fidelity insurance, cash-in transit insurance, damage and civil liability pertaining to the Company's vehicles and buses, driver and passenger accidents, damages resulting from natural disasters, fire and accidents resulting from vehicle collision with property or vehicles of DTC, riots, theft and vehicle transportation and certain other coverage consistent with customary practice for the type of business the Company operates. The Company's insurance policies allow its damaged vehicles, buses and bikes to be repaired at the Company's own in-house maintenance facilities without inspection from its insurer, provided the damage is below certain thresholds and certain documentation is made available to the Company's insurer. This allows for certain minor damage and repairs to be made efficiently and reduces the time vehicles are inoperable due to pending maintenance.

The Company believes that its insurance coverage, including the excess set, maximum coverage amounts, and terms and conditions of the policies are standard for the Company's industry and are appropriate.

INTELLECTUAL PROPERTY

The Company relies on a number of intellectual property rights such as trademarks and copyrights, including know-how and expertise as well as contracts such licence agreements and confidentiality agreements to protect its intellectual property. The Company has registered its DTC word marks and logos in the UAE and other applicable jurisdictions to protect its brand.

The Company's intellectual property includes the domain name for its website that it uses in its business.

In addition, the Company has intellectual property rights that are not registered. The business and IT systems used for the Company's service and operations, including its DTC App, the DTC School Bus App, several aspects of its platforms, are not protected by patents or registered design rights but contain trademark rights over logo and Company name, which is owned by the Company.

The Company also has a right of use to a keyless entry system for its vehicles (which allows drivers to use their respective taxis without having to go to a key room before their shift). The Company invested in the development of this technology and now has the right to use it without paying additional fees, however, the Company does not own the intellectual property for this system.

INFORMATION TECHNOLOGY

The Company relies on a number of IT systems to support its business operations. It has implemented a combination of standard and custom-made IT systems, including application-specific measures such as market standard virus and access protection and encryption systems as well as standardised IT infrastructure and applications, which are mainly used for enterprise resource planning, customer resource management including ticketing for the Company's taxis, finance, procurement, payroll and human resource management (including a performance management system) as well as for maintenance of its vehicle fleet and for procurement and logistics. The Company's enterprise resource planning and customer resource management software are custom configured to meet the Company's needs, with custom-made solutions in place to enable communication and configuration between the various applications used by the Company. For more information see, "—*Business Lines—Operations*".

The Company regularly tests and updates its IT systems to accommodate the changing requirements arising from the Company's growth. The Company is currently improving and investing in its IT systems, in particular in relation to enterprise resource planning and customer resource management integration into various applications for e-hail expansion.

Data centres and resilience

The Company's IT systems are hosted on its own servers which are located at the Company headquarters in Dubai. The Company also relies on cloud-based data storage systems hosted by third-party web services and has offsite backup of its data through a third-party data centre.

Data security

The Company's data security systems and processes are in place with the aim of ensuring that the Company's systems and operations remain safe, secure and compliant with all applicable laws and regulations. Ensuring the security and compliance of this data is important to the Company. It is committed to meeting the stringent requirements set forth by the Dubai Digital Authority and adhering to all relevant data protection laws. The Company has established a comprehensive framework of contracts, policies, and procedures that are specifically designed to ensure strict compliance with Dubai Digital Authority regulations and other applicable data protection laws. Data systems are only accessible from certain accounts designed by the Company and employees access systems via a secured connection and systems are in place to detect security breaches. The Company's data systems are ISO 27001 certified.

LITIGATION AND ARBITRATION

The Company is not currently a party to any material legal proceedings. However, the nature of the Company's business exposes it to the ongoing ordinary course claims and litigation related to personal injury, business contract or employment.

PROPERTY AND LEASES

The following is a description of the Company's material properties and leases as of the date of this Prospectus or as at the period indicated.

Headquarters, In-house Maintenance Centre and Other Buildings

The Company's main headquarters, in Dubai, is comprised of two buildings totalling 6,542.52 square metres and is owned by the DTC. The build-up area at the Company's headquarters, including the buildings listed above, totals 42,557.45 square metres, all of which buildings are owned by the Company.

Fleet

As of 30 June 2023, the Company has 7,146 vehicles in its fleet. This is comprised of 5,216 taxis, 387 VIP limousines, 946 buses and 597 delivery bikes. The Company's fleet is owned, except for 130 of its buses which are leased.

Leases

The Company leases the land from the RTA where its headquarters and in-house maintenance centre are located, which land is 96,395.45 meters squared. The Company also leases another plot of land located behind its headquarters from the RTA which is used for parking, which land is 83,165.65 meters squared. The Company leases a third plot of land from the RTA in Jabel Ali, near the Al Maktoum International Airport, which is 100,342.95 metres squared and is undeveloped.

3. Statement of capital development

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

The capital of the Company has been fixed at AED 100,000,000 (one hundred million UAE Dirhams), divided into 2,500,000,000 (two billion five hundred million) Shares with a nominal value of AED 0.04 (four 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:

Before the Offering:

Shareholder	**Number of Shares**	**Percentage**
Department of Finance (DoF) representing the Government of Dubai	2,500,000,000	100%

Based on the nominal value

After the Offering:

Name	Nationality	Type of Shares	Number of Shares owned	Total value of Shares owned*	Ownership percentage
Department of Finance representing the Government of Dubai	UAE	Ordinary	1,875,250,000	AED 75,010,000	75.01%
Successful Subscribers at Listing	Various	Ordinary	624,750,000	AED 24,990,000	24.99%

**** Based on the nominal value***

Company's capital structure upon completion of the Offering

Upon the completion of the Offering, the Company's paid-up share capital shall be AED 100,000,000) (one hundred million UAE Dirhams), divided into 2,500,000,000 (two billion five hundred million) Shares with a nominal value of AED 0.04 (four fils) per Share.

Assuming all of the Offer Shares are allocated, the Selling Shareholder will hold 1,875,250,000 (one billion eight hundred seventy-five million two hundred fifty thousand) Shares, representing 75.01% of the Shares, and assuming that the Selling Shareholder sell all of the Shares being offered and the Offering size is not increased. The Company has presented its plan to the Authority for the Selling Shareholder to offer 624,750,000 (six hundred twenty-four million seven hundred fifty thousand)) Shares representing 24.99% of total issued share capital of the Company. The Selling Shareholder reserves 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 its sole discretion, subject to the applicable laws and the SCA's approval.

No.of Selling Shareholder's Shares:	1,875,250,000 (one billion eight hundred seventy five million two hundred fifty thousand) Shares
No. of total Subscribers' Shares (assuming all Offer Shares are allocated including all tranches mentioned under the Prospectus):	624,750,000 (six hundred twenty four million seven hundred fifty thousand)) Shares
Total:	2,500,000,000 (two billion five hundred million)

4. **Statement of the status of the existing litigation actions and disputes with the Company**

   The Company has not been involved in any material governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the last 12 months preceding the date of this Prospectus which may have, or have had, a significant effect on its financial position or profitability.

5. **Statement of the number and type of employees of the Company:**

   As at 30 June 2023, the Company had 450 employees.

6. **Accounting policies adopted at the Company:**

   The Company prepares its Financial Statements in accordance with IFRS as issued by the International Accounting Standards Board and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS.

7. **Statement of Company's financing, credit facilities and indebtedness and the most significant conditions thereof:**

   The Company has no loans/financing, credit facilities and indebtedness in place save for the term and revolving murabaha facilities disclosed in the section "Material events and agreements concluded by the Company (including related party agreements)" of this Prospectus.

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

   None.

9. **Investment Risks:**

RISK FACTORS:

Investing in and holding the Offer Shares involves financial risk. Prospective investors in the Offer 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 Offer Shares, which should be considered together with all other information contained in this Prospectus. If one or more of the following risks were to arise, the Company's business, results of operations, financial condition, prospects or the price of the Offer 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 Offer 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 Offer Shares.*

Risks Relating to the Company and its Business and the Industry in which it Operates

The Company's business is almost entirely concentrated in Dubai and revenue primarily comes from its taxi business, and any adverse developments in the taxi and mobility solutions sectors in Dubai may have a material adverse effect on its business, results of operations, financial condition and prospects.

All of the Company's assets are located in Dubai, the Company's taxis and last mile delivery bikes are only licenced to operate in Dubai and the significant majority of its current services are provided in Dubai. The Company therefore relies almost entirely on the revenue, profits and cash flows generated by its operations in Dubai to pay operating expenses, fund its capital expenditure and meet its other obligations. As a result of this concentration, the Company's results of operations will be negatively affected by adverse economic or political developments in or affecting Dubai or the UAE more generally. See "An economic downturn could result in a decline in business and leisure travel activities, which could materially adversely affect the Company's business". These factors could negatively impact the Company's results of operations, including by materially adversely impacting its customers, or the local Dubai or broader UAE economy.

In addition, the Company's taxi services are its main revenue contributor, with 87.0% and 87.4% of revenue generated by taxi services in 2022 and the six months ended 30 June 2023, respectively. As a result of this concentration, if demand for the Company's taxi services were to significantly decrease in size, if the Roads and Transport Authority ("**RTA**") were to revoke the Company's taxi licences or if taxi services generally became less popular in Dubai it could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

The Company could be adversely affected if its fleet is underutilised, if it fails to reach its utilisation targets or if a substantial portion of its fleet were out of operation for an extended period due to maintenance or due to driver shortages.

The Company's revenue and profitability depend on its ability to effectively deploy its fleet and maintain high vehicle utilisation at favourable costs. In particular, the Company's utilisation targets aim to have both its taxi and limousine fleet deployed 24 hours a day, seven days a week, with only a small portion of its taxi fleet not being utilised at any particular time due to maintenance or repairs. During any period when its fleet is not at the Company's targeted utilisation level, whether as a result of seeking customers or as a result of maintenance or otherwise, it continues to incur monthly franchise fees for taxis and limousines to the RTA and other costs, while generating no revenue. The Company therefore deploys a number of technologies and strategies to maximise its taxi and limousine fleet utilisation, including using artificial intelligence ("**AI**") and heatmaps to identify the best pick-up points to reduce kilometre wastage (i.e., kilometres driven without a paying customer). Although the Company tries to optimise the deployment and utilisation of its taxi and limousine fleet by deploying its assets strategically, its attempts to maintain high utilisation levels may not be successful for various reasons. In particular, maintaining or increasing its utilisation rates requires having a sufficient supply of qualified drivers readily available to operate its vehicles on successive shifts, and the Company is currently and may in the future continue to experience shortages of or challenges in recruiting drivers who meet its performance standards. See also, "If the Company fails to cost-effectively attract and retain qualified drivers for its taxi and other mobility services, or to increase the utilisation of its existing drivers, its business, financial condition and results of operations could be harmed".

In addition, elements of the Company's vehicle fleet could be out of operation longer than expected for maintenance in the event of vehicle or other supply shortages, as its fleet ages, or otherwise. For example, as a result of global supply chain shortages, including semi-conductor shortages, and disruptions resulting from the novel strain of coronavirus causing COVID-19 (**"COVID-19"**), the Company has in the past experienced delays in delivery of new vehicles and in some instances, smaller shipments of new vehicles than it had planned for. As a result, the Company experienced an increased need for vehicle maintenance and higher rates of breakdown as it attempted to extend the life of its assets. Maintenance was also made more difficult due to the lack of spare parts and further delays in the availability of spare parts for delivery. Although the Company does its maintenance in-house to manage its costs, a significant increase in maintenance needs could require increased hiring and training of maintenance staff, which could be costly to the business. If the Company were to again face disruptions or delays in delivery of its new vehicles or parts for its fleet, whether due to problems in production or distribution, unanticipated demand or other conditions, this could materially and adversely affect the Company's results of operations while it establishes alternative supplier and distribution channels, and there can be no assurance that it will continue to be able to identify or negotiate on terms that are commercially reasonable to it. If the Company's existing vehicle and maintenance suppliers or distributors are unable to fulfil their obligations under their contracts, or if the Company is unable to identify alternative sources, it could encounter supply shortages and incur higher costs, each of which could have a material adverse effect on its business, financial condition and results of operations.

In the event of a significant and unanticipated decline in customer demand, the Company has in the past and may in the future elect to or be required to redeploy, "defleet" (i.e. park and store its vehicles and take them out of operation) or sell its assets such as its taxis or limousines. It has in the past and may in the future reduce its purchases of new vehicles while continuing to sell old ones or redeploy vehicles to maintain effective utilisation rates. Selling its assets or redeploying them could take longer than expected, affecting the inflow of the sale proceeds from the assets or resulting in extended periods of lower utilisation rates and lower profitability. During 2020 and 2021, as a result of the extraordinary changes to market conditions arising from COVID-19, the Company experienced a number of factors that impacted its utilisation rates including a decline in demand and a shortage of drivers that impacted its ability to keep its fleet fully deployed for 24 hours, seven days a week (which resulted in certain of its fleet not being deployed and utilised). As a result, it elected to sell part of its limousine fleet and parked certain taxis to manage its utilisation rates during the period of reduced demand. At times of reduced demand, if the Company fails to manage its fleet effectively, there can be no assurance that sales cannibalisation, where the Company's business lines compete against each other with one business line benefiting and another losing business, will not occur since elements of its fleet, particularly its taxi and limousine business lines, compete with one another to a certain extent (for example amongst those customers who are willing to pay the higher limousine tariff, or at times of increased price sensitivity, the Company's taxi business may attract customers that have historically used its limousine services). If any of the above were to occur, it could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

If the Company fails to cost-effectively attract and retain qualified drivers for its taxi and other mobility services, or to increase the utilisation of its existing drivers, its business, financial condition and results of operations could be harmed.

In each of 2020, 2021 and 2022, and in the first six months of 2023, staff costs represented the Company's second greatest direct cost item after plate and licence fees, comprising 32.0%, 35.9%, 35.3%, and 36.3% of its total Direct Costs, respectively. A considerable portion of the Company's staff costs each year are those related to its drivers, including salary (principally bus driver salaries) and benefits, performance-based commission slabs (as defined below) for its taxi, limousine and delivery drivers, as well as costs associated with its internal training for trainee drivers, which support its driver recruitment efforts. As drivers' performance-based commissions are partially based on experience and seniority, these costs could continue to increase as a proportion of revenue as its drivers gain in seniority, or due to inflation or other factors, which may materially adversely affect the Company's business, financial condition, results of operations and prospects.

Adequate recruitment and retention of qualified drivers is key to maintaining optimal utilisation rates for the Company's vehicle fleet, as having the right number of drivers per vehicle enables the Company's fleet to be continuously operated in shifts to meet its target utilisation levels. Although the Company's taxi driver-to-vehicle ratio has increased from 1.55x drivers per vehicle as at 30 June 2022 to approximately 2.37x as at 30 June 2023, there is no guarantee that the Company will be able to achieve or maintain its target ratio of 2.5x taxi drivers per vehicle or that its current ratio will not fall in the future. The Company's results and continued growth depends in part on its ability to cost-effectively attract and retain qualified drivers who satisfy its recruitment criteria.

The Company's recruitment process takes up to 180 days from the date of interview and includes security screening, behavioural and psychometric testing for candidates, work permit and visa issuance (if applicable), driving licence checks and enrolment in various training programmes. See "*Business Description–Human Capital: Drivers and Employees–Drivers–Driver Recruitment, Training and Retention".* To attract and retain qualified drivers, the Company must offer, among other things, sufficient rewards and incentives to attract drivers who are eligible for rewards on an annual basis through various programmes. If drivers become dissatisfied with the Company's programs and benefits, or its recruitment efforts are not successful, it may fail to attract sufficient new drivers, retain current drivers or maintain or increase the utilisation rate of the vehicles in its fleet, or it may experience complaints, negative publicity around its specific brand, or more generally around taxi services in Dubai, could adversely affect the Company's customers and its business. Furthermore, any new drivers being recruited will require time before they are available to work, or they may fail their interviews, which could result in prolonged driver shortages as the Company completes its recruitment process.

The Company is experiencing, and may continue to experience in the future, prolonged driver shortages or challenges in recruiting drivers. To the extent that driver availability is limited and the Company offers increased incentives to improve supply, its profitability and results of operations may be negatively impacted. Following COVID-19, in 2020, 2021 and 2022, the Company experienced significant driver shortages for the first time due to the restrictions on immigration and international travel and in response restructured its driver shifts to enable it to utilise its taxi and other mobility assets closer to its target levels. Furthermore, the Company has in the past and may in the future adjust its performance-based commission slabs for its drivers. For example, in the 2023 increased number of drivers and higher driver-to-vehicle ratio meant that the percentage of performance-based commissions decreased in relation to the Company’s revenue as a result of a decline in the number of drivers working multiple shifts. In the event changes that the Company makes, such as increasing the driver-to-vehicle ratio, result in less overall pay for drivers as part of their overall driver compensation package, this could negatively affect driver retention and incentivisation, and therefore contribute to an increased driver churn. In addition, if the Company is again subject to an extended shortage of drivers, it may again be necessary to increase the compensation paid to its drivers, which could have a negative impact on its costs and profitability. In addition, the third-party recruitment agencies the Company uses to recruit new drivers could also increase their prices or otherwise alter their terms in a way that is detrimental to the Company's business.

In addition, changes in certain laws and regulations, including immigration, labour and employment laws or background check requirements, may result in a decrease in the size or quality of the pool of qualified drivers, which may result in increased competition for qualified drivers and higher costs of recruitment, operation and retention. Other factors outside of the Company's control, such as the recurrence of COVID-19 or other pandemics, or concerns about personal health and safety, may also make it difficult to attract and retain drivers, or maintain driver morale, as a result of which, there is a risk that driver churn could increase. If the Company fails to attract qualified drivers on favourable terms, or fails to retain a sufficient number of its qualified drivers, it may not be able to meet customer demand, and may be unable to increase the utilisation rate of its fleet assets (see, "*The Company could be adversely affected if its fleet is underutilised, if it fails to reach its utilisation targets, or if a substantial portion of its fleet were out of operation for an extended period due to maintenance or due to driver shortages*"), or fail to maintain or grow its customer base, and its business, financial condition, results of operations and prospects could be adversely affected.

Dubai taxi tariffs, including the Company's tariffs for its taxis, are determined by the Government of Dubai through the RTA, and as a result the Company's tariffs may fail to reflect its operating costs or demand within the market.

The Company's taxi services charges tariffs to customers in line with regulated tariff amounts established by the RTA. These customer tariffs are applicable to all taxi franchisees and regularly adjusted across all the regulated taxi companies in Dubai to reflect fuel price movements, inflation and other factors. Customer tariffs for the Company's limousine services are not directly regulated by the RTA, but the RTA does require that all limousine tariffs must be, at a minimum, at least 30% higher than regulated taxi tariffs. As a result, the pricing model the Company uses to set rates for its limousine services generates customer tariffs that are indirectly determined by regulated taxi pricing. The Company therefore has no flexibility, in the case of its taxi tariff, and only limited flexibility, in the case of its limousine tariffs, to adjust its tariffs according to demand, cost or other factors.

Although the taxi franchisees in Dubai, such as the Company, have the right to recommend to the RTA a tariff review to account for increased fuel or operating costs, ultimately the RTA has discretion as to whether or not to increase or otherwise alter tariff levels. The RTA may, for any reason, reject the Company's tariff review proposals or mandate that the Company keeps the tariffs at the existing level or proposes a lower level, contrary to the economic interests of the Company. If the tariffs that the Company can charge are reduced, fail to reflect its costs (including its costs for fuel, driver salaries or performance-based commissions or new vehicles) or fail to reflect market demand for its services, it could adversely affect its business, financial condition, results of operations and prospects. Conversely, should the RTA decide to raise tariffs, the higher tariffs may result in customers being less willing to pay for certain transportation services, which could result in lower customer volumes and reduced revenues.

The Company is exposed to the effects of changing fuel prices for the time period it takes for the RTA to fully adjust the tariff for price increases for its taxis, or in the case of any services or contracts without fuel price adjustments for its buses, limousines and delivery bikes, for the period of such services or contracts. It is also exposed to price increases arising from interruptions in fuel supplies.

Fuel costs have a significant impact on the Company's operations. While as at 30 June 2023 approximately 80% of the taxi fleet was hybrid vehicles and approximately 77% of its limousine fleet was electric or hybrid vehicles, the Company still requires significant quantities of fuel for its vehicles and is exposed to the risks associated with variations in the market price for fuel products, primarily gas and diesel. For the years ended 31 December 2020, 2021 and 2022 and the six months ended 30 June 2023, fuel costs (which are shown as part of the Company's Direct Costs) represented 13.7%, 12.1%, 15.1% and 11.8%, respectively, as a proportion of its revenue for those periods. While the RTA takes into account fuel prices in setting the regulated tariff for taxis and has adjustment mechanisms to track fuel price changes in setting the taxi tariff, the timing of adjustments permitted by the RTA tariff may fail to fully insulate the Company from any increase in fuel costs and will be limited to tariffs for its taxis and the minimum tariff permitted for limousines. The Company's contracts for its other services may not contain contractual provisions that allow the Company to adjust the prices for its bus, limousine and delivery bike services in response to increases in fuel costs. If the RTA tariff or Company's fuel-related price provisions in its contracts fail to be adjusted in a manner or at the time that corresponds to fuel price increases, higher fuel costs could materially adversely impact the Company's operating results and profitability. Even if the Company is able to offset changes in fuel costs with higher prices for certain of its services by increasing its tariff or through contractual protections, such adjustments could in the future result in an overall reduction in customer demand for and the volume of its services and negatively impact its revenue and profitability. There can also be no assurance that the tariffs set by the RTA, or the Company's contractual fuel price provisions, will be effective as fuel price mitigation strategies.

Furthermore, while, since 2021, the Company's fuel costs have benefitted from a supply contract with Emirates National Oil Company (**"ENOC"**) that meets most of its annual fuel requirement and allows it to obtain this fuel at a discount to the market price (up to a certain total volume per year), its current contract with ENOC expires on 29 February 2024, and can be terminated with three months' notice, so may not be available to the Company for the entirety of its term. Moreover, there is no guarantee the Company will be able to renew its supply agreement on the same terms or as favourable terms as its current supply agreement, or that the Company's competitors will not be offered similarly advantageous terms for fuel purchases.

Moreover, various factors may affect fuel supply and could result in fuel price increases or interruptions to its delivery in the future: weather-related events; natural disasters; political disruptions or wars involving oil-producing countries; economic sanctions imposed against oil-producing countries or specific industry participants; changes in governmental policy concerning fuel production, transportation, taxes or marketing; changes in refining capacity; environmental concerns; cyber-attacks; public and investor sentiment or other factors beyond the Company's control. In addition, if the ENOC fuel supply in particular is affected in the future, it may not be possible for the Company to find similarly competitive prices for its fuel. Any of the foregoing could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Company's business requires regular capital and other investments; if it does not accurately forecast its future investment needs, it may have a sub-optimal fleet size or utilisation rates of its assets, and its business could be materially adversely affected.

The Company's business requires regular capital investments, principally for vehicle purchases (of taxis, limousines, buses and motorbikes used for its delivery bikes business), as well as investments in technology and maintenance equipment. In addition to forecasting the Company's capital investment requirements, its business planning function adjusts other elements of its operations and cost structure in response to economic and regulatory conditions, anticipated growth in customer demand, and in line with its strategy. These investments support both the Company's existing business and anticipated growth in its business. Forecasting amounts, types and timing of investments involves many factors, which are subject to uncertainty and may be beyond the Company's control, such as general economic trends, levels of customer demand, salary and fuel costs, changes in governmental regulation (in respect of tariff levels and other matters) and competition. If the Company fails to accurately forecast its future capital investment needs, it could under- or over-invest, or have excess vehicle capacity or insufficient vehicle capacity to support its business plans and strategy, any of which would negatively affect its revenues and profitability. See "*The Company could be adversely affected if its fleet is underutilised, if it fails to reach its utilisation targets or if a substantial portion of its fleet were out of operation for an extended period due to maintenance or due to driver shortages*". The Company's delivery bike services are still in a relatively early stage of growth and development and this segment of the market is also unregulated, exposing it to a higher risk of inaccurate forecasting.

If the Company does not purchase a sufficient number of vehicles to meet the requirements of its fleet strategy, or if it is unable to do so due to supply chain shortages or other factors, it may lose revenue or market share to its competitors. Furthermore, if the Company were to win further licence plates and then was unable to put sufficient vehicles on the road within the three-month window provided by the RTA, these licence plates could then be revoked, causing it to lose market share. If it purchases too many vehicles, its fleet size could be too large and the utilisation rates of its operating assets could be adversely affected if it is unable to dispose of excess assets in a timely and cost-effective manner. Furthermore, if the Company's forecasts for its utilisation rates, trip distances and kilometre wastage do not accurately estimate future levels of activity, its forecasts may fail to produce the appropriate mix of vehicles to purchase and maintain for its mobility services, which could result in obsolescence and premature aging of its fleet, the inability to sell its fleet at the end of its expected lifetime at adequate prices, sub-optimal fleet size and utilisation, increased fleet costs, higher fleet maintenance costs, reduced margins and cash flows and other unfavourable consequences which may materially adversely affect the Company's business, financial condition, results of operations and prospects.

The Company is subject to risks related to its ESG activities and disclosures, and its reputation and brand could be harmed if it fails to meet its public sustainability targets and goals.

There is increased focus, including from governmental organisations, investors, employees and customers, on Environmental, Social and Governance ("**ESG**") related concerns including environmental stewardship, climate change, diversity and inclusion, racial justice and workplace conduct. Negative public perception, adverse publicity or negative comments in social media could damage the Company's reputation if it does not, or is not perceived to, adequately address these ESG issues. Any harm to the Company's reputation could impact employee engagement and retention and the willingness of its customers to use its services and for organisations to partner with it.

In addition, organisations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters. If the Company, or the mobility services sector, is granted an unfavourable rating in the future, this may contribute to negative investor, customer or employee sentiment, which could lead to the diversion of investment or business to other companies or industries. Although approximately 80% of the Company's taxi fleet was hybrid vehicles and approximately 77% of its limousine fleet was electric or hybrid vehicles as at 30 June 2023, automobiles are often seen as environmentally harmful which could cause the Company to receive a low ESG rating. Further, ESG ratings may have limited, if any, utility for investors in assessing the Company's past, current or future financial performance. As a result, any negative ESG-related attention, a failure to live up to current standards, achieve its ESG targets or negative reports around the metrics the Company uses to assess its ESG performance could have a material adverse effect on its business, financial condition, results of operations and prospects.

The mobility and taxi services industries are competitive, with well-established direct competitors and low customer switching costs. If the Company is unable to maintain its market share and compete effectively in these industries because other providers are perceived to offer lower cost or higher quality services or otherwise increase their own market share, its business and financial prospects could be adversely impacted.

The Company provides services to customers, and competes with other providers in the mobility solutions industry. It faces significant competition in Dubai from existing, well-established alternatives, and existing taxi companies could in the future secure more new licence plates than the Company. In addition, within the taxi and limousine business lines, the cost to switch between mobility services providers is low, while its delivery bikes customers are generally permitted to change providers after a three months' notice period. As a result, most of the Company's customers could easily switch to competitors who are available or which are perceived to offer lower cost or higher quality services, at any time in the case of the Company's taxi and limousine services or after the requisite contractual term in case of the Company's delivery bikes and bus services.

The Company faces competition in each of its business lines:

- **Taxi Services:** The Company's taxi services have a number of key competitors. It competes against four other Dubai-based taxi companies for customers, and for additional taxi licence plates needed to grow its business. The RTA periodically puts a limited number of these licence plates out for auction, which are then bid for by the Company and its competitors. If the Company overbids for new licence plates, it may overpay for new licence plates which could negatively affect profitability, or it may bid too low, and thereby lose profitable work and market share to its competitors. The Company could also overestimate the number of new plates it requires, which could negatively affect its utilisation ratios if all new plates that it bid for were awarded. The Company's taxi business also competes with personal vehicle ownership and usage, limousine services, as well as public transport options, including from possible expansions of or new metro lines in Dubai, and other forms of transport. The Company has historically benefitted from e-hailing aggregators like Hala (an app provided by a joint venture ("**RTA Careem**") between the RTA and Careem Inc ("**Careem**") which offers a technology platform providing passenger access to the Company's fleet and the fleets of other taxi companies in Dubai (**"Hala"**). However, if Hala or new market entrants come to rely more on the Company's competitors, whether due to more favourable pricing or other terms, or if Dubai's regulations on e-hailing are changed and become less favourable towards taxis, the Company could lose customer volume and be negatively affected. Additionally, the Company benefits from a number of exclusivity contracts. Were it to lose these contracts to its competition, this could have a material adverse effect. For more information on the Company's exclusivity contracts see "*The Company generates a significant percentage of its revenue from trips originated from locations where it has exclusive access to pick-up points for its taxis and limousines, particularly through its agreement with the Dubai Airports. If the Company's exclusive access to these pick-up points were negatively affected or lost, its financial results and future prospects would be adversely impacted".*

- **Limousine Services:** The Company's limousine services compete with other limousine services. Although the RTA requires limousine prices to be at least 30% higher than taxi tariffs, limousine companies have the flexibility to set prices above the minimum threshold. If the pricing set by the Company is not competitive, or if the Company alone introduces surge pricing which is not likewise introduced by its competitors, it could lose business and market share. Other companies, including smaller limousine companies with pooled driver consortia, could further compete with the Company by centralising their ownership structure and expanding their fleet size, or one of the other large Dubai taxi companies could decide to expand into the limousine market.

- **Bus Services:** The Company's buses compete with other public and private bus companies for contracts with government entities and education providers that contract for such transport through tenders for long term contracts. The Company believes it has been selected over its competitors for certain service contracts, such as with the Emirates Schools Establishment ("**Ministry of Education**"), because of its perceived trustworthiness and due to the company’s ability to demonstrate the level of services offered through advanced technological capabilities. However, if this perception were to change, including as a result of no fault of its own, or if other companies become able to offer better alternatives in other ways, the Company may face greater competition to have its current contracts renewed or be selected for new contracts. The Company's contracts with the Ministry of Education contract accounted for 87% of its total bus revenues in the six months ended 30 June 2023, so if another company were to take over these contracts, it could have a significant impact on the Company's revenues from its bus services.

- **Other Services**: The Company's delivery bikes and other services compete with other providers. Since these services are unregulated, there is potential for increased competition on price or other factors. The Company currently provides delivery bike services for Careem, Noon and other aggregators of delivery bike services. However, should Careem or any of its other delivery partners decide to develop their own delivery fleet rather than outsourcing and using the Company's fleet, it would be difficult for the Company to incorporate these types of services into its own app. In particular, its current contract with Careem provides that it will not compete with Careem for one year after the termination of the contract, which would limit the Company's ability to develop its own services until such period expired.

As the Company and its competitors introduce new services and offerings, and as existing services evolve, the Company also may become subject to additional competition. Changes in regulations, such as the end of the RTA's exclusivity on e-hailing through Hala in July 2023 for local alternatives and in April 2024 for international alternatives (see, "*The Company relies on other third-party service providers and if such third parties do not perform adequately or terminate their relationships with the Company, its costs may increase and its business, financial condition and results of operations could be adversely affected*."), may expose the Company to heightened competition by allowing domestic and international players to operate e-hailing apps in Dubai for taxi services. Even if these e-hailing apps include the Company's taxis, they may be more effective at booking customers through their apps than through any e-hailing app the Company may introduce at such time. Since the Company's contracts with such e-hailing companies typically pay a fee per trip booked, its costs may be greater for rides generated by these providers than those it would generate through its own DTC app if extended to its taxis. Furthermore, to the extent any of its competitors negotiate more favourable agreements with such e-hailing providers, including priority bookings for their services over those of the Company, this could have a negative impact on the Company's operations, market share and financial results.

Furthermore, the RTA may at any time decide to incentivise other modes of transportation over taxis, especially in light of recent technologies such as driverless cars and increased metro routes. In addition, the increase in micro-mobility transport options such as e-scooters and e-bikes may create additional competition for mobility service providers for short distance trips.

In addition, its competitors may grow their fleets to be larger than or comparable to the Company's, making them more attractive to locations like the Dubai airports, where the Company currently maintains exclusivity in part due to having the fleet size required to provide such services on an exclusive basis. Its key competitors may also adopt certain of the Company's service features or other innovations, which would render its services less attractive or reduce its ability to differentiate its services. For example, much of the Company's business is generated by being able to effectively deploy its taxis to locations where demand exists. If a competitor were able to do this more effectively, it might win customers ahead of the Company being able to deploy its assets to such locations, negatively impacting the Company's results. Furthermore, the Company's people of determination taxis, which are highly valued by customers, are not charged franchise fees by the regulator. Were other taxi services granted permission by the RTA to provide similar services, this could make it more difficult for the Company to differentiate its services and compete for such services. Increased competition could result in, among other things, a reduction in the revenue the Company generates from the use of its services, the number of customers it is able to serve, the frequency of use of its services and its margins.

For all these reasons, the Company may not be able to compete successfully against its current and future competitors or maintain or grow its market share. Were the Company unable to compete effectively, it would have an adverse effect on, or otherwise harm, its business, financial condition, results of operations and prospects.

Damage to the Company's brand, image or reputation could materially adversely impact its business, financial condition and results of operations.

The Company has developed a strong and trusted brand that has contributed to the success of its business. The Company's brand has been established for almost three decades and is predicated on the idea that businesses will trust it and find value in choosing its services for exclusivity contracts in certain areas over those of other taxi companies. In particular, maintaining, protecting, and enhancing the Company's brand is key to maintaining its exclusive access to Dubai International Airport and Al Maktoum International Airport (collectively, the "**Dubai Airports**") and certain other important venues, and in increasing customers, such as government or commercial companies, like the Ministry of Education for its Emirates Schools Establishment contract for its bus services or with aggregators like Careem and Noon for its delivery bike services. The Company's success depends largely on its ability to maintain trust and provide and continue to provide high quality services and meet certain service level expectations included in its arrangements with certain businesses that generate business from exclusive pick-up points.

Any negative publicity about the Company, even if unfounded, could adversely affect its reputation with customers and the organisations it works with, and their confidence in and use of its services. Individual customers seeking taxi and limousine services are often not fully aware of the differences between the DTC brand and other Dubai taxi services, which means that negative publicity about taxis operated by the Company's competitors could also be associated with the Company's brand and negatively affect its reputation as well. Harm to the Company's brand and reputation can arise from many sources, including failure by it, or third parties that provide services to it, to satisfy expectations of service and quality; to provide high quality customer support; or to inadequately protect sensitive information, or the actions of other mobility solution providers actions being attributed to the Company. For example, the Company has agreements with various e-hailing aggregators for its taxi, limousine and delivery bike services and negative experiences with their platform or publicity about these partners could also harm the Company's brand or reputation. Harm could also stem from driver or employee misconduct, rumours or false stories or for other reasons. In addition, the Company undertakes certain sales and marketing activities to promote its bus and limousine services. If it is unable to market and promote its brand effectively or does not successfully maintain a strong and trusted brand, this could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Company relies on third parties for both recruitment and screening of new drivers.

The Company relies on third parties to recruit drivers from abroad, particularly from South Asia, and primarily from Sri Lanka, India, Pakistan, Nepal and Bangladesh. Third-party recruitment agencies find, screen and bring potential drivers to Dubai. If such third-party recruiters terminate their relationships with the Company or refuse to renew their agreement with the Company on commercially reasonable terms, may need to find an alternate provider, and may not be able to secure similar terms or replace such third parties in an acceptable time frame. Furthermore, if these third-party recruitment agencies fail to locate suitable drivers, the Company's driver utilisation ratios could be negatively affected and the Company could be forced to increase its incentives for drivers, any of which could increase costs and have a material adverse effect on the Company's business, financial condition, results of operations and prospects. In addition, if any recruiters were to use bribery, favouritism or engage in other improper conduct when recruiting drivers, there could be negative reputational consequences for the Company and the Company may spend time and resources interviewing unsuitable drivers.

In addition, the Company relies on certain third parties, including the Dubai Police and Dubai Crime Investigation Department (**"CID"**), to undertake background checks and otherwise screen the records of potential and existing drivers to help identify those who are not qualified to drive for the Company pursuant to applicable laws or its internal standards. The Company's business has been and may be adversely affected to the extent it cannot attract or retain qualified drivers as a result of such providers being unable to complete certain background checks, or being significantly delayed in completing certain background checks, because of data access restrictions, or to the extent that they do not meet their contractual obligations or the Company's expectations. If the Company cannot complete these checks in a timely manner, it may delay the Company's recruitment of new drivers, which could impact the Company's ability to meet its obligations under its Franchise Agreements with the RTA. Further, if the background checks by the CID do not identify problematic drivers or meet the standards expected, unqualified drivers may be permitted to drive for the Company, and as a result, its reputation and brand could be adversely affected. The Company is also subject to laws and regulations applicable to background checks for potential and existing drivers. If it or its drivers fail to comply with applicable laws, rules and legislation, the Company's reputation, business, financial condition and results of operations could be adversely affected. Any negative publicity related to the CID, the Company's background check provider, including publicity related to safety incidents or data security breaches or incidences, could adversely affect its reputation and brand, and could potentially lead to increased regulatory or litigation exposure. Any of the foregoing risks could adversely affect the Company's business, financial condition, results of operations and prospects.

If the global supply chain for the Company's new vehicles and repair parts faces disruptions or delays, it may be unable to acquire new vehicles or repair its vehicles when needed and it may incur higher costs.

The Company's supply chain, particularly with respect to access to new vehicles, is complex and reliant on raw goods and finished materials that are obtained from or manufactured by many different market participants. The global automotive supply chain is still experiencing lingering impacts from COVID-19, especially with regard to the supply of semiconductors, and certain supplies needed for new vehicle production and parts for repairs remains constrained. Shortages in materials and increased costs for transportation, energy and raw materials, which are important to the vehicle manufacturing industry, have had an impact on vehicle production volumes, delivery schedules and costs. In addition, the global supply chain can be impacted by logistics provider capacity issues, inflation, increased freight costs, depleted inventory levels, labour shortages and demand peaks.

As a result of the foregoing factors, various automotive manufacturers have been forced to delay or limit new vehicle production in recent years, which caused limitations in supply and delays in the Company receiving new vehicles. For example, during 2021, in order to satisfy the Company's contract with the Ministry of Education, the Company had to lease approximately 130 buses from third parties after the buses it had agreed to purchase from its own suppliers were delayed. Although the availability of new vehicles has improved, such conditions may recur, or other global and regional supply chain disruptions may in the future cause similar issues. Consequently, there is no guarantee that the Company will be able to purchase a sufficient number of new vehicles at competitive prices and on competitive terms and conditions to fulfil demand or to do so efficiently, which could result in heightened vehicle maintenance requirements, higher service costs, reduced service quality and customer satisfaction, or otherwise have a material adverse effect on its business, financial condition, results of operations and prospects.

The Company may be unable to purchase adequate supplies of competitively priced vehicles or the cost of the vehicles it purchases for its fleet may increase significantly without a compensating increase in the tariffs the Company is able to charge for services or residual values.

In line with its strategy and its focus on providing a quality service and its Franchise Agreements with the RTA, the Company replaces 25 to 30% of its taxis every year. The Company's vehicle purchase strategies have in the past and may in the future be affected by commercial, economic, market and other conditions, including a reduction of supply from auto dealers and an adjustment in the level of rebates and other incentives offered by them for its purchases. Purchases of vehicles from dealers are generally made pursuant to procurement contracts. Although these contracts carry a penalty clause for late deliveries and do not allow suppliers to unilaterally cancel, receipt of new vehicles is still subject to potential delay or cancellation. In addition, most vehicle dealers currently are paid by the Company on 12-month terms. If the Company's vehicle dealers were to shorten this period, it could require the Company to hold more working capital, which could have a negative effect on its growth.

Although the Company works with dealers on a continual basis to gain a mutual understanding of their supply of, and the Company's demand for, the specific vehicles desired by the Company, the process by which it normally purchases vehicles does not always guarantee the availability of the desired vehicles on a timely basis. Furthermore, if the Company were to face an unanticipated growth in demand and attempted to bid for additional licence plates from the RTA, its current buffer of spare vehicles of approximately 5% could prove insufficient requiring the purchase of a higher number of additional vehicles on relatively short notice if it wins further licence plates from the RTA. Consequently, there is no guarantee that the Company will be able to purchase a sufficient number of vehicles, at competitive prices and on competitive terms and conditions. If the Company were to win further licence plates and then was unable to purchase sufficient vehicles within the three month window provided by the RTA, these licence plates could then be revoked, which could have a negative material effect on the Company's business, financial condition, results of operations and prospects.

Furthermore, although the RTA has in the past taken into account the cost of replacement vehicles in its annual tariff adjustment, and has generally raised the permitted rate of customer tariffs to include increases in vehicle costs faced by the Company and other companies in the market, there can be no guarantee that such tariff increases will occur, or such increases, combined with the residual value of such vehicles upon their sale, would be able to fully compensate the Company for any increased vehicle acquisition costs.

Finally, if the Company is unable to purchase new vehicles at competitive prices to refresh its fleet, increased maintenance costs in relation to its existing fleet may put further pressure on its business, financial condition, results of operations and prospects.

An economic downturn could result in a decline in business and leisure travel activities, which could materially adversely affect the Company's business.

The macroeconomic environment in the UAE has faced and may continue to face numerous challenges. Between 2018 and 2020, the gross domestic product (**"GDP"**) of the UAE economy declined, hit by the twin shocks of declining oil prices and the impact of COVID-19 on the private sector. Although the economy has recovered to more normalised levels since 2020, with Dubai's real GDP growth up to 4.4% at the end of 2022 (from a decline of 6.4% in 2020) according to the Industry Consultant, there is no guarantee that this growth will continue, that there will not be another pandemic or similar global event or that the economy will not decline again. Social unrest, the threat of domestic or international terrorism and the potential for armed conflict or war in the Middle East and North Africa ("**MENA**") regions and elsewhere may contribute to economic volatility in the UAE. Economic conditions in the UAE are sensitive to global economic conditions, as well as changes in domestic economic and political policies and the expected or perceived overall economic growth rate in the UAE.

The performance of the mobility solutions sector in Dubai is driven by the number of available customers and the volume of the journeys they undertake, which is correlated with macroeconomic factors that impact economic conditions in Dubai, particularly in respect of population growth, consumer spending, tourism and business travel as well as changes in laws and regulations. Moreover, any actual or perceived threat of a monetary or financial crisis in the UAE could have an adverse impact on the mobility solutions industry, including a tightening of the credit markets, reduced levels of business and leisure travels, reduced customer confidence and spending and volatile fuel prices.

In response to any perception of uncertainty in economic conditions, the Company's prospective customers may be less likely to travel to or within Dubai, or they may choose different transportation options that they perceive to be more affordable. Although the Industry Report projected GDP growth in the UAE of approximately 4.0% in 2023 and 3.7% in 2024, there can be no assurance that this growth rate will occur or that if it does, that it will result in the right conditions for growth in the mobility solutions sector. In addition, in 2022, the UAE introduced new visa rules, with the objective of attracting more skilled professionals to the country, as it sought to recover from the effects of COVID-19 and generate economic growth. As a result of these new visa rules, there has been significant recent growth in the migrant population in the UAE, further expanding the Company's customer base. Since 2022, the UAE also updated various regulations and economic initiatives to make itself more attractive to foreign business, increasing the number of foreign visitors and migrants. Any changes to UAE immigration or economic policy could reduce the number of immigrants or visitors to Dubai, which could lessen demand for the Company's services. To the extent the above or any other factors which have an impact on the UAE economy, and Dubai in particular, significantly affect the Company's customers' demand for its services or change their spending habits, there could be a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company generates a significant percentage of its revenue from trips originated from locations where it has exclusive access to pick-up points for its taxis and limousines, particularly through its exclusivity with the Dubai Airports. If the Company's exclusive access to these pick-up points were negatively affected or lost, its financial results and future prospects would be adversely impacted.

The Company has been granted exclusivity at certain pick-up points for its taxi and limousine services. The Company's exclusivity arrangements with these locations are subject to contracts of certain defined periods, from three months to three years depending on the arrangement, and may fail to be renewed on favourable terms or at all. These agreements may cover pick-ups at the whole venue, as is the case of its agreement with Dubai Airports, or only cover certain pick-up points at the venue, such as the agreements in place with the Atlantis and Dubai Mall. Furthermore, for the exclusivity agreements in place for limousine pick-up points, with the exception of Dubai Airports, other limousine companies are always permitted to pick-up passengers, with the exclusivity provisions limited to restricting competition from other limousine services from utilising the agreed exclusive pick-up points. With the exception of pick-up points at the Dubai Airports and Port Rashid, any exclusivity agreement entered into, including those that the Company has for its limousines, are not permitted to restrict taxis from any pick-up location as a result of RTA regulations. If the Company faces a decline in performance quality or perceived reliability, fails to be able to meet certain quality key performance indicators (**"KPIs"**) as defined in its exclusivity arrangements for a prolonged period or otherwise experiences reputational damage, if its competitors offer the venues a higher fee per trip originating from such venue or a higher percentage revenue share, or the venue owners with whom it has agreements elect to create or utilise other companies instead of the Company for this purpose, it may lose its contractual exclusivity benefit of these locations. In addition, if the Company is unable to make available to each exclusive pick-up point the minimum number of vehicles as specified in its exclusivity agreements, which requires up to 350 taxis at a time in the case of Dubai Airports, it could be in breach of the terms of these agreements, and lose exclusive pick-up access to certain venues if it is not able to meet such venue's expectations. The Company could also fail to renew its exclusivity agreements if it loses market share, as other competitors may have the fleet size to sustain these types of arrangements as they grow larger and offer attractive alternatives. The loss of such exclusive arrangements at one or one or more pick-up points, whether due to competition, reputational damage, or otherwise, including as a result of the expiration or termination of the Company's exclusivity arrangements may cause loss of competitive advantage and could materially adversely affect its business, financial condition, results of operations and prospects.

The Company may fail to adequately respond to changes in technology that are impacting the mobility industry.

The mobility industry has recently been characterised by rapid changes in technology innovation and deployment to address evolving customer demands, improve operational efficiency and disrupt competitive dynamics. This includes technology solutions designed to both save costs and enhance revenues. In the mobility solutions sector, e-hailing technologies are becoming increasingly common. Although the Company continues developing and using its own e-hailing app for its limousine services and is working with RTA Careem to incorporate e-hailing using the Hala app into its taxi services, as well as partnering with other third parties to provide e-hailing services for its other mobility services, there is no guarantee that the technology it uses will be effective, or that third parties including its competitors will not adopt better e-hailing technology or adapt to these changes more successfully. In addition, there are global technological changes in the transport industry and increased and improved public transport options that could make it increasingly difficult for the Company's taxi services to compete. See, "*The mobility and taxi services industries are competitive, with well-established direct competitors and low customer switching costs. If the Company is unable to maintain its market share and compete effectively in these industries, its business and financial prospects could be adversely impacted"*. In addition, recent innovations in mobility-as-a-service, fleet transition to electric and hybrid vehicles, driverless transportation, mobility alternatives like electric bicycles and scooters, data driven and automated management services, electric vertical take-off and landing aircrafts (which are expected to foster urban air mobility) and other technologies that raise customer expectations and improve vehicle maintenance and utilisation could disrupt current its market. The Company's ability to continually improve its technology platforms, processes and products and adapt to technological innovations in this environment is essential to maintain a competitive position in customer satisfaction, market share and cost effectiveness.

Due to the inherent complexity and unpredictability in technology innovation, the potential for higher than anticipated costs of certain initiatives, and the competition for talent in its technology offerings, the Company may experience technical or other difficulties that could delay or prevent the development, introduction or marketing of new products or enhanced product offerings. These challenges related to emerging technology may result in loss of competitive differentiation, margin erosion, declining market share, inability to achieve the Company's strategic initiatives, inefficient or outdated service delivery platforms, inability to attract or retain key talent and other unfavourable consequences. For example, the Company is currently in the process of developing and incorporating new technologies aimed at reducing its administrative and fuel costs, as well as technologies aimed at minimising empty taxis and limousines by using AI to identify pick-up points that generate the highest demand. However, there is no guarantee that these technologies will be effective, which could have a material adverse effect on its growth. There is also no guarantee that the Company's technology initiatives and innovations will be as effective as those of the Company's competitors. In particular, although the Company has its own e-hailing app (the “**DTC App**”), it is currently only in use for the Company's limousine services, and if extended in use to include the Company's taxis, its app may fail to generate as much customer recognition or use as other e-hailing apps, which may mean the company will need to continue to rely on third-party hailing apps, which charge the Company a fee for each customer, to generate significant customer bookings. Any inability to adequately respond to changes in technology could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company's success largely depends on certain key employees, and it may not be able to attract, retain and develop the highly skilled employees it needs to support its business.

The Company's performance depends on the continued services and contributions of its senior managers, operational directors and highly skilled employees, particularly in maintenance, operations and fleet management roles. The loss of services of the senior managers or other key employees could significantly impair the success of the Company's strategy. Furthermore, recruitment or training of replacement employees for any such key positions could take significant time and it can be challenging to find senior employees with expertise in the mobility and transportation sectors. The loss of the services of one or more of the Company's senior managers, operational directors or other key operational employees, for any reason, could negatively affect its operations and performance, require significant amounts of time, training and resources to find suitable replacements and integrate them within its business, and could negatively affect its business, operations or corporate culture, any of which could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Company allows customers to pay for rides using cash, which raises certain regulatory, operational and safety issues. If the Company does not successfully manage those concerns, it could become subject to adverse regulatory actions and suffer reputational harm or other adverse financial and accounting consequences.

The Company allows customers to use cash to pay drivers and approximately half of its customer tariffs are paid in cash. The use of cash in connection with the Company's services raises certain operational and safety issues. The use of cash can increase safety and security risks for drivers and customers, including potential robbery, assault, violent or fatal attacks and other criminal acts, which if not managed could have a negative effect on its reputation. In addition, establishing the proper infrastructure to ensure that it receives the correct service fee on cash trips is complex. The Company has created systems for drivers to collect and deposit the cash received for cash-based trips, as well as systems for it to collect, deposit and properly account for the cash received, including blocking a driver's system and imposing fines if they do not deposit the cash within 48 hours. However, maintaining, and improving these systems requires significant effort and resources, and the Company cannot guarantee these systems will be effective in collecting amounts due to it. Further, operating a business that uses cash raises compliance risks with respect to a variety of rules and regulations. If drivers fail to pay the Company under the terms of its agreements or if its collection systems fail, it may be adversely affected by both the inability to collect amounts due and the cost of enforcing the terms of its contracts, including litigation. Such collection failure and enforcement costs, along with any costs associated with a failure to comply with applicable rules and regulations, could, in the aggregate, impact the Company's financial performance, which could adversely affect its business, financial condition, results of operations and prospects.

The Company relies on other third-party service providers and if such third parties do not perform adequately or terminate their relationships with the Company, its costs may increase and its business, financial condition and results of operations could be adversely affected.

The Company's success depends in part on its relationships with other third-party service providers. Through RTA Careem's customer app, Hala, the Company has given RTA Careem the exclusive right to provide all e-hailing for the Company’s taxis, thereby preventing the Company from using its own e-hailing technology or that of other e-hailing companies for its taxi services as well. The exclusive use of Hala for taxi e-hailing remains a requirement for the Company, under its contract with RTA Careem, through December 2024. See "*Related Party Transactions and Material Contracts–Contracts with Related Parties–Taxi Commercial Agreement between the Company and RTA Careem LLC*". As a result, the Company relies on e-hailing service providers like RTA Careem, for acquisition of taxi customers who use e-hailing apps. The Company also relies on several car, bus and limousine dealerships and on third-party bus and electric vehicle maintenance providers. If any of the Company's key third-party partners terminates its relationship with the Company or refuses to renew its agreement with it on commercially reasonable terms, the Company would need to find an alternative provider, and may not be able to secure similar terms or replace such providers in an acceptable time frame. Similarly, in the event that its key third-party partners experience a disruption in their operations, its ability to continue providing support to the Company could become constrained. While there are other substitutes available in the market, any of these risks could increase the Company's costs and adversely affect its business, financial condition and results of operations. Further, any negative publicity related to any of its third-party partners, including any publicity related to quality standards or safety concerns, could adversely affect its reputation and brand, and could potentially lead to increased regulatory or litigation exposure.

The exclusivity provisions of the Company's contract with RTA Careem for e-hailing access for its taxi services on Hala lasts through the end of 2024, at which point in time the Company may choose to try to compete with Hala by extending use of its own DTC app, which it currently uses for limousines, to its taxi business line as well. If the Company were to start using its own DTC app for taxi e-hailing, it will likely also wish to continue utilising RTA Careem's Hala app for e-hailing, but it is possible that RTA Careem may be unwilling to contract for its services on a non-exclusive basis, or otherwise on commercially reasonable terms. Furthermore, if the Company's use of its own DTC app for taxi e-hailing should fail to gain widespread customer acceptance, the Company may lose some of the business it currently receives through e-hailing, particularly if the Company is not able to renew its use of the Hala app. Furthermore, since other taxi companies are now permitted by regulation to use other taxi e-hailing services, if another e-hailing platform gains more strength than Hala, the Company may not be as successful at gaining customers through e-hailing and lose market share through 31 December 2024 when the exclusivity it granted to RTA Careem ends, or longer if it is not able to gain sufficient access to such other e-hailing platform.

The Company incorporates technology from third parties into its operations and certain parts of its services, including that utilised by its operations control centre, as well as through API integrations with other third parties. If the Company is unable to obtain necessary technology from third parties or loses access to the technology it uses now, it may be forced to acquire or develop alternative technology, which may require significant time and effort and may be of lower quality or performance standards and may subject it to certain risks discussed in the preceding paragraph that are currently borne by third parties. This would limit and delay its ability to provide new or competitive offerings and increase its costs. If alternate technology cannot be obtained or developed or if the Company is unable to develop such alternate technology at commercially reasonable levels of risk, it may not be able to offer certain functionality as part of its offerings, which could adversely affect its business, financial condition, results of operations and prospects.

In addition, the Company relies on a third-party payment processor to process approximately half of the payments made by customers and payments made to drivers on its app and in its taxis and limousines, with the other half being made in cash. If this third-party payment processor terminates its relationship with the Company or refuses to renew its agreement with it on commercially reasonable terms, the Company would need to find an alternate payment processor and may not be able to secure similar terms or pricing, or replace such payment processor in an acceptable time frame. While there are other substitutes available in the market, as a change would require the Company to replace the payment machines in all of its taxis, if the Company were required to switch providers without sufficient warning and planned transitioning, it could result in the unavailability of certain of its taxis as it made updates. Further, the software and services provided by the Company’s third-party payment processor may fail to meet its expectations, contain errors or vulnerabilities, be compromised or experience outages. Any of these risks could cause the Company to lose its ability to accept online payments or other payment transactions for a period of time, any of which could make its services less convenient and attractive to customers and adversely affect its ability to attract and retain customers.

The Company is required by its payment processor to pay interchange and processing fees. These fees are subject to increases, which could adversely affect the Company’s business, financial condition, results of operations and prospects. Additionally, the Company’s payment processor requires it to comply with operating rules, which include, among other obligations, requirements to comply with security standards. The payment processor could adopt new operating rules or interpret or re-interpret existing rules in ways that might be costly to implement or difficult to follow, and if the

Company fails or is alleged to fail to comply with applicable rules or requirements of a payment card network, it may be subject to fines or higher transaction fees and may lose its ability to accept online payments or card transactions. Any of the foregoing risks could adversely affect the Company's business, financial condition, results of operations and prospects.

If the Company fails to comply with applicable rules and regulations, it may be subject to civil or criminal penalties, fines or higher transaction fees and may lose its ability to accept online payments or card transactions, which could make its offerings less convenient and attractive to customers. If any of these events were to occur, it could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company may have difficulties implementing its growth strategy, which could have a material adverse effect on its business, financial condition and existing operations.

The Company has developed its growth strategy based on trends and assumptions which may prove inaccurate. The Company's targets include certain assumptions regarding the addition of assets inventory in taxis, limousines, buses and delivery bikes, the availability of sufficient amounts of drivers, the Company's ability to secure a certain number of taxi licence plates at auction and the successful implementation of automation and smart service upgrades. Its targets also assume certain increases in the average trip length and revenue per kilometre (with continued adjustments for inflation and fuel price increases), continued growth in high-end tourism and executive-level business travel in Dubai, and a degree of improved fuel economy of its vehicles and utilisation rates. Its targets also generally assume it will be able to retain its existing exclusivity contracts and current maintenance costs. There can be no guarantee that these assumptions will occur as anticipated or that the Company will be able to achieve its targets within the timescale envisaged, or at all. In addition, in line with its growth strategy, the Company is working on expanding its bus and delivery bike platforms by obtaining and negotiating new contracts for these services and expects to increase its percentage of trips acquired through e-hailing. Implementing the Company's strategy to achieve its targets will also require the Company's senior managers to make appropriate operational and relevant decisions, including hiring additional drivers. If any of the aforementioned factors fail to be achieved, it could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company may fail to detect, deter or prevent driver misconduct or errors, or may be unable to prevent workplace accidents and other incidents, and may suffer financial loss either directly or as a consequence of damage to its reputation.

Although drivers are responsible for their own speeding fines and the Company insures its drivers and carries comprehensive insurance for accidents, its vehicles have in the past and may in the future be involved in significant traffic accidents or other health and safety-related incidents which cause significant property damage or loss of life, and could result in negative publicity resulting in the loss of public's confidence in the safety of its services. In the event any of these incidents were to garner significant publicity, they may reduce demand for its services and impede its ability to win and retain exclusivity and other contracts for pick-up and other services. Furthermore, although the Company is able to collect money for these fines monthly, to the extent its drivers leave the Company's service before paying back speeding and other fines they have incurred, the Company may be unable to collect these amounts, which could be significant. Even for those fines that can be collected, it has in the past and will likely in the future continue to take significant amounts of time for the Company to be fully reimbursed for these fines, as there is a cap on the amount that the Company can collect from drivers' salaries on a per month basis, which increases the risk that funds will not be collected in the event the driver leaves or their employment is terminated. While the Company collects cash from drivers every month to limit this exposure, there is no guarantee that the funds the Company holds will be sufficient to cover these costs. Such incidents could also expose the Company to other financial risks, including higher annual insurance premiums, lawsuits and criminal proceedings and additional fees due to the RTA pursuant to the terms of its Franchise Agreements with the RTA.

The Company's drivers or the Company's employees could be injured in accidents or hijacks, potentially resulting in claims from them or their families, as well as reputational damage and difficulty recruiting and retaining drivers. In addition, negligent or criminal actions by drivers or employees, can give rise to significant reputational or other damage. As the Company seeks to increase the size of its taxi and delivery bike fleet, it may need to hire drivers with less experience or in need of more training, or may assign its drivers longer shifts, which could increase the likelihood of accidents or other health and safety incidents. Furthermore, there is no guarantee of the effectiveness of the Company's training programmes for any of its drivers and any flaws in the Company's training programmes could also result in increased accidents or other health and safety incidents. Furthermore, operating a motor vehicle is inherently dangerous. For example, urban hazards such as uneven roadways increase the risk and severity of potential injuries. In addition, drivers, in particular those on two-wheel vehicles, need to share, navigate, and at times contend with narrow and heavily congested roads occupied by cars, buses and tram, especially during "rush" hours, all of which heighten the potential risk of injuries or death. These incidents may subject the Company to liability and negative publicity. In addition, serious traffic incidents involving other mobility solution companies may have a negative impact on the reputation of the industry as a whole and affect the public's use of the Company's mobility solutions, which would in turn decrease customer demand for its services. In addition, the growth of the Company's delivery offering has led to an increase in drivers on two-wheel vehicles such as delivery bikes, who are more vulnerable road users and face a more severe level of injury in the event of a collision than that faced while driving in a vehicle. Any serious operational incident may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

In addition, if drivers engage in criminal activity, misconduct, or inappropriate conduct, customers may not consider the Company's services safe, and the Company may receive negative press coverage as a result, which would adversely impact its brand, reputation, and business. See, "*Damage to the Company's brand, image or reputation could materially adversely impact its business, financial condition and results of operations*".

The Company is subject to climate change risks, including physical and transitional risks, and if it is unable to manage such risks, its business may be adversely impacted.

The Company faces climate change-related physical and transition risks, which include the risk of market shifts toward electric vehicles and lower carbon business models and risks related to extreme weather events or natural disasters. Climate-related events, including the increasing frequency, severity and duration of extreme weather events and their impact on critical infrastructure in the UAE and elsewhere, have the potential to disrupt the Company's business, its third-party suppliers and the business of customers using the Company's services, and may cause it to experience higher losses and additional costs to maintain or resume operations. Additionally, the Company may become subject to new climate policies, laws or regulations that could require it to make changes to its fleet or operations. Any of the aforementioned could have a material adverse effect on its business, financial condition, results of operations and prospects.

Difficulties in complying with the financial covenant included in the Company's CTA could have an adverse effect on the Company's financial position.

The Company's CTA for its Facilities includes representations, general undertakings and a financial covenant testing its leverage ratio. If the Company is unable to comply with the financial covenant, general undertakings and other conditions included in its CTA or if it is unable to make the required payments on time, the counterparty to the CTA may require early payment of amounts owed under the financing. Furthermore, compliance with the above mentioned requirements can result in decisions that limit the operations of the business and thus negatively impact the Company's performance. The Company could also be required to renegotiate its financial arrangements, request waivers or refinance its financial indebtedness in order to prevent a default. There can be no assurance that the Company would be able to take any such action on terms that are acceptable to it, or at all. If the Company is not able to comply with the financial covenant included in its CTA, this, or any of the foregoing, could have a material adverse effect on the Company's business, financial condition, results of operations and prospects, as well as make it difficult for the Company to obtain additional financing on reasonable terms, or at all. For more information, see "*Related Party Transactions and Material Contracts—Contracts with Related Parties—Commercial Terms Agreement for term and revolving murabaha facilities*".

Risks Relating to the UAE, the MENA Region

The Company's business could be adversely affected by the deterioration of economic conditions in Dubai, the UAE and globally.

Deterioration of economic conditions in Dubai, the UAE and globally for any reason, such as due to a new pandemic or a resurgence of the COVID-19 pandemic or other factors outside of the Company's control, could adversely affect the Company's business by decreasing the amount of travel within and to Dubai and contributing to a reduction in customer volumes, and therefore, revenues and profits. Normally, robust economic growth results in additional customers using the Company's services, while slow economic growth or economic contraction adversely affects customer demand. Even in the absence of a market downturn, the Company is exposed to risks relating to volatility in consumer spending, business investment, government spending and price inflation, all of which affect the business and economic environment in the UAE and, consequently, the size and profitability of the Company's business. Unfavourable economic conditions could lead to lower revenues as a result of reduced travel and reduced demand for its services. In certain conditions, the RTA could also decide to lower taxi tariff rates to assist customers, which would also result in lower revenues for the Company.

An adverse change in the credit rating of the UAE, a decline in consumer confidence and/or consumer spending, higher unemployment, declines in tourism, significant inflationary or deflationary changes or disruptive regulatory, or geopolitical events could also contribute to diminished expectations for the economy and markets. The UAE's economy may be adversely affected by the tightening global economic conditions and by external shocks, including financial market volatility, trade disruptions and protectionist trade policies or threats thereof. In particular, expatriates represent approximately 90% of the population of Dubai, so any decline in the global or UAE economy that leads to a significant exodus of expatriates would materially negatively impact Dubai's economic outlook and economic activity levels. 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 the UAE and Dubai, particularly as it relates to the expatriate population in Dubai. Examples of such conditions could include:

- a general or prolonged decline in, or shocks to, regional or broader macroeconomies;

- regulatory changes that could impact Dubai; and
- deflationary economic pressures, which could hinder the Company'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 Company's business, financial condition, results of operations and prospects.

The UAE and the economies in the MENA region are significantly affected by volatility in international oil prices and these economies have in the past been, and are likely in the future to continue to be, materially adversely affected by lengthy periods of low 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 Company's control, including (without limitation):

- economic and political developments both in oil-producing regions, particularly in the MENA region, and globally;
- 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 Dubai and the wider UAE, remain in part dependent, directly or indirectly, on crude oil prices. As a result, extended periods of low crude oil prices may have a negative impact across the economic landscape of Dubai and other Emirates. For example, Dubai or governments from other Emirates 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 financing/loan losses or impairments.

The ongoing Russia-Ukraine war and the consequential sanctions imposed on Russia by numerous countries may increase volatility of crude oil prices, both in the UAE and globally. Any of the factors described above, including OPEC or OPEC+ agreements and the Russia-Ukraine war, could have a material adverse effect on the economic, political and fiscal position of Dubai (and the UAE generally), and may consequently have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Deteriorating global macroeconomic conditions, and continued instability and unrest in the MENA region may materially adversely affect the UAE economy.

The UAE's economy may be adversely affected by tightening global economic conditions and external shocks, including financial market volatility, trade disruptions, the widespread implementation of protectionist trade policies or threats thereof and continued instability and unrest in the MENA region.

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 the UAE. Economic competition within the region might affect the UAE's development plans to diversify and develop a non-oil based economy and undermine the UAE's position as the regional hub, despite recent measures by the UAE to increase its attractiveness to foreign investment and talent. Increased financial market volatility could also affect investor sentiment and slow tourism, trade and investment in the UAE, which could, in turn, have an adverse effect on the UAE's non-oil sectors and the economy as a whole.

Furthermore, although the UAE enjoys domestic political stability and generally healthy international relations, since early 2011 there has been political unrest in a number of countries in the MENA region, including Bahrain, Egypt, Iran, Iraq, 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 a number of regime changes and increased political uncertainty across the region. The MENA region currently is subject to a number of active and potential armed conflicts, including the Israel-Gaza conflict arising in October 2023. Unrest in the region has implications for the wider global economy and may negatively affect market sentiment towards other countries in the region, including the UAE. Although the UAE continues to exercise de-escalation diplomacy and self-restraint, any continuation of, or increase in, international or regional tensions or any military action may have a destabilising impact on the MENA region. There can be no assurance that tensions will not continue to escalate in the region, or that further unrest will not happen.

Any incidents, including terrorism or cyber-terrorism, in or affecting the UAE and increased regional geopolitical instability (whether or not directly involving the UAE), or any heightened levels of military conflict in the region or globally, including the conflict in Ukraine, may have a material adverse effect on the UAE's attractiveness for foreign investment and capital, its ability to engage in international trade, its tourism industry and, consequently, its economic, external and fiscal positions.

It is not possible to predict the occurrence of events or circumstances such as war or hostilities, or the impact such occurrences may have on the jurisdictions in which the Company operates. The occurrence of any of the above factors could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Unrest in the wider MENA region could impact the UAE, and the Company, through reduced levels of foreign direct investment into the region, capital outflows or increased volatility in the global and regional financial markets. Regional volatility could also lead to higher refugee population inflows to the UAE, which the country might not be able to easily absorb, leading to increased social unrest. Such unrest may also have negative implications on securities issued by companies operating in the region, including those in the UAE. Any of the foregoing could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company's results of operations could be materially adversely affected by the introduction of new laws and regulations, including any increase to the newly implemented general corporation tax in the UAE.

The governments of Dubai and the UAE may decide to change existing laws and regulations or introduce new laws and regulations, including the introduction of a higher corporate income tax rate, which could adversely affect the way in which the Company is able to conduct its businesses and its results of operations and financial condition. However, as the economy of the UAE continues to 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 to implement new laws and regulations which could impact the way the Company conducts its business. Existing laws, such as UAE competition law, could also be altered and adversely impact the Company. Any new laws, regulations or requirements could result in the Company incurring additional expenses or otherwise adversely affect its business, financial condition and results of operations.

Furthermore, existing laws and regulations may be applied inconsistently, or in a manner that could affect the Company's ability to enforce its rights under its contracts or to defend its business against claims by others.

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.

Although the UAE historically did not have any corporate income tax, the Company is now subject to the UAE's new corporate income tax regime, which came into effect on 1 June 2023 and will apply to the Company from 1 January 2024. Under this new regime, as a public company it will be subject to a 9% federal corporate tax in the UAE on adjusted accounting net profits above a threshold of AED 375,000. The Company is also subject to VAT on input cost items such as fuel and maintenance and customers are subject to VAT on delivery bike services. Were corporate income tax rates to increase significantly, were taxi customer tariffs or its other exempt mobility services to become subject to VAT or if VAT were to increase to a level sufficient to dampen customer demand, this could have a negative impact on the Company's overall costs and revenue. There can be no assurance that the introduction of the corporate income tax regime or any other changes to current laws or taxation would not increase the Company's costs or otherwise materially adversely affect its business, financial condition, results of operations and prospects.

Any adjustment to, or ending of, the UAE's currency peg could negatively affect the UAE's finances and economy.

The Company maintains its accounts and reports its results in UAE dirhams, the currency in which its revenues are earned and its costs are incurred. Consequently, although there can be no assurance that foreign currency fluctuations will not adversely affect its profits and financial performance in the future, its management believes that its operations are not generally directly subject to significant foreign exchange risk. However, the UAE dirham is currently pegged to the U.S. dollar at a fixed exchange rate of AED 3.6725 to U.S.$1.00. If the UAE Central Bank cannot maintain a stable exchange rate or the peg to the U.S. dollar, it could reduce confidence in the UAE's economy, reduce foreign direct investment and adversely affect the UAE's finances and economy, as well as those of the individual Emirates within the UAE. As a result, the performance of the Company's business is indirectly exposed to foreign currency fluctuations relative to the UAE dirham. In addition, there can be no assurance that the government of the UAE will not de-peg the UAE dirham from the U.S. dollar in the future.

Furthermore, because of the peg to the U.S. dollar, the UAE Central Bank does not have any flexibility to devalue the UAE dirham to stimulate the UAE's exports market, and the UAE Central Bank's ability to independently manage interest/profit rates is constrained, which may impair its ability to respond to financial crises or downturns. For example, if the US Federal Reserve increases interest/profit rates and the UAE Central Bank delays significantly in increasing its own rates, this could result in significant pressure on the peg. This lack of flexibility could have an adverse effect on the UAE's foreign trade and, in turn, on its economy and those of the individual Emirates within the UAE, including Dubai. Any of the foregoing may materially adversely affect the Company's business, financial condition, results of operations and prospects.

Regulatory, Legal and Tax Risks

Various government policies on transport control and management, such as licence plate issuance and restrictions on vehicle purchases and ownership, may increase the Company's operating costs, limit its future expansion or otherwise adversely affect its business, results of operations and prospects.

The Company is subject to a wide variety of laws and regulations as a mobility solutions provider in the UAE. It is governed by extensive regulations that apply to nearly every aspect of its taxi service, including but not limited to, market entry, transfer of control, fleet size, franchises, tariff setting, airport flagfall (or fixed initial charge incurred at the start of a taxi journey, as part of the overall tariff), driver requirements, limitations on the number of permits, vehicle requirements, insurance coverage, geographic coverage, access for disabled riders, anti-discrimination provisions and traffic and pollution. The Company's limousine, bus and other services are also subject to similar regulations. In addition, if the Company fails to meet the KPIs and other expectations in its agreements with the RTA, including certain KPIs with regards to driver qualifications and vehicle quality standards, the RTA may not look on its bids as favourably in future auctions or, in extreme cases, could revoke its current licence plates. During COVID-19, the Company failed to meet certain KPIs, such as having a certain number of drivers per vehicle. Although, in that instance the RTA recognised the extraordinary circumstances and there were no negative consequences, there is no guarantee that should they fail to meet these KPIs in the future, it would meet the same outcome. The RTA could also make the regulatory decision to reduce the Company's market share and exclude it from certain licence plate bidding auctions if were to prioritise growing the market share of the Company's existing competitors or new entrants to the market.

Any inability of the Company to adapt or deliver services that are compliant with new regulations could hinder its competitive position or have a material adverse effect on its business, financial condition, results of operations or prospects. The costs of making those adaptations or otherwise complying with such regulations may result in substantial additional costs, thereby reducing profitability. There is also a possibility that further regulations or reforms may be introduced that may adversely affect the Company's business or may introduce requirements or rules that the Company is unable to meet. Any of the aforementioned could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Company's business depends on insurance coverage for its fleet and on other types of

insurance for additional risks related to its business. If insurance carriers change the terms of such insurance in a manner not favourable to the Company, if it is required to purchase additional insurance for other aspects of its business, or if it fails to comply with regulations governing insurance coverage, its business could be harmed.

The Company relies on a limited number of insurance providers, and should such providers discontinue or increase the cost of coverage, the Company cannot guarantee that it would be able to secure replacement coverage on reasonable terms or at all. In the past the Company has received discounted insurance rates, but if these discounts are not available in the future or if the Company's insurance carriers change the terms of its policies in other manners unfavourable to it or its customers, its insurance costs could increase. Further, if the insurance coverage the Company maintains is not adequate to cover losses that occur, it could be liable for significant additional costs.

The Company's cars may be damaged or stolen while they are being used by its drivers, and an increase of damage or theft losses covered by insurance could result in increasing insurance premiums. The Company may be subject to claims of significant liability based on traffic accidents, personal injuries, deaths, property damages or other incidents that are claimed to have been caused by its drivers. As the Company grows its fleet of vehicles and expands to include more offerings on its platform, its insurance needs will likely extend to those additional offerings. As a result, its comprehensive liability and general liability insurance policies may not cover all potential claims related to traffic accidents, personal injuries, deaths, property damages or other incidents that are claimed to have been caused by its drivers, and may not be adequate to indemnify it for all liability that it could face. Even if these claims do not result in liability, the Company could incur significant costs in investigating and defending against them. If insurers become insolvent, they may not be able to pay otherwise valid claims in a timely manner or at all. If the Company is subject to claims of liability relating to the acts of its drivers, it may be subject to negative publicity and incur additional expenses, which could harm its business, financial condition and results of operations.

In addition, the Company is subject to local laws, rules and regulations relating to insurance coverage which could result in proceedings or actions against it by the Insurance Regulatory Authority under the Central Bank of the UAE or other governmental entities or others. Any failure, or perceived failure, by it to comply with local laws, rules and regulations or contractual obligations relating to insurance coverage could result in proceedings or actions against it by governmental entities or others. These lawsuits, proceedings, or actions may subject the Company to significant penalties and negative publicity, require it to increase its insurance coverage, require it to amend its insurance policy disclosure, increase its costs and disrupt its business.

The Company may be exposed to uninsured liability at levels in excess of its historical levels resulting from multiple payouts or otherwise, to liabilities in respect of existing or future claims which exceed the level of its insurance or reserves, and may fail to have sufficient capital available to pay any uninsured claims. Moreover, sufficient and market standard insurance coverage with reliable unaffiliated carriers may cease to be available to the Company on economically reasonable terms, or at all. Therefore, should an uninsured loss or a loss in excess of the Company's insured limits occur, it would lose the capital invested in, and the anticipated revenue from, the affected assets, which could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Company's business is subject to various legal and regulatory compliance risks, including those involving anti-trust, anti-money laundering, anti-bribery or anti-corruption laws and regulations and sanctions.

The Company is subject to various legal and regulatory requirements or risks involving compliance with sanctions, anti-money laundering, anti-bribery and anti-corruption laws and regulations. There can be no assurance that the procedures, policies and controls that the Company has in place to detect and prevent instances of non-compliance with such requirements will be fully effective at all times and any failure to comply with sanctions, anti-money laundering, anti-bribery and anti-corruption laws and regulations may expose the Company to significant fines, penalties and reputational damage.

According to Transparency International's corruption perceptions index, the UAE ranked 27 out of 180 countries. While the Company has anti-corruption policies in place, there can be no assurance that such policies will be effective or prevent it from being exposed to violations of anti-corruption or bribery laws. Furthermore, the Financial Action Task Force (**"FATF"**) includes the UAE on a list of jurisdictions subject to increased monitoring, known as its 'grey' list. In addition, to further FATF scrutiny on the UAE, companies which are located in countries on the 'grey' list may face increased risk of reputational damage, ratings adjustments, difficulty obtaining global financing in global markets, higher transaction costs and additional compliance issues.

Any failure to comply with the above laws or regulations could result in significant sanctions, including fines or more onerous compliance requirements, or otherwise have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company faces risks related to liabilities resulting from the use of its vehicles by its drivers.

The Company is exposed to claims for personal injury or death and property damage as a result of automobile accidents involving vehicles driven by its drivers. In addition to other means such as regular preventative maintenance, the Company depends on its drivers for daily pre-use inspections in order to help identify any apparent or potential damage or safety concerns with the vehicles. While the Company has comprehensive insurance coverage (including third-party liability) which also covers their drivers, if a driver fails to notice an issue during their daily check and uses a car that has worn tires or has some mechanical or other problem, including a manufacturing defect, which contributes to a motor vehicle accident that results in a death or property damage, the Company may find itself a defendant of the claims for the alleged liabilities of the accident and the damage resulting from it. Since judicial proceedings determining the cause of a motor vehicle accident can be lengthy and costly, and the results of such proceedings may be uncertain, the Company may not be successful in defending itself each time such an incident occurs. In addition, if there are a significant amount of these incidents, the Company's insurance premiums could increase significantly or the Company's reputation could suffer. Furthermore, the entry into force of new laws, the imposition of new or more stringent requirements or a stricter application of existing regulations may introduce new liabilities, increase the Company's costs or impose new responsibilities, leading to lower earnings and liquidity available for its activities. Any of the aforementioned could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

The Company may be subject to various claims and lawsuits that could result in significant expenditures which may materially adversely affect its business.

At any given time, the Company may be a party to litigation or be subject to regulatory disputes or government inquiries or claims arising out of the normal operations of its business. As a growing company with expanding operations, including entry into new markets, it may face increasing risks of claims, lawsuits and investigations, including proceedings by governments and other regulatory authorities, involving a wide range of issues, including labour and employment, personal injury, property damage, business practices, environmental liability and other matters. In addition, the Company may be subject to tax audits, disputes, claims and complaints, including adversarial actions, by customers, employees, third parties and others in the ordinary course of business.

The Company cannot predict the outcome of such inquiries and disputes, and such inquiries or disputes could have an adverse impact on it because of legal costs, diversion of management resources, reputational impact and other factors. Determining provisions for any litigation is a complex, fact-intensive process that is subject to management assumptions and judgment. Legal proceedings or inquiries could also result in fines or penalties. Litigation and other claims and regulatory proceedings against it could result in unexpected expenses and liabilities, which could have a material adverse effect on its business, financial condition, results of operations and prospects.

The Company holds certain personally identifiable information relating to its customers, employees, drivers and other third parties and it and the third parties it works with may fail to appropriately handle this data, which could increase its costs or adversely affect its business and reputation.

For its limousine services, the Company electronically receives, processes, stores, and transmits certain of its customers' and other third parties' sensitive personal information, including names, addresses, and banking information. The Company also holds similar sensitive personal information on its employees and drivers. There are inherent risks associated with handling sensitive data, including potential data breaches, unauthorised access, loss, or disclosure of sensitive information. Despite the Company's compliance measures and security protocols, it remains exposed to the evolving nature of cyber threats.

Additionally, ensuring compliance depends on the actions of its employees, drivers, partners, data providers, and related parties. While the Company has contracts, policies, and procedures in place, absolute adherence to these legal and ethical standards cannot be guaranteed. Furthermore, as the Company contemplates expanding its services to include taxi services through its mobile app, it may entail the collection of a significantly larger volume of sensitive personal information. Managing this increased data responsibly and securely remains a top priority, as the heightened data exposure could attract the attention of cyber criminals or overwhelm the Company's system, which could result in data breaches that lead to legal and reputational consequences.

Any perceived or actual failure by the Company, or its third-party service providers, to protect confidential data or any material non-compliance with privacy or data protection laws, including those mandated by the Dubai Digital Authority, or other consumer protection regulations, may severely impact its reputation, revenue, customer retention, and expose it to potential legal and regulatory actions, including significant fines. Such events could have a material adverse effect on the Company's business, financial condition, results of operations, and prospects.

The Company may be unable to adequately protect or enforce its intellectual property rights, or third parties may allege that it is infringing on their IP rights, which could adversely affect business.

To protect its trademark and other individually and jointly owned intellectual property rights, the Company relies on intellectual property law, which only offers limited protection. Despite the Company's precautions to protect its trademark and other intellectual property in proprietary systems, operations and applications which the Company has developed and utilised in the operations of its business, it may be possible for third parties to infringe on the Company's intellectual property rights.

The Company's ability to police misappropriation or infringement is uncertain. Protecting against the unauthorised use of the Company's intellectual property and confidential information is expensive, difficult and not always possible. Litigation may be necessary in the future to enforce or defend the Company's intellectual property rights. This litigation could be costly and divert management resources, either of which could have a material and adverse impact on the Company's business, financial condition, results of operations or prospects. Accordingly, despite the Company's efforts, it may not be able to prevent third parties from infringing upon or misappropriating its intellectual property.

In addition, third parties could claim that the Company's technologies and processes underlying its products and services infringe their intellectual property. Moreover, to the extent that the Company gains greater visibility and market exposure as a public company, it may face a higher risk of being the target of intellectual property infringement claims asserted by third parties. The Company may in the future receive notices alleging that it has misappropriated or infringed a third-party's intellectual property rights. Third parties may hold intellectual property rights, including patents and pending patent applications, that cover significant aspects of the Company's technologies, processes or business methods. Any claims of infringement or misappropriation by a third-party, even those without merit, could cause the Company to incur substantial defence costs and could distract the Company's management from its business, and there can be no assurance that it will be able to prevail against such claims. Some of the Company's competitors may have the capability to dedicate substantially greater resources to enforcing their intellectual property rights and to defending claims that may be brought against them. Furthermore, a party making such a claim, if successful, could secure a judgment that requires the Company to pay substantial damages. A judgment could also include an injunction or other court order that could prevent the Company from offering its products and services. In addition, the Company might be required to seek a licence for the use of a third-party's intellectual property, which may not be available on commercially reasonable terms, or at all. Alternatively, the Company might be required to develop non-infringing technology, which could require significant effort and expense and might ultimately not be successful. Third parties may also assert infringement claims against the Company's customers relating to their use of the Company's technologies or processes. If such a claim were to occur, it could require the Company to defend potentially protracted and costly litigation on their behalf, regardless of the merits of these claims. If any of the foregoing were to occur, it could have a material and adverse impact on the Company's business, financial condition, results of operations or prospects.

Risks Relating to the Offering and to the Offer Shares

The Offering may not result in an active or liquid market for the Offer Shares, and trading prices of the Offer Shares may be volatile and may decline.

Prior to the Offering, there has been no public trading market for the Offer Shares. The Company 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 Offer Shares will not decline thereafter below the price at which each Offer Share is to be sold pursuant to the Offering (the "**Offer Price**"). The failure of an active trading market to develop may affect the liquidity of the Offer Shares. The Offer Shares may therefore be difficult to sell compared to the shares of companies with more liquid trading markets, and the price of the Offer Shares may be subject to greater fluctuation than might otherwise be the case. The trading price of the Offer Shares may be subject to wide fluctuations in response to many factors, including stock market fluctuations and general economic conditions or changes in political sentiment, regardless of the Company's actual performance or conditions in Dubai.

Substantial sales of Shares by the Selling Shareholder following the expiry of the underwriting or statutory lock-up period could depress the price of the Offer Shares.

Sales of a substantial number of Shares by the Selling Shareholder following the completion of the Offering may significantly reduce the Company's share price. Pursuant to the Underwriting Agreement, the Shares held by the Selling Shareholder following Listing shall be subject to a lock-up that starts on the date of Listing and ends 180 days thereafter, subject to certain permitted transfers as set out in the Underwriting Agreement, described in further detail in *"Sale and Subscription - Underwriting Agreement"* below, or through certain waivers by the Joint Global Coordinators. Furthermore, the Company is unable to predict whether, following the expiry of the statutory lock-up period, 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 Offer Shares.

After the Offering, the Selling Shareholder will continue to maintain a controlling interest in the Company and to be able to exercise significant influence over the Company as a result of its shareholding which may result in potential conflicts of interests with other shareholders to arise.

Immediately following the Offering, and assuming that the Selling Shareholder sells all of the Shares being offered and that the size of the Offering is not increased, the Selling Shareholder will hold 75.01% of the Company's share capital. The Articles of Association and the Amending Decree provide that the Government of Dubai's equity in the Company may not fall below 60% of its subscribed share capital. As a result, the Selling Shareholder will be able to exercise significant control over the Company's management and operations and over its shareholders' meetings, such as in relation to the payment of dividends and the appointment of the some of the Directors to the Board and other matters. There can be no assurance that the interests of the Selling Shareholder will coincide with the interests of purchasers of the Offer Shares. See "*Subscription and Sale*" and "*Principal Shareholders and Selling Shareholder*" below.

Furthermore, the Selling Shareholder's significant Share ownership and the restrictions on the Government of Dubai's indirect ownership levels set out in the Company's Articles of Association and in the Amending Decree may: (i) delay or deter a change of control of the Company (including deterring a third-party from making a takeover offer for the Company); (ii) deprive shareholders of an opportunity to receive a premium for their Offer Shares as part of a sale of the Company; and (iii) affect the liquidity of the Offer Shares, each of which could have a material adverse effect on the market price of the Offer Shares.

Trading activity in the DFM is significantly smaller than other established securities markets and there can be no assurance that a liquid market in the Offer Shares will develop.

The Company has applied for the Offer Shares to be admitted to the Official List of Securities of the DFM. The DFM has been open for trading since September 2005, but its future success and liquidity in the market for the Offer Shares cannot be guaranteed. The activities at DFM are limited compared to other established securities markets, such as those in the United States and the United Kingdom. As of 30 June 2023, there were 66 companies with securities traded on the DFM with a total market capitalisation of approximately AED 652 billion. Brokerage commissions and other transaction costs on the DFM are generally higher than those in Western European countries.

These factors could generally decrease the liquidity and increase the volatility of the share prices which, in turn, could increase the price volatility of the Offer Shares and impair the ability of a holder of Offer Shares to sell any Offer Shares on the DFM in the desired amount and at the price and time achievable in more liquid markets.

The Company may not pay dividends on the Shares.

While the Company intends to pay dividends in respect of the Shares, there can be no assurance or guarantee that it will do so. Any decision to declare and pay dividends in the future will be made at the discretion of the Company's Board and will depend on, among other things, the availability of distributable reserves (which could be negatively impacted by the UAE corporate tax applicable to the Company from 1 January 2024), its capital expenditure plans and other cash requirements in future periods and other factors that the Company's Board may deem relevant. As a result, investors may fail receive any return on an investment in the Offer Shares.

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

Under the Company's Articles of Association to be adopted with effect from, and conditional upon, Listing, and under the CCL, holders of the Offer Shares generally have pre-emptive rights to subscribe and pay for a sufficient number of the Company's Shares in order to maintain their relative ownership percentages prior to the issuance of any new Shares in exchange for cash consideration. However, securities laws of certain jurisdictions may restrict the Company's ability to allow participation by shareholders in future offerings. The Company currently does not intend to register the Offer Shares under the laws of any other jurisdiction, and no assurance can be given to holders of the Offer Shares outside the UAE that there will be exemptions available to enable them to exercise their pre-emptive rights or, if available, that the Company will utilise such exemption. To the extent that non-UAE holders of the Offer Shares are not able to exercise their pre-emptive rights, the pre-emptive rights would lapse and the proportional interests of such holders would be reduced.

UAE Taxation

The following comments are general in character and are based on the current 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 constitute tax advice and no assurance can be given that future legislative, judicial or administrative changes or tax authority guidance will not materially alter the position set out below, potentially with retroactive effect. The comments do not purport to be a comprehensive analysis of all the tax consequences applicable to all types of investors and do not relate to any taxation regime outside the UAE. Each prospective investor is responsible for its own tax position and it is the responsibility of each investor to inform themselves as to any tax consequences which are relevant to their particular circumstances in connection with the acquisition, holding or disposition of Offer Shares in the Company. Investors should therefore seek their own independent professional advice without delay if required.

<u>Taxation of companies in the UAE</u>

Federal level corporate tax regime

The UAE enacted a new Federal Decree (Federal Decree-Law No. (47) of 2022 on the Taxation of Corporations and Businesses) (the "**CT Law**") which imposes corporate tax on juridical persons (including resident persons such as corporations, partnerships, foundations, and non-resident entities with a permanent establishment ("**PE**") or nexus in the UAE or deriving UAE sourced income) and individuals (natural persons) engaged in a business or business activity. The CT Law applies from October 25, 2022 and is effective for businesses for tax periods commencing on or after June 1, 2023. The general anti-abuse rules apply from the date the CT Law was published in the Official Gazette (October 10, 2022).

This legislation is untested, and some aspects contain a degree of uncertainty and the UAE Ministry of Finance's ("**MoF**") and Federal Tax Authority's ("**FTA**") published guidance do not resolve all points of uncertainty. Consequently, how the CT Law will be applied to the Company, or to investors therein, may not be entirely clear. Prospective investors are advised to seek their own tax advice from their advisors as to the tax consequences of the UAE CT regime.

Emirate level corporate tax regime

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. Furthermore, some of the individual Emirates have also issued banking tax decrees which are applicable 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.

Federal UAE corporate tax law

On December 9, 2022, the UAE released the CT Law, which introduced a corporate tax regime for financial years commencing on or after June 1, 2023. The CT Law was published in the Official Gazette on October 10, 2022 and the law came into force on October 25, 2022. The CT Law is complemented with a number of cabinet and ministerial decisions, which provide detailed provisions of the implemented tax regime. The MoF also issued an Explanatory Guide to the CT Law on May 12, 2023 that provides an explanation of the meaning and intended effect of each article of the CT Law. Additionally, the MoF and FTA have published a list of frequently asked questions ("**FAQs**") relating to the CT Law on their respective websites. Further FTA on September 11, 2023 have published a Corporate Tax Guide which provides further guidance to the CT Law and cabinet decisions and some practical examples of application of the tax provisions under the new CT regime. The Explanatory Guide, the FAQs and the Corporate Tax Guide are not law and do not have any legal power.

The CT Law is effective for tax periods commencing on or after June 1, 2023. UAE entities, such as the Company, with financial calendar years running from January 1 to December 31 will become subject to the UAE CT Law from January 1, 2024.

In the UAE, corporate tax is imposed on the taxable income of resident persons or, in specific circumstances, non-resident persons. The term "resident persons" includes persons that are: (1) incorporated in the UAE, or (2) incorporated in a foreign jurisdiction, but effectively managed from and controlled in the UAE, or (3) a natural person who conducts a business or business activity in the UAE, or (4) any other person as may be determined in a decision issued by the Cabinet. The term "non-resident persons" refers to juridical persons that are not resident in the UAE but (i) have a PE in the UAE, (ii) derive UAE sourced income and (iii) have nexus in the UAE (i.e. derive income from immovable property in the UAE).

The CT Law provides for a specific regime for "Free Zone Persons" that are incorporated, established or otherwise registered in one of the UAE free zones (including a branch of a non-resident person registered in a free zone).

The CT Law applies to all businesses and business activities operating across the UAE, with certain exceptions. The CT Law does not apply to income of individuals from activities that are not considered to be a business or business activity. Certain types of income (e.g., salary, personal investment income and real estate investment income) are not deemed to be related to a business or business activity.

Qualifying Free Zone Persons

A Free Zone Person may be considered a "Qualifying Free Zone Person" if it meets all of the following conditions:

(1) it maintains adequate substance in the free zone;

(2) It derives Qualifying Income (as defined below);

(3) It has not elected to be subject to corporate tax;

(4) It has complied with the arms-length principle (Article 34 of the CT Law) and transfer pricing documentation transfer pricing documentation (Article 55 of the CT Law) requirements;

(5) It does not fail the "de minimis test" (as defined by Cabinet Decision No. 55 of 2023 on Determining Qualifying Income for the Qualifying Free Zone Person);

(6) It prepares audited financial statements in accordance with Ministerial-Decision-No.-82-of-2023 or any other decisions issued by the Minister; and

(7) It has complied with any other conditions set by the MoF.

A Qualifying Free Zone Person who fails to meet any of the above conditions will lose that status and be subject to the regular corporate tax rate of 9 percent for the year in which it fails to meet the above conditions and for a further four years following the year that it fails to qualify. As per the Corporate Tax Guide the AED 375,000 zero tax band does not apply to the income of a Qualifying Free Zone Person that is subject to the 9 percent corporate tax rate.

Qualifying Income

Qualifying Income is defined as follows:

(1) income derived from transactions with other Free Zone Persons, except for income derived from Excluded Activities (as defined below). 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

(2) income derived from transactions with a Non-Free Zone Person, but only in respect of Qualifying Activities that are not Excluded Activities (as defined in Ministerial Decision No. 139 of 2023 Regarding Qualifying Activities in Excluded Activities); or

(3) any other income provided that the Qualifying Free Zone Person satisfies the "de minimis" requirements.

Qualifying Income cannot include income attributable to a foreign PE or a domestic PE. It also cannot apply 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).

Corporate Tax Rates

The corporate tax rate is set at zero percent for taxable income up to AED 375,000, and nine percent 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. As such the introduction of a corporate tax regime helps to provide the UAE with a framework to adopt Pillar 2 rules (as defined in the OECD/G20 Inclusive Framework on BEPS). 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 these rules have been implemented.

On the announcement of the UAE corporate tax 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 (i.e. those with consolidated global annual revenue of more than EUR 750 million, equivalent to approximately AED 3.15 billion on or about the date of this Prospectus) will be subject to a different higher rate, which is still to be announced. The global minimum effective tax rate proposed by the OECD is 15 percent.

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

The MoF is expected to release a public consultation in quarter 1 of 2024 on the Pillar 2 proposals. This consultation will seek input on the design and timing of the Pillar 2 rules in the UAE from the relevant stakeholders.

Taxable profit

UAE corporate tax will be payable on taxable income, reflecting the accounting net profit reported in the financial statements of the business with certain adjustments.

Broadly speaking, expenditure incurred wholly and exclusively for the purposes of the "Taxable Person's" business that is not capital in nature is deductible in the period in which it is incurred.

Taxable Person is defined as a person who is subject to corporate tax in the UAE under the CT Law.

Non-deductible expenses

No deduction is available when calculating taxable income for the following (not an exhaustive list):

- expenditure not incurred for the purpose of the Taxable Person's business;
- expenditure incurred in deriving Exempt Income (as defined below);

- losses not connected with or arising out of the Taxable Person's business;
- net interest/finance expense which exceeds the higher of (1) 30 percent of tax adjusted EBITDA, or (2) AED 12,000,000 (subject to certain additional conditions/ requirement);
- penalties, bribes or other illicit payments;
- dividends or other profit distributions;
- corporate tax imposed under the CT Law, tax imposed on the Taxable Person outside the UAE and recoverable value added tax ("**VAT**");
- donations paid to organisations that are not a Qualifying Public Benefit Entity (as defined under Article 9 of the CT Law);
- 50 percent of expenditure incurred by a 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; and
- such other expenditure as may be specified in a decision issued by the Cabinet.

Exempt Income

- dividends paid by UAE resident juridical person.
- 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.
- income of a foreign permanent establishment where an election under Article 24 of the CT Law has been made.
- income derived by a Non-Resident Person from operating aircraft or ships in international transportation that meets certain conditions.

Withholding Tax

At the time of enacting the CT Law, withholding tax is charged at a rate of zero percent on certain categories of UAE sourced income derived by a non-resident insofar as such income is not attributable to a PE of the non-resident person in the UAE.

The CT Law includes provisions which specifically allow the UAE Cabinet of Ministers to change the withholding tax rate. The CT 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.

Therefore in practice, UAE businesses will not be expected to make any deductions from payments of UAE sourced income to residents or non-residents unless the UAE Cabinet of Ministers decides to introduce a withholding tax rate of greater than zero percent in the future.

Transfer Pricing

Under the CT Law, transactions carried out between related parties and connected parties should be priced in line with the arm's length principle ("**ALP**"). The ALP 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 ALP 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.

<u>Tax considerations for prospective investors</u>

Taxation of individuals in the UAE

As of the date of this Prospectus, there is currently no federal 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 investors. If a prospective 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 jurisdiction.

There are no transfer taxes in the UAE on the purchase of Shares. Accordingly, the purchase of Shares should not result in any transfer tax liabilities in the UAE for resident individual or corporate investors. 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-rating provision applies) pursuant to Article 42 of the UAE VAT Executive Regulations. As such, no VAT implications for the purchase of Shares is anticipated. See *"—Value Added Tax"* discussed below for further VAT considerations with respect to the purchase and holding of the Shares.

Taxation of dividends and capital gains on sale

UAE tax resident and non-resident individual investors

Under the CT Law, the 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 license or requiring a license 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 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 investors

Under the CT Law, the purchase of Shares should not result in any UAE tax liabilities for corporations (purchaser) which are tax resident in the UAE.

Under the CT Law, 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 percent. The participation exemption may exempt any gain arising where all of the following conditions are met:

- the ownership interest held by the investor represent at least 5 percent or minimum historical acquisition costs of AED 4,000,000 is made;
- the investor holds the investment for a 12-month uninterrupted period (or the has the intention to hold the investment for 12 months);
- the investment is subject to tax in its country or territory of residence at a rate that is not lower than 9 percent (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 percent 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 percent of the profits and liquidation proceeds of the subsidiary; and
- Any other conditions as may be prescribed by the Minister of Finance.

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 investors

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, and prospective investors should consult their own tax advisors.

Under the CT 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 zero percent. Gains realized by non UAE tax resident corporate investors or a non UAE PE in relation to the disposal of their investment would represent UAE sourced income and therefore would be subject to tax under the CT Law. This gain would be subject to withholding tax which is currently charged at zero percent. For further details on withholding tax refer to withholding tax section above.

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 percent and applies to most goods and services, with some goods and services subject to a zero percent rate (zero-rated) or an exemption from VAT (subject to specific conditions being met).

The zero percent VAT rate applies to goods and services exported outside the UAE, international transportation, the supply of crude oil/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. 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. As such, no VAT implications for the purchase of Shares is anticipated. Further, 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 & services within DZs is, however, subject to VAT in accordance with the general application of the UAE VAT legislation.

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. On the other hand the tax section is not addressing the company's tax position which we are not engaged to comment on and did not perform any diligence type work on the company to comment on their tax status.

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 five percent. Certain fees may be subject to VAT at zero percent 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 asset would be subject to VAT at the standard rate of 5 percent, 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.

Investors should seek advice in relation to the impact of VAT in relation to their acquisition of Shares.

Third Section: Financial Disclosures

The selected financial information set forth below shows the Company's financial information and other unaudited operating information as at and for the years ended 31 December 2019, 2020, 2021 and 2022, as of and for the six months ended 30 June 2022 and 2023 and as of and for the nine months ended 30 September 2022 and 2023.

Certain differences exist in the presentation and accounting treatment in the Audited Financial Statements for the years ended 31 December 2020, 2021 and 2022 and in the Interim Financial Statements which make certain financial information less comparable across the different financial periods. See “Presentation of Financial and Other Information—Financial Statements” for further information. Unless otherwise indicated, the presentation of the Interim Financial Statements has been used.

The financial information set forth below under the captions "Statement of Profit or Loss and Other Comprehensive Income", "Statement of Financial Position" and "Statement of Cash Flows" has been derived from, and should be read in conjunction with, the Financial Statements included elsewhere in this Prospectus.

Included in this Prospectus are certain measures that are not measures defined by IFRS. The definition of each of these non-IFRS measures is set forth in "Presentation of Financial and Other Information—Non-IFRS Information" above. Where applicable, for a reconciliation of certain of these measures to the most nearly comparable IFRS measure, see "—Reconciliations of Non-IFRS Financial Measures" below.

The selected financial information and operational data presented below should be read in conjunction with Audited Financial Statements and Interim financial Statements included elsewhere in this Prospectus.

Statement of Profit or Loss and Other Comprehensive Income

	For the year ended 31 December				For the six months ended 30 June		For the nine months ended 30 September	
	2019(1)	2020(1)(2)	2021(1)	2022(1)	2022	2023	2022	2023
	AED				*AED (Unaudited)*		*AED (Unreviewed) (Unaudited)*	*AED (Unaudited)*
Revenue	1,655,867,838	887,410,704	1,341,342,010	1,762,822,650	864,107,346	956,678,554	1,272,131,555	1,413,736,479
Plate and license fees	(307,335,864)	(221,174,523)	(242,536,046)	(318,504,169)	(155,510,400)	(155,660,400)	(233,340,600)	(232,335,600)
Other direct costs	(1,096,411,530)	(739,616,508)	(887,312,107)	(1,176,845,494)	(578,567,249)	(584,772,845)	(871,443,477)	(869,538,500)
Other income	48,850,193	34,054,943	29,263,819	43,079,061	18,990,804	23,228,388	25,701,936	34,483,152
General and administrative expenses	(100,354,437)	(76,674,686)	(67,817,953)	(68,764,056)	(33,233,881)	(36,053,080)	(46,851,797)	(53,302,305)
Impairment loss on financial assets	(13,887,421)	(36,151,871)	(20,573,199)	(11,773,143)	(3,837,473)	(15,654,524)	(7,951,994)	(19,840,701)
Operating profit/(loss) before bonus	**186,728,779**	**(152,151,941)**	**152,366,524**	**230,014,849**	**111,949,147**	**187,766,093**	**138,245,623**	**273,202,525**
Finance income	6,803,927	7,265,474	5,396,918	6,228,057	2,891,003	8,448,964	4,305,615	10,625,317
Finance cost	(690,078)	(533,612)	(388,641)	(58,177)	(113,416)	(75,771)	(869,696)	(2,629,756)
Finance income - net	6,113,849	6,731,862	5,008,277	6,169,880	2,777,587	8,373,193	3,435,919	7,995,561
Profit/(loss) for the period before bonus	**192,842,628**	**(145,420,079)**	**157,374,801**	**236,184,729**	**114,726,734**	**196,139,286**	**141,681,542**	**281,198,086**
Staff bonus	-	-	(7,868,740)	(11,809,236)	(5,736,337)	(9,806,964)	(7,084,077)	(14,059,904)
Profit/(loss) for the period	**192,842,628**	**(145,420,079)**	**149,506,061**	**224,375,493**	**108,990,397**	**186,332,322**	**134,597,465**	**267,138,182**

(1) In the H1 2023 Interim Financial Statements, the Company changed the presentation of its income statement to report the plate and license fee line item as an operating cost (which is reflected in gross profit) rather than an expense item (which is reflected in operating profit). This presentation is more consistent with how the Company's management analyses the performance of the Company. As a result of reclassifying this line item as an operating cost from an expense, the gross profit line item which is included in the Audited Financial Statements and Interim Financial Statements is not included in the presentation here, as it is not comparable across the different periods. In addition, the Company's results for the years ended 31 December 2019, 2020, 2021 and 2022 have been presented here on the same basis as the presentation adopted in the H1 2023 Interim Financial Statements for comparability. Except for the change to plate and license fee, these changes are presentational and have no material impact.

(2) The figures for revenue, other direct costs, general and administrative expenses, operating profit/(loss) and finance income - net in the 2020 Audited Financial Statements were reclassified in the 2021 Audited Financial Statements and have been represented here as presented in the 2021 Audited Financial Statements.

Statement of Financial Position

	As of 31 December				As of 30 June	As of 30 September
	2019(1)	2020(1)	2021(1)	2022(1)	2023	2023
Assets			*AED*		*AED (Unaudited)*	*AED (Unaudited)*
Non-current assets						
Property and equipment	480,541,695	438,005,658	412,062,088	569,784,574	644,546,433	722,280,601
Intangible assets	556,708,240	556,708,240	556,708,240	556,708,240	556,708,240	556,708,240
Investment in financial assets	73,349,288	73,147,259	45,576,693	281,888,746	164,904,068	-
Right-of-use-asset	13,373,749	9,631,553	5,899,581	-	-	-
Non-current assets	**1,123,972,972**	**1,077,492,710**	**1,020,246,602**	**1,408,381,560**	**1,366,158,741**	**1,278,988,841**
Current assets						
Inventories	3,388,412	2,983,010	3,731,511	2,393,153	3,839,902	2,555,653
Trade and other receivables	57,577,607	80,659,990	97,841,880	147,147,043	198,495,309	184,286,622
Investment in financial assets(2)	119,510,916	97,509,908	29,510,959	-	125,841,061	107,445,933
Cash and cash equivalents	210,933,483	85,924,871	232,120,956	235,101,944	353,586,863	537,236,576
Current assets	391,410,418	**267,077,779**	**363,205,306**	384,642,140	**681,763,135**	**831,524,784**
Total assets	**1,515,383,390**	**1,344,570,489**	**1,383,451,908**	**1,793,023,700**	**2,047,921,876**	**2,110,513,625**
Equity and liabilities						
Equity						
Share capital	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Statutory reserve	70,299,224	70,299,224	86,036,704	100,000,000	100,000,000	100,000,000
General reserve	70,299,224	70,299,224	86,036,704	100,000,000	100,000,000	100,000,000
Retained earnings	-	-	-	-	-	80,805,860
Total equity	**340,598,448**	**340,598,448**	**372,073,408**	**400,000,000**	**400,000,000**	**480,805,860**
Liabilities						
Non-current liabilities						
Pension and post-employment benefits	22,811,549	23,813,468	23,924,872	28,556,992	30,764,580	31,822,344
Loans and borrowings	-	-	-	-	-	996,902,500
Lease liability	11,466,155	7,581,547	2,668,324	-	-	-
Non-current liabilities	34,277,704	**31,395,015**	**26,593,196**	**28,556,992**	**30,764,580**	**1,028,724,844**
Current liabilities						
Trade and other payables(2)	282,544,576	306,130,327	352,730,704	542,207,802	575,765,914	569,339,871
Due to a related party(2)	854,280,812	662,028,480	626,752,736	822,258,906	1,041,391,382	31,643,050
Lease liability	3,681,850	4,418,219	5,301,864	-	-	-
Current liabilities	1,140,507,238	**972,577,026**	**984,785,304**	**1,364,466,708**	**1,617,157,296**	**600,982,921**
Total liabilities	1,174,784,942	**1,003,972,041**	**1,011,378,500**	**1,393,023,700**	**1,647,921,876**	**1,629,707,765**
Total equity and liabilities	**1,515,383,390**	**1,344,570,489**	**1,383,451,908**	**1,793,023,700**	**2,047,921,876**	**2,110,513,625**

(1) The Company's results as at 31 December 2019, 2020, 2021 and 2022 have been presented here using the presentation of name of the line items adopted in the H1 2023 Interim Financial Statements for comparability. These changes are presentational and have no material impact.

(2) The figures presented on this line item as at 31 December 2022 were reclassified in the comparative balance sheet as at 31 December 2022 included as part of the H1 2023 Interim Financial Statements. See the H1 2023 Interim Financial Statements for the reclassifications made.

Statement of Cash Flows

	For the year ended 31 December				For the six months ended 30 June		For the nine months ended 30 September	
	2019[1]	2020[1]	2021[1]	2022[1]	2022	2023	2022	2023
	AED				*AED (Unaudited)*		*AED (Unreviewed) (Unaudited)*	*AED (Unaudited)*
Profit/(loss) for the period	192,842,628	(145,420,079)	149,506,061	224,375,493	108,990,397	186,332,322	134,597,465	267,138,182
Adjustments for:								
Depreciation of property and equipment	151,792,870	132,428,949	93,073,325	97,752,439	47,143,978	61,506,347	73,338,663	97,954,901
Recovery of allowance for slow moving inventories	(82,095)	-	-	-	-	-	-	-
Impairment loss on financial assets[2]	13,887,421	36,151,871	20,573,199	11,773,143	3,837,473	15,654,524	7,951,994	19,840,701
Finance income	(6,803,927)	(7,265,474)	(5,396,918)	(6,228,057)	(2,891,003)	(4,538,860)	(4,305,615)	(5,101,074)
Dividend income		-	-	-	-	(475,543)	-	(898,479)
Provision for employees' end of service indemnity	2,859,334	4,538,189	2,750,899	5,633,950	2,011,815	2,820,185	2,956,706	4,379,034
Gain on derecognition of lease liability	-	-	-	(2,585,945)	(2,585,945)	-	(2,585,945)	-
Gain/(loss) on disposal of property and equipment	3,024,919	(338,921)	215,088	(1,458,746)	(1,339,314)	(1,992,054)	(626,203)	(3,645,635)
Depreciation/amortisation of right-of-use asset[3]	3,731,971	3,742,196	3,731,972	475,443	475,443	-	475,444	-
Interest expenses on lease liability	646,212	533,612	388,641	39,895	39,895	-	39,895	-
Gain/ (loss) on investment in equity securities measured in FVTPL	-	-	-	18,282	-	(3,434,561)	649,839	(4,625,764)
Loss on disposal of investment in financial assets	-	-	-	-	-	-	-	1,940,312
Interest on loans and borrowings	-	-	-	-	-	-	-	495,464
Amortization of arrangement fee	-	-	-	-	-	-	-	52,500
Gross cash flows from operations	**361,899,333**	**24,370,343**	**264,842,267**	**329,795,897**	**155,682,739**	**255,872,360**	**212,492,243**	**377,530,142**
Working capital adjustments:								
Trade and other receivables	(9,551,887)	(59,279,761)	(37,832,948)	(61,359,111)	(60,868,810)	(67,006,517)	(137,203,305)	(57,058,401)
Inventories	(368,759)	405,402	(748,501)	1,338,358	379,327	(1,446,749)	305,602	(162,500)
Trade and other payables	(39,059,026)	23,585,751	46,600,377	189,477,098	109,347,863	37,668,238	129,287,768	29,959,060
Due to a related party	(172,914,072)	(46,832,253)	(153,306,845)	(942,731)	(96,296,591)	27,140,370	(29,536,367)	(480,964,611)
Cash generated from operating activities	**140,005,589**	**(57,750,518)**	**119,554,350**	**458,309,511**	**108,244,528**	**252,227,702**	**175,345,941**	**(130,696,310)**
Payment of employees' end of service benefits	(4,078,228)	(3,536,270)	(2,639,495)	(1,001,830)	(410,524)	(612,597)	(734,716)	(1,113,682)
Net cash from operating activities	**135,927,361**	**(61,286,788)**	**116,914,855**	**457,307,681**	**107,834,004**	**251,615,105**	**174,611,225**	**(131,809,992)**
Proceeds from matured investment in financial assets[2]	28,222,750	126,064,958	169,839,600	29,786,813	50,215,230	-	29,563,822	181,093,281
Purchase of investments in financial assets	(100,000,000)	(103,863,333)	(75,000,000)	(231,010,001)	(128,491,718)	-	(165,510,002)	-
Purchase of property and equipment	(148,110,115)	(101,705,029)	(92,196,106)	(284,043,763)	(85,329,409)	(146,730,089)	(215,363,730)	(269,705,255)
Purchase of intangible assets	(30,666,600)	-	-	-	-	-	-	-
Proceeds from disposal of property and equipment	20,876,801	12,151,038	24,851,263	30,027,584	10,667,451	12,453,937	18,177,547	22,899,962
Finance income received	6,803,927	7,265,474	6,282,413	908,947	214,838	666,696	1,884,864	3,551,508
Dividend income received	-	-	-	-	-	475,543	-	898,479
Net cash (used in)/generated from investing activities	(222,873,237)	(60,086,892)	33,777,170	(454,330,420)	(152,723,608)	(133,133,913)	(331,247,499)	(61,262,025)
Repayment of lease liability	(3,068,208)	(3,681,851)	(4,418,219)	-	-	-	-	-
Proceeds from borrowings	-	-	-	-	-	-	-	1,000,000,000
Repayment of due to related party	-	-	-	-	-	-	-	(501,643,351)
Payment for arrangement fee	-	-	-	-	-	-	-	(3,150,000)
Increase in share capital	100,000,000	-	-	-	-	-	-	-
Net cash used in financing activities	**96,931,792**	**(3,681,851)**	**(4,418,219)**	**-**	-	-	-	**495,206,649**
Net increase in cash and cash equivalents	9,985,916	(125,055,531)	146,273,806	2,977,261	(44,889,604)	118,481,192	(156,636,274)	302,134,632
Cash and cash equivalents at beginning of the period	201,011,975	210,997,891	85,942,360	232,216,166	232,216,166	235,197,154	232,120,956	235,101,944
Cash and cash equivalents at end of the period	**210,997,891**	**85,942,360**	**232,216,166**	**235,193,427**	**187,326,562**	**353,678,346**	**75,484,682**	**537,236,576**

(1) Unless otherwise indicated, the Company's results for the years ended 31 December 2019, 2020, 2021 and 2022 have been presented here using the presentation of name of the line items adopted in the H1 2023 Interim Financial Statements. These changes are presentational and have no material impact.

(2) Presentation of this line item reflects that in the Audited Financial Statements.

(3) Presentation of this line item combines the presentation of the Audited Financial Statements and Interim Financial Statements.

Statement of changes in equity

	Paid-up capital	Statutory reserve	General reserve	Retained earnings	Total
	AED	AED	AED	AED	AED
At 1 January 2019	100,000,000	50,000,000	50,000,000	-	200,000,000
Adjustment on Initial application of IFRS 9	-	-	-	(464,281)	(464,281)
Restated balances as of 1 January 2019	100,000,000	50,000,000	50,000,000	(464,281)	199,535,719
Introduction of paid up capital	100,000,000	-	-	-	100,000,000
Total comprehensive income for the year					
Profit for the year	-	-	-	192,842,628	192,842,628
Total comprehensive income for the year	-	-	-	192,842,628	192,842,628
Transfer to reserves	-	20,299,224	20,299,224	(40,598,448)	-
Transferred to Roads & Transport Authority	-	-	-	(151,779,899)	(151,779,899)
At 31 December 2019	200,000,000	70,299,224	70,299,224	-	340,598,448
Total comprehensive loss for the year					
Loss for the year	-	-	-	(145,420,079)	(145,420,079)
Total comprehensive income for the year	-	-	-	(145,420,079)	(145,420,079)
Transferred to Roads & Transport Authority	-	-	-	145,420,079	145,420,079
At 31 December 2020	200,000,000	70,299,224	70,299,224	-	340,598,448
Total comprehensive income for the year					
Profit for the year	-	-	-	149,506,061	149,506,061
Total comprehensive income for the year	-	-	-	149,506,061	149,506,061
Transfer to reserves		15,737,480	15,737,480	(31,474,960)	-
Transferred to Roads & Transport Authority	-	-	-	(118,031,101)	(118,031,101)
At 31 December 2021	200,000,000	86,036,704	86,036,704	-	372,073,408
Total comprehensive income for the year					
Profit for the year	-	-	-	224,375,493	224,375,493
Total comprehensive income for the year	-	-	-	224,375,493	224,375,493
Transfer to reserves	-	13,963,296	13,963,296	(27,926,592)	-
Transferred to Roads & Transport Authority	-	-	-	(196,448,901)	(196,448,901)
At 31 December 2022	200,000,000	100,000,000	100,000,000	-	400,000,000
Profit for the period	-	-	-	186,332,322	186,332,322
Transferred to Roads & Transport Authority	-	-	-	(186,332,322)	(186,332,322)
At 30 June 2023	200,000,000	100,000,000	100,000,000	-	400,000,000
At 1 January 2023	200,000,000	100,000,000	100,000,000	-	400,000,000
Total comprehensive income for the period	-	-	-	267,138,182	267,138,182
Transferred to Roads & Transport Authority	-	-	-	(186,332,322)	(186,332,322)
At 30 September 2023	200,000,000	100,000,000	100,000,000	80,805,860	480,805,860

Reconciliations of Non-IFRS Financial Measures

The following tables set forth reconciliations of non-IFRS financial measures to the most nearly comparable IFRS measures.

	For the year ended 31 December				For the six months ended 30 June		For the nine months ended 30 September	
	2019	2020	2021	2022	2022	2023	2022	2023
	AED				*AED (Unaudited)*		*AED (Unreviewed) (Unaudited)*	*AED (Unaudited)*
Profit/(loss) for the period	192,842,628	(145,420,079)	149,506,061	224,375,493	108,990,397	186,332,322	134,597,465	267,138,182
Finance income – net[1]	(6,157,715)	(6,731,862)	(5,008,277)	(6,188,162)	(2,851,108)	(4,538,860)	(4,265,720)	(4,553,110)
Depreciation of property and equipment	151,792,870	132,428,949	93,073,325	97,752,439	47,143,978	61,506,347	73,338,663	97,954,901
Amortisation of right of use asset	3,731,971	3,742,196	3,731,972	475,443	475,443	-	475,444	-
EBITDA	342,209,754	(15,980,796)	241,303,081	316,415,213	153,758,710	243,299,809	204,145,852	360,539,973

(1) Finance income - net as reported in the Financial Statements includes dividend income and gain/(loss) on equity securities measured at FVTP, loss on disposal of investment in financial assets and bank charges. As these expenses are not reflective of an interest expense, they have been deducted from finance income - net in this table and in the calculation of EBITDA. See Note 8 of the 2022 Audited Financial Statements and Note 8 of the H1 2023 Interim Financial Statements for the specific amounts that are removed here.

EBITDA Margin

	For the year ended 31 December				For the six months ended 30 June		For the nine months ended 30 September	
	2019	2020	2021	2022	2022	2023	2022	2023
	AED				*AED (Unaudited)*		*AED (Unreviewed) (Unaudited)*	*AED (Unaudited)*
EBITDA	342,209,754	(15,980,796)	241,303,081	316,415,213	153,758,710	243,299,809	204,145,852	360,539,973
Revenue	1,655,867,838	887,410,704	1,341,342,010	1,762,822,650	864,107,346	956,678,554	1,272,131,555	1,413,736,479
EBITDA Margin %	20.7%	(1.8)%	18.0%	17.9%	17.8%	25.4%	16.0%	25.5%

Direct Costs and Gross Profit

	For the year ended 31 December				For the six months ended 30 June		For the nine months ended 30 September	
	2019[1]	2020[1]	2021[1]	2022[1]	2022	2023	2022	2023
	AED (except %)				*AED (except %) (Unaudited)*		*AED (except %) (Unreviewed) (Unaudited)*	*AED (except %) (Unaudited)*
Plate and licence fees	(307,335,864)	(221,174,523)	(242,536,046)	(318,504,169)	(155,510,400)	(155,660,400)	(233,340,600)	(232,335,600)
Other direct costs	(1,096,411,530)	(739,616,508)	(887,312,107)	(1,176,845,494)	(578,567,249)	(578,567,249)	(871,443,477)	(869,538,500)
Direct Costs	(1,403,747,394)	(960,791,031)	(1,129,848,153)	(1,495,349,663)	(734,077,649)	(740,433,245)	(1,104,784,077)	(1,101,874,100)
Gross Profit	252,120,444	(73,380,327)	211,493,857	267,472,987	130,029,697	216,245,309	167,347,478	311,862,379
Direct Costs as % of Revenue	84.8%	108.3%	84.2%	84.8%	84.8%	77.4%	86.8%	77.9%
Gross Profit Margin	15.2%	(8.3)%	15.8%	15.2%	15.0%	22.6%	13.2%	22.1%

(1) In the H1 2023 Interim Financial Statements, the Company changed the presentation of its income statement to report the plate and licence fee line item as an operating cost. This presentation is more consistent with how the Company's management analyses the performance of the Company. As a result of reclassifying this line item as an operating cost from an expense, this affects the calculation of gross profit. In this table, the Company has presented Direct Costs and Gross Profit as though plate and licence fees were reported as an operating cost in the Audited Financial Statements. As a result, Direct Costs and Gross Profit as presented in this table for the years ended 31 December 2019, 2020, 2021 and 2022 will not match the presentation or figures in the Audited Financial Statements.

Net Capex

	For the year ended 31 December				For the six months ended 30 June		For the nine months ended 30 September	
	2019	2020	2021	2022	2022	2023	2022	2023
	AED				*AED (Unaudited)*		*AED (Unreviewed) (Unaudited)*	*AED (Unaudited)*
Purchase of property and equipment	(148,110,115)	(101,705,029)	(92,196,106)	(284,043,763)	(85,329,409)	(146,730,089)	(215,363,730)	(269,705,255)
Purchase of intangible assets (plate capex)	(30,666,600)	-	-	-	-	-	-	-
Proceeds from disposal of property and equipment	20,876,801	12,151,038	24,851,263	30,027,584	10,667,451	12,453,937	18,177,547	22,899,962
Net Capex	(157,899,914)	(89,553,991)	(67,344,843)	(254,016,179)	(74,661,958)	(134,276,152)	(197,186,183)	(246,805,293)

Cash Conversion

	For the year ended 31 December				For the six months ended 30 June		For the nine months ended 30 September	
	2019	2020	2021	2022	2022	2023	2022	2023
	AED				*AED (Unaudited)*		*AED (Unreviewed) (Unaudited)*	*AED (Unaudited)*
EBITDA	342,209,754	(15,980,796)	241,303,081	316,415,213	153,758,710	243,299,809	204,145,852	360,539,973
Net Capex	(157,899,914)	(89,553,991)	(67,344,843)	(254,016,179)	(74,661,958)	(134,276,152)	(197,186,183)	(246,805,293)
Cash Conversion	184,309,840	(105,534,787)	173,958,238	62,399,034	79,096,752	109,023,657	6,959,669	113,734,680
Cash Conversion Ratio	53.9%	n.m.	72.1%	19.7%	51.4%	44.8%	3.4%	31.5%

Net Working Capital

	For the year ended 31 December				For the six months ended 30 June		For the nine months ended 30 September	
	2019	2020	2021	2022	2022	2023	2022	2023
	AED				*AED (Unaudited)*		*AED (Unreviewed) (Unaudited)*	*AED (Unaudited)*
Inventories	3,388,412	2,983,010	3,731,511	2,393,153	3,352,184	3,839,902	3,425,909	2,555,653
Trade and other receivables	57,577,607	80,659,990	97,841,880	147,147,043	154,873,217	198,495,309	227,095,191	184,286,622
Trade and other payables	(282,544,576)	(306,130,327)	(352,730,704)	(542,207,802)	(462,078,567)	(575,765,914)	(482,020,472)	(569,339,871)
Net Working Capital	(221,578,557)	(222,487,327)	(251,157,313)	(392,667,606)	(303,853,166)	(373,430,703)	(251,499,372)	(382,497,596)

Changes in Working Capital

	For the year ended 31 December				For the six months ended 30 June		For the nine months ended 30 September	
	2019	2020	2021	2022	2022	2023	2022	2023
Changes between period ends in:	*AED*				*AED (Unaudited)*		*AED (Unreviewed) (Unaudited)*	*AED (Unaudited)*
Inventories	(450,854)	405,402	(748,501)	1,338,358	379,327	(1,446,749)	305,602	(162,500)
Trade and other receivables	4,271,128	(23,082,383)	(17,181,890)	(49,305,163)	(57,031,337)	(51,348,266)	(129,253,311)	(37,139,579)
Trade and other payables	(38,998,763)	23,585,751	46,600,377	183,817,314	109,347,863	39,217,896	129,289,768	32,791,853
Changes in Working Capital	(35,178,489)	908,770	28,669,986	135,850,509	52,695,853	(13,577,119)	342,059	(4,510,226)

Free Cash Flow

	For the year ended 31 December				For the six months ended 30 June		For the nine months ended 30 September	
	2019	2020	2021	2022	2022	2023	2022	2023
	AED				*AED (Unaudited)*		*AED (Unreviewed) (Unaudited)*	*AED (Unaudited)*
EBITDA	342,209,754	(15,980,796)	241,303,081	316,415,213	153,758,710	243,299,809	204,145,852	360,539,973
Net Capex	(157,899,914)	(89,553,991)	(67,344,843)	(254,016,179)	(74,661,958)	(134,276,152)	(197,186,183)	(246,805,293)
Changes in Working Capital	(35,178,489)	908,770	28,669,986	135,850,509	52,695,853	(13,577,119)	342,059	(4,510,226)
Free Cash Flows	149,131,351	(104,626,017)	202,628,224	198,249,543	131,792,605	95,446,538	7,301,728	109,224,454
Free Cash Flows Conversion (%)	43.6%	n.m.*	84.0%	62.7%	85.7%	39.2%	3.6%	30.3%

* n.m. means not meaningful.

Net Income Margin

	For the year ended 31 December				For the six months ended 30 June		For the nine months ended 30 September	
	2019	2020	2021	2022	2022	2023	2022	2023
	AED				*AED (Unaudited)*		*AED (Unreviewed) (Unaudited)*	*AED (Unaudited)*
Profit for the period (i.e. net income)	192,842,628	(145,420,079)	149,506,061	224,375,493	108,990,397	186,332,322	134,597,465	267,138,182
Revenue	1,655,867,838	887,410,704	1,341,342,010	1,762,822,650	864,107,346	956,678,554	1,272,131,555	1,413,736,479
Net Income Margin %	12%	-16%	11%	13%	13%	19%	11%	19%

Return on Equity (ROE)

	As at and for the year ended 31 December				As at and for the six months ended 30 June		For the nine months ended 30 September	
	2019	2020	2021	2022	2022	2023	2022	2023
	AED				*AED (Unaudited)*		*AED (Unreviewed) (Unaudited)*	*AED (Unaudited)*
Profit for the period (net income)	192,842,628	(145,420,079)	149,506,061	224,375,493	108,990,397	186,332,322	134,597,465	267,138,182
Total equity	340,598,448	340,598,448	372,073,408	400,000,000	400,000,000.	400,000,000	400,000,000	480,805,860
ROE %	57%	-43%	40%	56%	28%	47%	34%	56%

Net Debt

	As at 31 December				As at 30 June		As at 30 September	
	2019	2020	2021	2022	2022	2023	2022	2023
	AED				*AED (Unaudited)*		*AED (Unreviewed) (Unaudited)*	*AED (Unaudited)*
Long term debt	-	-	-	-	-	-	-	996,902,500
Cash and cash equivalents	(210,933,483)	(85,924,871)	(232,120,956)	(235,101,944)	(187,231,352)	(353,586,863)	(75,484,682)	(537,236,576)
Net Debt	(210,933,483)	(85,924,871)	(232,120,956)	(235,101,944)	(187,231,352)	(353,586,863)	(75,484,682)	459,665,924

SELECTED UNAUDITED PRO FORMA FINANCIAL INFORMATION

Dubai Taxi Corporation ("the **Company**") was formed on 28 June 1994 in accordance with the provisions of Law No. (5) of 1994 decreed by H. H. The Ruler of Dubai in order to operate a fleet of taxis in the Emirate of Dubai and to the other Emirates. The Company commenced operations on 20 May 1995. In accordance with Law No. (20) of 2008, the Company is wholly owned by the Roads and Transports Authority ("**RTA**").

The selected unaudited pro forma financial information set forth below as at the nine months ended 30 September 2023 (the "**Unaudited Pro Forma Financial Information**") has been derived from the reviewed condensed interim financial statements for the nine-month period ended 30 September 2023, included elsewhere in this Prospectus, and gives effect to Board resolution passed by the Board of Directors of RTA on 3 November 2023 to (i) reduce the capital from AED 200 million to AED 100 million (the "**Capital Reduction**") and payment was made to the RTA on 4 November 2024 (ii) reduce general reserves of AED 100 million to nil and statutory reserve by AED 50 million (as the Company is required to maintain statutory reserve equivalent to 50% of the capital) which reductions were transferred to retained earnings and accordingly pay AED 150 million to the RTA on 3 November 2023 as pre-IPO dividend (the "**pre-IPO dividend**"). The Company's payment towards reduction in capital of AED 100million and pre-IPO dividend, amounting to AED 150 million to RTA prior to the Offering is presented as if they had occurred as at 30 September 2023. The selected unaudited pro forma financial information should be read in conjunction with "Summary Financial and Operating Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations", and "Description of Share Capital" included elsewhere in this Prospectus.

The Unaudited Pro Forma Financial Information is prepared in accordance with estimates, assumptions and judgements and gives effect to the pro forma adjustments that are (i) directly attributable to the Offering; ii) expected to have a continuing impact on the financial results of operations of the Company; and iii) factually supportable.

The Unaudited Pro Forma Financial Information is presented for illustrative purposes only and is not intended to represent or to be indicative of the financial position that would have been reported had the board resolution pre-IPO dividend (both described in the notes under the table below) been implemented as of the date indicated or what the financial position or results of operations would be for any future periods. The pro forma adjustments and related assumptions are described in the accompanying notes to the Unaudited Pro Forma Financial Information.

Unaudited pro forma statement of financial position

As at 30 September 2023

	9M 2023 Interim Financial Statements	Board resolution to reduce Capital and payment to RTA Pro forma Adjustments(2.1)	Board resolution to reduce general and statutory reserve to be paid as Pre-IPO Dividend Pro forma Adjustments(2.2)	Unaudited Pro forma
	AED	*AED*	*AED*	*AED*
Assets				
Property and equipment	722,280,601	-	-	722,280,601
Intangible assets	556,708,240	-	-	556,708,240
Investment in financial assets	-	-	-	-
Non-current assets	**1,278,988,841**	-	-	**1,278,988,841**
Inventories	2,555,653	-	-	2,555,653
Trade and other receivables	184,286,622	-	-	184,286,622
Investment in financial assets	107,445,933	-	-	107,445,933
Cash and cash equivalents	537,236,576	(100,000,000)	(150,000,000)	287,236,576
Current assets	**831,524,784**	(100,000,000)	(150,000,000)	**581,524,784**
Total assets	**2,110,513,625**	(100,000,000)	(150,000,000)	**1,860,513,625**
Equity				
Capital	200,000,000	(100,000,000)	-	100,000,000
Statutory reserve	100,000,000	-	(50,000,000)	50,000,000
General reserve	100,000,000	-	(100,000,000)	-
Retained earnings	80,805,860	-	-	80,805,860
Total equity	**480,805,860**	(100,000,000)	(150,000,000)	**230,805,860**
Liabilities				
Pension and post-employment benefits	31,822,344	-	-	31,822,344
Loans and borrowings	996,902,500	-	-	996,902,500
Non-current liability	**1,028,724,844**	-	-	**1,028,724,844**
Trade and other payables	569,339,871	-	-	569,339,871
Due to related parties	31,643,050	-	-	31,643,050
Current liabilities	**600,982,921**	-	-	**600,982,921**
Total liabilities	**1,629,707,765**	-	-	**1,629,707,765**
Total equity and liabilities	**2,110,513,625**	(100,000,000)	(150,000,000)	**1,860,513,625**

See the accompanying notes to the Unaudited Pro Forma Financial Information which form integral part of this statement.

Notes to the Unaudited Pro Forma Financial Information

1. Financial information of Dubai Taxi Corporation ("the Company")

The historical financial information of the Company for the period ended 30 September 2023, included in the Unaudited Pro Forma Financial Information has been derived from the condensed interim financial statements for the period ended 30 September 2023 prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

2 Adjustments to Unaudited Pro Forma Financial Information

2.1 Capital reduction and payment to the RTA

Reflects the reduction in capital of AED 100 million, in accordance with the Board resolution passed by the Board of Directors of the RTA on 3 November 2023. As a result of the reduction in capital, an amount of AED 100 million has been paid to RTA on 4 November 2023.

2.2 Reduction in statutory and general reserve and payment to the RTA as pre-IPO dividend

In accordance with the Board resolution passed by the Board of Directors of the RTA on 3 November 2023, the Company has reduced the general reserve from AED 100 million to AED nil and statutory reserve by AED 50 million as the Company is required to maintain statutory reserve equivalent to 50% of the capital. These reductions are announced as pre-IPO dividend to the RTA and accordingly, the Company has paid pre-IPO dividend amounting to AED 150 million to RTA on 3 November 2023.

3. Approval of the Unaudited Pro Forma Financial Information

The Unaudited Pro Forma Financial Information was approved by the Board of Directors of RTA on 8 November 2023.

Dividend Policy

The Company’s ability to pay dividends is dependent on a number of factors, including the availability of distributable reserves, its capital expenditure plans and other cash requirements in future periods, and there is no assurance that the Company will pay dividends or, if a dividend is paid, what the amount of such dividend will be. Any level or payment of dividends will depend on, among other things, future profits and the business plan of the Company, at the discretion of the Board of Directors and General Assembly. Subject to the foregoing, the Company intends to pay dividends twice each fiscal year after the Offering in April and October of each year. A first dividend of at least AED 71 million for the fourth quarter of 2023 is expected to be distributed in April 2024.

For fiscal year 2024 and the years thereafter, the Company expects to pay at least 85% of the annual net profit for the year available for distribution as dividend. This dividend policy is designed to reflect the Company's expectation of cash flow generation and expected long-term earnings potential while allowing the Company to retain sufficient capital to fund ongoing operating requirements and continued investment for long term growth.

This dividend policy is subject to consideration by the Board of Directors on an annual basis of the cash management requirements of the Company’s business for operating expenses, finance costs and anticipated capital expenditures and investments. In addition, the Company expects that the Board of Directors will also on an annual basis consider market conditions, the then current operating environment in the Company’s markets and the Board of Directors’ outlook for the Company’s business and growth opportunities.

Material events and agreements concluded by the Company (including related party agreements)

The following is a summary of certain terms of our material agreements. The following summaries do not purport to describe all of the applicable terms and conditions of such contracts and are qualified in their entirety by reference to the actual agreements.

RELATED PARTY TRANSACTIONS AND MATERIAL CONTRACTS

The discussion of the Company's related party transactions as of and for the years ended 31 December 2020, 2021 and 2022, and as of and for the six months ended 30 June 2022 and 2023, should be read in conjunction with the Financial Statements and the information relating to the Company's business included elsewhere in this Prospectus. Selected financial information in this section has been derived from the Financial Statements, in each case without material adjustment, unless otherwise stated. Investors should read the whole of this Prospectus and not just rely upon summarised information.

Certain differences exist in the presentation and accounting treatment in the Audited Financial Statements for the years ended 31 December 2020, 2021 and 2022 and in the Interim Financial Statements which make certain financial information less comparable across the different financial periods. See "Presentation of Financial and Other Information—Financial Statements" for further information.

The Company has elected to apply the exemption in relation to government related entities under IAS 24 *'Related Parties'* to only disclose transactions and balances with government related entities which are individually or collectively significant as of the reporting date. To determine significance, the Company considers various qualitative and quantitative factors including whether transactions with related parties are based on approved terms and conditions by management. Due to this methodology, the Company might not report the amounts from the same transactions reported in the current period compared to the prior periods if the amounts are insignificant. Similarly, the Company may have had transactions with the related party reported in the current period which are not reported in its Financial Statements for the prior period if they were insignificant in those periods. The most significant of the Company's related party transactions are described below.

The following is an overview of the Company's transactions with related parties for the periods and as at the dates indicated below. The Company's financial information set forth herein has, unless otherwise indicated, been extracted without material adjustment from the Financial Statements. Please refer to Note 21 to the Audited Financial Statements and Note 13 to the June 2023 Interim Financial Statements included elsewhere in this Prospectus.

Related Party Transactions

Balances Due from Related Parties

The following table sets out the balances the Company is owed from related parties as at the dates indicated.

	As of 31 December			As of 30 June
	2020	2021	2022	2023
	AED 000'			AED 000' (Unaudited)
Public Transport Agency[1]	203.4	203.4	203.4	-
Allowance for doubtful debts	(203.4)	(203.4)	(203.4)	-

(1) Represents advertisement charges receivable from PTA.

Balances Due to Related Parties

The payables to related parties are unsecured and interest free and are repayable on demand. The following table sets out the balances the Company owed related parties as at the dates indicated.

	As of 31 December			As of 30 June
	2020	2021	2022	2023
	AED 000'			AED 000' (Unaudited)
Roads and Transport Authority	662,028.5	634,621.5	822,258.9	1,030,005.9
Salik Company PJSC	N/A	N/A	-[1]	11,385.5

(1) In the June 2023 Interim Financial Statements the Company reclassified AED 5,659.8 million as the payables due to related parties as at 31 December 2022.

The balances due to the RTA represent the Company's taxis and limousines franchise fees, plate capex for taxis and net profits due to RTA from its time as the shareholder but which have not yet been distributed as a dividend. On 28 September 2023, the Company repaid AED 997 million in connection with these payables through the proceeds from its Facilities entered into on 28 September 2023 and AED 131 million of these payables from its cash and cash equivalents, for a total repayment to the RTA of AED 1,128 million. The total amount paid represented the AED 1,030 million balance payable to the RTA as at 30 June 2023 and the payables due to the RTA from July and August 2023.

Related party transactions

The tables below present other significant transactions with related parties in the normal course of the business for the periods indicated, carried out on terms and conditions agreed between the parties:

	For the year ended 31 December			**For the six months ended 30 June**	
	2020	**2021**	**2022**	**2022**	**2023**
	AED 000'			*AED 000'* (*Unaudited)*	
Roads and Transport Authority:					
Plate and licence fees[(1)]	221,174.5	242,536.0	318,504.2	155,510.4	155,660.4
Salik charges[(2)]	31,846.4	48,303.5	31,858.7	31,858.7	34,547.5
Traffic fine[(3)]	10,201.8	14,714.8	9,552.2	5,003.3	4,403.4
Rent income[(4)]	7,200.0	7,200.0	7,200.0	3,780.0	3,780.0
Total	**270,422.7**	**312,754.3**	**367,115.1**	**196,152.4**	**198,391.3**

(1) Plate and licence fees pertain to the monthly amount charged by the RTA (AED 5,000 per taxi vehicle per month, AED 3,600 per airport or ladies and family taxi vehicle per month and AED 1,200 per limousine vehicle per month) depending upon the nature of the vehicle.

(2) These represent electronic toll charges incurred on the DTC fleet which are due to Salik. These charges are recovered from taxi customers and become payable to Salik in the case of the Company's taxi operations, while the Salik fee is factored in the Company's limousine pricing.

(3) Traffic fines represent charges incurred by the drivers as a result of traffic violations which are paid by the Company to RTA during the ordinary course of business.

(4) Rent income pertains to a lease agreement between the Company and the RTA for the use of office space at the Company's headquarters.

Remuneration of key management personnel

The remuneration of directors and other key members of management as reported in the Financial Statements is shown below for the periods indicated.

	For the year ended 31 December			As of 30 June	
	2020	2021	2022	2022	2023
				AED 000'	
	AED 000'			(*Unaudited)*	
Remuneration and other benefits(1)	7,524.7	9,686.9	8,377.0	4,588.0	5,545.6

(1) Presentation of this line item reflects that in the Audited Financial Statements.

In addition to the related party transactions reflected above, the Company also has the related party transactions described below.

Material Contracts with Related Parties

Franchise Agreements for the Operation of Taxi Vehicles in the Emirate of Dubai

The Dubai Roads and Transport Authority ("**RTA**") has entered into agreements with the Company, whereby the Company is granted concessions for the display of licence plates on its taxis (each a "**Franchise Agreement**" and collectively, the **Franchise Agreements**). The Franchise Agreements will cover a batch of licence plates awarded to the Company at a particular time. The Company is awarded taxi licence plates through an auction process with the RTA. The Company has won plates through auctions over a number of years or acquired plates originally awarded to other parties. For the initial five years after the award of a taxi licence plate from the RTA, the Company must pay plate capex to the RTA for the plate. In addition, it pays a monthly franchise fee during the initial five years and every year thereafter while it utilises such taxi licence plate. The Franchise Agreements are generally for a five year period and renew automatically upon expiry. As a result, the Company accounts for its taxi plates as an asset with an infinite life and records them on the balance sheet as an intangible assets.

The Franchise Agreements are governed by UAE law. The terms of each of the Franchise Agreements are typically uniform. The key terms are set out below:

Fees

Pursuant to the Franchise Agreements, the Company is required to pay a monthly franchise fee, along with a number of other fees, broken down as follows:

- Monthly franchise fee: For the majority of the licence plates under the Franchise Agreements, the Company is required to pay the RTA AED 5,000 per month for each licence plate over five years, and the monthly value may be increased at any time at the discretion of the RTA. However, a certain number of its licence plates, 410 as of the date of this Prospectus, which relate to airport licence plates and ladies and family licence plates, are subject to a reduced monthly fee of AED 3,600 per month to the RTA over five years. The Company has also been granted 27 licence plates which are exempt from the RTA monthly franchise fee, which include licence plates for people of determination taxis or licence plates for Hatta (an inland exclave of the Emirate of Dubai) and is expecting to receive 13 additional such plates in the near future. In addition, starting from the third quarter of 2023, through an amendment to one of the Franchise Agreements, the Company is not required to pay the monthly franchise fees for 268 of its licence plates, which represents approximately 5% of its taxi fleet. The RTA granted a waiver of fees for these 268 licence plates to account for the fact that, typically, 5% of the Company's taxi fleet is undergoing maintenance on any given day.

- Drivers' Professional Licence Fees: The Company is required to pay the RTA AED 100 per driver for testing which is conducted by the RTA. If the driver passes the test, the Company must then pay the RTA an additional AED 200 per driver for a practice permit which must thereafter be renewed annually for an additional AED 200 per driver.

- Car readiness check fees: The Company is required to pay AED 150 for each taxi it puts into operation. This car readiness check fee includes a meter check and calibration for each vehicle to check its readiness to work as a regulated taxi. In the event that the vehicle does not pass the inspection successfully, an additional AED 150 will be required upon re-examination.

- Training course fees: The Company must pay certain training courses fees for drivers as set out in the Franchise Agreements.

- Quality control fees: The Company may also be required to pay additional fees to the RTA for any violations of quality standards issued against its drivers.

- Optional services' fees: The Company may also be required to pay additional fees for any optional services that may be requested from the RTA, these include for example (a) a meter inspection fee of AED 100 per meter for each time (b) meter calibration fees of AED 150 per meter for each time; and (c) any other fees determined by the RTA in return for specific services or to be agreed upon at later stages, such as: consultations, various training courses, vehicles and equipment maintenance, uniforms, and others.

Technical Conditions

The Technical Conditions specified under the Franchise Agreements may evolve and be amended by the RTA as new Franchise Agreements are entered into and existing agreements are renewed. The Franchise Agreements include a number of technical conditions which the Company is required to operate under, including:

- maintaining certain levels of vehicle maintenance and availability, including replacing the taxis every four years from the date of their start of operation;

- meeting RTA's operational system quality standards;

- meeting RTA's driver quality standards;

- complying with laws and regulations;
- holding the necessary licences and permits; and
- following certain rules around car numbering, meters, insurance and the use of surveillance cameras in the vehicles subject to by the Franchise Agreements.

Advertising on Vehicles

The RTA is the sole owner of the right to advertise on the vehicles subject to the Franchise Agreements, and the Company has no right to put any advertising inside or outside the vehicle, except after the written approval of the RTA, in accordance with the mechanism, system and fees approved by the RTA. The Company currently benefits from a contract with an advertising agency which was entered into and approved by the RTA in 2021, which expires in 2024. The advertising agency pays any fees due to RTA to advertise on the Company's vehicles and the Company receives an agreed portion of the advertising income, which is reported in the Company's Financial Statements as other income.

Termination of the Franchise Agreements the RTA

The RTA has the right to terminate the Franchise Agreements immediately if the Company becomes bankrupt or insolvent; fails to make required payments under the relevant Franchise Agreements within the agreed period; ceases its operations in the UAE or takes any steps that would stop its operations in the UAE; or commits a material breach of its obligations in the Franchise Agreements that is not corrected within the cure period under the Franchise Agreements. A material breach under the Franchise Agreements includes:

- manipulation of pricing by the Company;
- non-compliance with the applicable quality regulations adopted by the RTA;
- infringement of trademarks or taxi colouring and logos;
- failure to programme the Company's metres according to the tariff pricing approved by the RTA; and
- failure to utilise a system of operation which follows certain technical conditions, including having two drivers for each car throughout the term of the Franchise Agreements. The RTA was flexible about the application of these technical conditions during the extraordinary events surrounding the COVID-19 pandemic in 2020 and 2021. For more information see, "*Risk Factors- Risks Relating to the Company and its Business and the Industry in which it operates-If the Company fails to cost-effectively attract and retain qualified drivers for its taxi and other mobility services, or to increase the utilisation of its existing drivers, its business, financial condition and results of operations could be harmed*".

Termination of the Franchise Agreements by the Company

The Company has the right to terminate the Franchise Agreements with six months notice in the event of a material breach by the RTA of its obligations stipulated in the Franchise

Agreements, which material breach would be met if the RTA were to fail to meet its obligations under the Franchise Agreements in a manner that effectively impedes the Company's business. If the Company exercises this termination right, it will be required to pay the RTA an amount equivalent to (25%) of the total value of the monthly concession licence fee for each year of the remaining years of the Franchise Agreements (with the months calculated on a pro rata basis), as compensation to the RTA for all damages and costs incurred in order to contract with the Company.

Non-Exclusivity of Concession Rights granted by the RTA to the Company

The Franchise Agreements grant the Company a non-exclusive right to provide the taxi services, subject to the requirement the Company respects the contracts and agreements in place between the RTA and its competitors for the provision of taxi services, which are subject to similar franchise agreements.

Assignment

The Company is not permitted to dispose of the right granted to it to operate and provide taxi services in Dubai by the RTA, whether through sale or assignment or any other rights related to it, except after obtaining the prior written consent of the RTA. Furthermore, the Company may not enter into any investment or other contracts in the field of passenger transport with any other party without obtaining the prior written approval of the RTA.

Limousine Agreement between the Company and the Roads and Transport Authority

On 26 April 2023, the RTA entered into RTA Limousine Agreement no. (PTA/PBD/23-6926) with the Company for the renewal of RTA Limousine Agreement no. (PTA/PBD/82006). The renewed agreement grants the Company the non-exclusive right to provide limousine reservation services through electronic means and smart applications (the "**RTA Limousine Agreement**"). The term of the RTA Limousine Agreement is from 1 October 2023 to 30 September 2025. If the Company wishes to renew the RTA Limousine Agreement, it must notify the RTA 180 days before the expiry of the RTA Limousine Agreement. The RTA Limousine Agreement is governed by UAE law.

The Company is not permitted to assign or transfers the right granted to it by the RTA except after obtaining the prior written consent of the RTA.

The RTA has the right to terminate the RTA Limousine Agreement at any time for any reason related to policies, regulations and laws, provided that a written notification is given to the Company 30 days before the effective termination date in any of the following cases:

- if the Company commits any breach of the provisions stipulated in the RTA Limousine Agreement and does not remedy the breach within 15 days; or
- for any reason, with three months' notice.

Taxi Commercial Agreement between the Company and RTA Careem LLC

On 30 April 2019, the Company entered into an agreement with RTA Careem LLC, an e-hail taxi joint venture between the RTA and Careem (whose ridesharing business is fully owned by Uber Technologies Inc), ("**RTA Careem**") to provide taxi services through RTA Careem's online app, Hala (the "**Hala Agreement**"). The Hala Agreement is governed by UAE law. The original contract term expired on 31 December 2022 and was amended on 8 August 2021 to extend the agreement until 31 December 2024. The Hala Agreement enables the Company to provide taxi transportation services to customers who are matched with its drivers via Hala. The amendment to the Hala Agreement grants Hala continued exclusivity over e-hailing for the taxi services provided by the Company through 31 December 2024, even after regulations changed in July 2023 to end RTA Careem's exclusivity rights over e-hailing services provided by domestic e-hailing operators in Dubai and through April 2024 for international e-hailing operators for Dubai taxi operators. Similar exclusivity agreements have been entered into by the Company's competitors. Pursuant to an addendum to the Hala Agreement that became effective on 1 June 2022, the Company agreed not to engage, directly or indirectly, in any business similar to that of RTA Careem or enter into any partnership, services agreement or similar arrangements with any international company whose business is similar to that of RTA Careem with respect to taxis during the term of the Agreement, which will renew automatically for one year upon expiration on 31 December 2024 if the Company does not notify RTA Careem that it is does not wish to renew before that date. In the event the Company does not renew the agreement with RTA Careem following the end of its exclusivity period on 31 December 2024, it would look to negotiate an agreement with RTA Careem on a non-exclusive basis that retains the fee of AED 0.9 per trip it currently has in place or provides for a lower fee for trips booked through the Hala app. The Company could also look to negotiate for continued exclusivity that would be more attractive than the current terms which could include, amongst other options, a revenue share model.

Under the terms of the Hala Agreement, the Company is responsible for maintaining its taxis, paying the per trip commission amounts to RTA Careem monthly, ensuring the safety and legality of its drivers and vehicles, and complying with all applicable laws and regulations. The Company must also pay Hala a monthly e-hailing fee (previously called a performance fee) based on the number of rides it is matched with via the Hala app during the month, which was reduced from AED 3.0 per trip to AED 0.9 per trip on 1 June 2022. Under the Hala Agreement, the Company covers the costs of devices and data necessary for the operation of its taxis and ensures that taxis are available for special events such as sports events and national celebrations and meet certain performance and quality indicators. Furthermore, the Company agrees to indemnify, defend and hold RTA Careem and its affiliates harmless from any losses resulting from or incurred in connection with any third-party claim or legal proceeding against RTA Careem, based on any breach, negligence, misconduct, fraud, or omission by the Company or its drivers.

Under the Hala Agreement, RTA Careem is responsible for providing the Company's drivers with information relating to each booking, for charging the customers, collecting payments from them and then remitting the amounts owed for the Company's share to it every week based on the rides that the Company provides, providing reports and information relating to drivers, requiring that customers agree to its terms of use, and providing refunds to customers in case of complaints. To support the Company and its drivers, RTA Careem is also required to provide a dedicated team, a care centre, and occasional bonuses and guarantees which are paid to the Company to be credited to the individual drivers, as well as tech features and benefits to improve the overall quality, performance and demand of the taxi market.

Either party can terminate the Hala Agreement based on applicable law, if the other party becomes insolvent or in the event of a material breach that has not been remedied within 30 days of a notice requiring remedy of the breach.

Commercial Terms Agreement for term and revolving murabaha facilities

Pursuant to commercial terms agreement dated 28 September 2023 (the "**CTA**"), AED 1.2 billion of term and revolving commodity murabaha facilities (the "**Facilities**") were made available to the Company by Emirates NBD Bank (P.J.S.C), consisting of an AED 1.0 billion term murabaha facility and an AED 200 million revolving commodity murabaha facility. The Company paid an arrangement fee of 0.25% on the Facilities. The AED 200 million revolving commodity murabaha facility also carries an agency fee of 0.22% per annum calculated on the daily unutilized and available commitments. The financing was provided on an unsecured basis principally for the purposes of settling amounts owed by the Company to the RTA and for general corporate purposes.

The maturity date of the Facilities is 28 September 2028 at which time the full amount of the Facilities utilised must be repaid.

Under the CTA, the rate of profit on each utilised amount for an applicable term is the percentage rate per annum equal to the aggregate 3-month EIBOR and 0.80% per annum for the term murabaha facility and 1/3/6 month EIBOR and 0.80% per annum for revolving commodity murabaha facility, with the payment of the outstanding amount due at the end of five years.

Mandatory Prepayments

The CTA includes a change of control mandatory prepayment event whereby the financiers may choose to demand immediate payment of their participations if the Government of Dubai ceases to hold (directly or indirectly) at least 50.1% of the issued share capital of the Company following the completion of a listing event in respect of the Company.

The CTA also contains standard mandatory prepayments for a facility of this nature, including in the event of an illegality or in relation to the proceeds of certain disposals (subject to certain exceptions and baskets).

Financial Covenant

The CTA includes a 4x leverage covenant, representing the Net Debt to EBITDA ratio, which is required to be tested on an annual basis.

Undertakings

The CTA also contains a set of relatively limited customary undertakings (including a restriction on granting certain security interests).

Events of default

The CTA also contains certain customary events of default including non-payment, breach of a financial covenant or other undertaking and cross default in respect of other financial indebtedness of the Company. The occurrence of an event of default would allow the financiers to take acceleration action and cancel the financing.

Lease agreements with the RTA for use of land

The Company has agreed to enter into a lease agreement with the RTA for a period of three years commencing from 25 October 2023. The lease agreement will cover each plot of land set out below:

- the land on which the Company's headquarters building and in-house maintenance centre are located, which land is 96,395.45 metres squared;
- a 83,165.65 metres squared plot of land behind the Company's headquarters which is used for parking; and
- a 100,342.95 metres squared plot of land in Jabel Ali which is near the Al Maktoum International Airport.

The Company owns its headquarters and in-house maintenance centre and the lease applies solely to rent for the land. As per the terms of the lease agreement, the Company will pay an aggregate amount of AED 3.15 as rent (including VAT). The RTA may terminate the lease agreements, without any penalty, at any time during the term of such agreements by giving not less than three months' notice to the Company.

Contracts between the Company and the Ministry of Education - Emirates Schools Establishment Dubai

The Company entered into an exclusive transportation agreement with the Ministry of Education- Emirates Schools Establishment (the "**Ministry of Education**") to organise and manage school transportation and safety supervisors in buses for the Ministry of Education on 26 August 2021 (the **"Bus Agreement**")*.* The Bus Agreement is governed by UAE law. The initial term of the Bus Agreement is 29 August 2021 to 1 July 2026. In the Bus Agreement, the Company agrees to provide, organise, and manage school buses for schools, institutes, centres and educational bodies affiliated with the Ministry of Education. The Ministry of Education agrees to pay the Company the contract value for the five-year period. It also agrees to pay the Company additional costs for annual mileage over 16,920 kilometres, or if it requires more than 3,043 trips each year.

The Company must provide both a driver and student supervisor (or conductor) for each bus, and must provide female drivers and supervisors for female schools. The Company agrees to satisfy certain safety standards laid out in the Bus Agreement, which include allowing the Ministry of Education to do background checks on all of its drivers, following certain safety checks when entering and exiting Ministry of Education headquarters and generally ensuring the safety of Ministry of Education's students. They also must keep their buses at a certain quality level. The Company is responsible for paying any penalties to the Ministry of Education for any traffic accidents that occur while it is providing services or for not meeting other key performance indicators laid out in the Bus Agreement.

The Ministry of Education must pay the Company monthly for these services, but are not obligated to pay for these services during school holidays when the buses are not running. They also must use the Company's services exclusively unless the Company declares its inability to perform the services.

An executive committee made up of members of both the Company and the Ministry of Education was established under the Bus Agreement in order to settle any disputes between the parties. If the Company breaches the Bus Agreement and does not remedy the situation within three days, the Ministry of Education can subtract a certain percentage from its payments, until the Company remedies the breach. If the Company does not rectify the breach within 30 days, the Ministry of Education may terminate the Bus Agreement, impose a penalty of 10% of the annual contract value on the Company or confiscate bank guarantee due to the Company. The Company subsequently entered into a similar transportation agreement with the Ministry of Education to provide similar services in Abu Dhabi, Al Ain and Dhafra on 23 August 2022 for a term of 1 September 2022 to 31 August 2025. The terms of this agreement are in line with those of the Bus Agreement (the "**Abu Dhabi Bus Agreement**"). The Abu Dhabi Bus Agreement has a mileage cap of 40,000 kilometres per annum and provides that DTC has the right to increase prices based on increases in fuel prices. On 22 June 2023, the Company was awarded a bus contract by the Ministry of Education to provide school bus services in Ajman for a term of 5 years (the "**Ajman Bus Award**"). The initial services under this award commenced on 1 September 2023 and go until 31 August 2028 and result in the Company providing 200 school buses in Ajman. As with other awards for services from the Ministry of Education, the award reflects the initial terms and the agreement will be subsequently finalised. As of the date of this Prospectus, the agreement with the Ministry of Education has not yet been entered into but the terms are expected to be similar to those of the Bus Agreement and Abu Dhabi Bus Agreement.

Agreement for Gas and Diesel Supply between the Company and Emirates National Oil Company LLC

On 5 January 2022, the Company entered into an agreement with ENOC to exclusively purchase their gas and diesel from ENOC in exchange for discounted fuel prices (the **"ENOC Agreement").** The initial term of the contract is one year, commencing on 1 March 2023 and terminating on 29 February 2024. The ENOC Agreement is governed by UAE law. Under the ENOC Agreement, ENOC has agreed to provide constant access to fuel for the Company at certain supply points around Dubai during the course of the agreement. The Company’s drivers purchase the fuel from ENOC depots at market prices and ENOC applies a discount to the market price per litre when it bills the Company for such purchases. The Company’s fuel agreement with ENOC is subject to an annual cap. Once the cap has been reached, the Company may purchase fuel from other suppliers or may continue to purchase from ENOC at the market price (i.e., without the discount). Either party has the power to terminate the ENOC Agreement with three months' notice.

Taxi Service Agreement between the Company and the Dubai Airports Corporation

The Company entered into an exclusive transportation agreement with Dubai Airports Corporation on 28 October 2021 to provide taxi and limousine services to the taxi ranks of both airports operated by Dubai Airports Corporation in Dubai (the **“Airport Agreement**"). The Airport Agreement is governed by UAE law. The initial term of the Airport Agreement is three years starting 1 October 2021, with Dubai Airports Corporation having the option to extend. The Airport Agreement grants the Company the exclusive right to provide taxi and limousine pick-up services to passengers and personnel at the taxi ranks of both Dubai International Airport and Al Maktoum International Airport. In the Airport Agreement, the Company agrees to provide and maintain sufficient vehicles, equipment and personnel to meet the demand for its services at all times, including demand for ladies and family taxis and people of determination taxis. It also agrees to comply with the quality and safety standards required by Dubai Airports Corporation and to pay Dubai Airports Corporation a service charge for every trip made by the Company's vehicles from the taxi ranks at the airports, except for free trips and trips for Dubai Airports Corporation personnel in addition to innovation and knowledge fees payable to Dubai Airports Corporation. The Company is required to provide monthly reports of the number of trips it makes and the amount due to Dubai Airports Corporation. The Company is also responsible for ensuring that its services are performed in accordance with certain key performance indicators and service levels set out in the Airport Agreement, as well as the applicable laws, regulations and policies of the UAE, Dubai and Dubai Airports Corporation

Dubai Airports Corporation are responsible for providing the Company with access to its taxi ranks, the sub-staging areas and the relevant information, permits, cards and passes necessary for the provision of the services. Dubai Airports Corporation must also assist the Company in obtaining any official documents and approvals required by the competent authorities.

The Airport Agreement may be terminated by either party by giving written notice to the other party if either party is unable to pay its debts or becomes insolvent or subject to any similar proceedings or commits a material breach of the Airport Agreement and if either party is in material breach and either the breach is incapable of remedy or defaulting party fails to remedy it within 30 days after receiving written notice to do so. The Airport Agreement may also be terminated by Dubai Airports Corporation if the Company fails to pay any amount due to Dubai Airports Corporation within 60 business days of the due date while the Company may terminate the agreement by giving 30 days notice if Dubai Airports Corporation grants a license to a third party to provide services covered by the agreement.

Fifth section: Other details

1. The Company's proposed management structure

- **Company's Board Structure**

The current members of the Board of Directors are as follows:

Name	Year of Birth	Nationality	Position	Year Appointed
Abdul Muhsen Ibrahim Kalbat	1967	UAE	Chair	2023
Ahmed Ali Al Kaabi	1971	UAE	Vice-Chair	2023
Shehab Hamad Abdullah Hamad Bu Shehab	1971	UAE	Director	2023
Abdulla Mohammed Abdulla Bin Damithan Al Qemzi	1978	UAE	Director	2023
Essa Abdulla Khamis Bin Natoof Al Falasi	1979	UAE	Director	2023
Yousuf Ahmad Ali Saeed Bin Ghulaita Almheiri	1968	UAE	Director	2023
Dr. Hanan Sulaiman Mohamed Khalifa Al Suwaidi	1980	UAE	Director	2023

* Denotes that the Director is independent under the Governance Rules

The business mailing address of each of the Directors is P.O. Box 2647l, Dubai, UAE

The management expertise and experience of each of the Directors is set out below:

Abdul Muhsen Ibrahim Kalbat – Chairman

Abdul Muhsen Ibrahim Kalbat has more than 30 years of senior leadership experience in the public sector. He has been a prominent member of the RTA's Board of Directors from its inception in 2005. He has played an active role in the establishment of the RTA through the development of robust and effective governance, operational and cross-functional frameworks, and business organisational structure. He introduced creative management concepts and diverse approaches for improving administrative and technical processes across the RTA, which lead to transforming them from routine daily operations to a highly efficient strategic drive.

From 2005 through 2015, Mr. Kalbat was CEO of the RTA's Strategy and Corporate Governance sector, where he undertook the responsibility to define and steer the RTA's strategic direction towards fully integrated transportation solutions in support of Dubai's long-term strategic development plan and vision. In 2011, he was awarded by His Highness Sheikh

Mohammed Bin Rashid Al Maktoum, a medal of honour for his valuable contributions to the RTA's excellence and government work.

Mr. Kalbat has been the CEO of the Rail Agency, an agency established under the RTA, since 2015. During this period, he has been actively focusing his efforts on improving operational efficiency, maximising revenue and minimising expenditure. In addition to his determination to expand, enhance and develop Dubai's railway network, he is focused on the efficient and optimal utilisation of budget through the public-private partnership scheme. He has also accomplished significant cost-saving measures of more than AED 25 billion in development and operational costs. At the Rail Agency, he is currently overseeing a number of important and prestigious projects, most prominent of which is the UAE 10.6 billion Route 2020 project. He has also been serving as vice-chairman of the board of directors of the RTA since 2021 and of Salik Company P.J.S.C. since 2022.

He received his Bachelor of Arts in Computer Science from the University of the United Arab Emirates, Al Ain and is a graduate of Mohammed Bin Rashid Executive Leadership Development Program.

Ahmed Ali Al Kaabi – Vice-Chairman

Ahmed Ali Al Kaabi has more than 20 years of senior leadership experience in the public sector. He is the incumbent Executive Director of Finance Department at the RTA, a position he has held since 2015, where he oversees the financial aspects of all the RTA's sectors and agencies and he is responsible for developing financial strategies, legislation and policies to manage and control various financial aspects, including implementing government directives and establishing new companies. Mr. Al Kaabi joined the RTA in 2005 as General Budget Manager, where he also served as Deputy Director and Senior Budget Manager from 2007 to 2009 and as Director of Finance Department from 2009 to 2015. He contributed to the RTA's strategic plans through charting out financial plans in support of the RTA's achievements. He chaired several key committees at the RTA such as Cutting Expenditures and Increasing Revenues Committee, Executive Investment Committee, Follow-up Collection of the RTA Dues Committee, the Study of Variation Orders of the RTA Contracts Committee, Innovation Fund Administration Committee, and the Financial Resources Standard Committee. He also participated in several other RTA committees and teams, including the Budgets Preparation Committee, Board of Directors Council, and the Emergency and Crisis Management Team among others. He also took part in Dubai Government committees such as the Consultative Committee for Government Resource Planning Systems.

Prior to joining the RTA, Mr. Al Kaabi served as Costing and Budget Accountant, Roads and Projects Department, at the Dubai Municipality from 2000 to 2002, before being appointed as Head of Cost and Financial Analysis Unit from 2002 to 2005. Furthermore, over the course of his career, he has had notable achievements, including winning the Dubai Government Excellence Award in Resources and Property Standard 2017, participating in setting accounting standards for the Dubai Government in 2007, and serving as a mentor in the Model Programme for Developing the Skills of RTA's Young Leaders.

Mr. Al Kaabi received a Higher Diploma in Accounting from the Higher Colleges of Technology of Dubai in 2000.

***Shehab Hamad Abdullah Hamad Bu Shehab* – Director**

Shehab Hamad Abdullah Hamad Bu Shehab has over 30 years of experience in the legal industry, and his expertise covers a variety of legal and consulting fields including the police, law practice and legal counselling for civilian government entities. He currently serves as the Executive Director of the Legal Affairs Department at the RTA. His contributions include input on federal and local legislation, developing legal training programmes, workshops and seminars, as well as the publication of research and studies through various media. Mr. Bu Shehab has represented the UAE in many local, federal, and regional committees as well as in conferences and as a delegate to many Arab countries, which boosted international cooperation and coordination and contributed to urban and legal developments. He was also a member of the Company's supervisory board from 2016 to 2023.

Beyond the RTA, Mr. Bu Shehab has also provided legal services to many relevant governmental authorities, and participated in the development of many regulations and legislation of governmental entities. Furthermore, during his career, Mr. Bu Shehab participated in the drafting of regulations governing the business of service providers, developed scenarios and plans to ensure quick response and achieve public goals, suggested efficient solutions to maintain corporate reputation and gain the confidence of the public and customers, contributed to expenditure control and revenue increase and coordinated with all local and federal agencies to ensure the proper functioning and delivery of tasks.

Mr. Bu Shehab received a Bachelor of Law and a Higher Diploma in Police Studies from the Dubai Police Academy.

***Abdulla Mohammed Abdulla Bin Damithan Al Qemzi* – Director**

Abdulla Mohammed Abdulla Bin Damithan Al Qemzi is a recognised professional in the maritime and logistics industry in the Middle East region, with over two decades at DP World, he now manages DP World's portfolio in the GCC region, which includes ports and terminals, economic zones, marine services, logistics and trade solutions. Appointed in July 2023 to oversee the region, Mr. Bin Damithan previously held the position of CEO and Managing Director of DP World UAE as well as various senior leadership roles including Chief Commercial Officer of DP World UAE, where he managed revenue generation and oversaw service delivery across key business segments from ports and terminals to trade enablement. He leads DP World's business strategies in key GCC markets, including the United Arab Emirates and the Kingdom of Saudi Arabia. Mr. Bin Damithan primarily focuses on delivering end-to-end solutions for cargo owners, building world-class trade infrastructure across ports, terminals and free zones, and driving greater supply chain efficiency, transparency, resilience and sustainability. In the UAE, Mr. Bin Damithan leads DP World's Jebel Ali Port, ranked among the largest container ports in the world, and Jafza, DP World's flagship free zone and an essential part of its integrated regional business model. Additionally, Mr. Bin Damithan oversees DP World's Jeddah Islamic Port in Saudi Arabia, a facility accounting for nearly 60% of Saudi Arabia's sea imports. He also guides DP World's investment in improving terminal infrastructure at Jeddah Islamic Port, focusing on operational performance and port trade volume.

Mr. Bin Damithan received a BBA in Business Administration in Marketing from Suffolk

University (Boston, USA) in 2001 and a Graduate Diploma in Maritime and Port Management from the National University of Singapore in 2004.

***Essa Abdulla Khamis Bin Natoof Al Falasi* – Director**

Essa Abdulla Khamis Bin Natoof Al Falasi is an experienced professional who has served as Chief Executive Director of the Operations Sector in the Dubai Government Human Resources Department since 2022. Prior to that Mr. Bin Natoof served as the Director of the Social Security Affairs Department of the Dubai Government Human Resources Department since 2009. Mr. Bin Natoof's work with the Department of the Dubai Government Human Resources Department includes overseeing human resources and payroll matters for the Dubai Government, as well as overseeing Dubai Government's health insurance and pension services. From 2002 to 2009, he worked in various roles including Administrative Officer, Payroll Officer and Head of Payroll Section for H.H. The Ruler's Court in the Human Resources Department.

Mr. Bin Natoof received his Bachelor Degree in Business Administration in 2005 and a Higher Diploma in Business Administration in 2002 from the Higher Colleges of Technology of Dubai.

***Yousuf Ahmad Ali Saeed Bin Ghulaita Almheiri* – Director**

Yousuf Ahmad Ali Saeed Bin Ghulaita Almheiri is a highly experienced professional with nearly 30 years of experience in the accounting and administration of public bodies. He has been the Director of Finance and Administration Department of the Dubai Public Prosecution since 2007, where he primarily managed the Public Prosecution's e-government team, developed all business processes for the implementation of Dubai's e-government project, prepared and negotiated the annual Public Prosecution's budget with The Ruler's Office, and helped the team in achieving the goals set by the strategic plan of the Dubai Public Prosecution. From 2005 to 2006, he served as Director of Finance of Dubai Public Prosecution. He was the Head of Cases Accounts Division at the Justices Department of Dubai from 2004 to 2005. Furthermore, he was the Head of the Financial Department at Dubai Public Prosecution from 1994 to 2004.

Additionally, Mr. Bin Ghulaita has been a member of the Board of Directors at Alshabab Al-Arabi Club of Dubai since 2004, where his main responsibilities include managing and administrating all the activities of the club, participating in meetings of the Board of Directors, developing all marketing plans and strategies for the utilization of products and services, and drafting and negotiating all the contracts of the club. At Alshabab Al-Arabi Club, he has also been the General Financial Controller since 2009, the General Secretary from 2007 to 2009 and the Director of Finance from 2004 to 2006.

Mr. Bin Ghulaita received a Higher Diploma in Accounting Management from the Higher Colleges of Technology of Dubai in 1992

***Dr. Hanan Sulaiman Mohamed Khalifa Al Suwaidi* – Director**

Dr. Hanan Sulaiman Mohamed Khalifa Al Suwaidi is a specialist in general practice medicine and currently works as a family physician specialist and the Chief Business Officer at the

Dubai Academic Health Corporation, where she oversees business functions, including strategy and governance, marketing and communication, audit, legal affairs and project management. She has also served as a Director of Governance at the Mohammed Bin Rashid University of Health Sciences since 2021 and has also served as Assistant Professor of Family Medicine there since 2019. From 2018, she has worked as a Medical Coordinator at Teladoc Health. In 2019, Dr. Al Suwaidi served as a flight surgeon for the Mohammed Bin Rashid Space Centre, where she served as the flight surgeon for Mission 1, the UAE's first astronaut mission into space. She worked at the Dubai Health Authority from 2006 to 2018, where she worked initially as the Head of Government Health Insurance Programs and later as the Senior Specialist Registrar. Dr. Al Suwaidi has a keen interest in medical education and health management. Since 2013, Dr. Al Suwaidi has been a Partner of the United Medical Center.

Dr. Al Suwaidi received her Bachelor of Medicine, Bachelor of Surgery from the Faculty of Medicine and Health Sciences of the UAE University in 2005 and received her certification in Family Medicine in 2011 from the Arab Board of Health Specialisations. She also received a Master of Science in Public Health: Excellence in Health Care Management from the Hamdan Bin Mohammed Smart University (HBMSU) in 2011, and since 2011 she has been a member of the Royal College of General Practitioners.

Senior Management

The current members of the Company's senior management are as follows:

Name	Position(s)
Mansoor Rahma Juma Abdulla Alfalasi	Chief Executive Officer
Amit Khandelwal	Chief Financial Officer

The Company shall also seek to appoint a permanent Chief Operating Officer ("**COO**") and Chief Technology Officer ("**CTO**") in due course following the completion of the Offering.

The management expertise and experience of each of the executive management team is set out below:

Mansoor Rahma Juma Abdulla Alfalasi – Chief Executive Officer

Mansoor Rahma Juma Abdulla Alfalasi is a highly experienced professional with nearly 20 years of experience in business management within the mobility sector as part of the regulatory body at the RTA, and has been serving as DTC's Chief Executive Officer since 2020. Since he joined DTC in 2020, he has been focusing on managing the direction and implementation of DTC's strategy by leading a team of nearly 2,500 employees and 13,500 drivers and overseeing a corporate annual budget of approximately AED 1.4 billion. Mr. Alfalasi also plays a crucial role at DTC in overseeing and managing the full spectrum of daily activities, including operations, sales and marketing, business development, budgeting and financial reporting, and compliance with all UAE federal regulations, policies and RTA procedures.

Before joining DTC as CEO, Mr. Alfalasi had various management roles at the RTA from 2014 to 2020, including as Director of the Drivers Licensing Department, Director of the Human Resources and Development Department, Director of the Marine Transport Department, and Director of the Administrative Services Department. During his period at the RTA, he primarily focused on managing operations related to driver's license administration, testing policies and procedures, developing strategic plans, and leading various project management teams to supervise all corporate initiatives relating to employees' wellness. Prior to joining the RTA, Mr. Alfalasi also served as Director of the Support and Resources Department at DTC from 2011 to 2014 (including serving as Acting Chief Executive Officer at DTC for four months), as Director of the Drivers Affairs Department at the Public Transport Agency (PTA) from 2009 to 2011, and as Manager of the Research and Studies Section at the Maritime Transport Agency (MTA) from 2005 to 2008.

Additionally, Mr. Alfalasi has been the Chairman of the Board at Al Nasr Sports Club Investment Company since 2021 and also serves on the Board of Directors of Al Nasr Sports Club.

He received a Higher National Diploma in Construction in 1999 and a Bachelor in Construction Engineering in 2004 from Dubai's Men's College – Higher Colleges of Technology and completed the Mohammed Bin Rashed Government Leaders Program in

2017. Mr. Alfalasi also attended courses and obtained certifications from Harvard Business School on Leading with Finance, Organizational Leadership, Specialization in Strategy and Global Business.

Amit Khandelwal – Chief Financial Officer

Amit Khandelwal is a highly experienced professional with more than 20 years of experience as a senior corporate finance and accounting executive in other leading companies. He has developed expertise across fund raising, liquidity management, budgeting, accounting, liability management, risk management, treasury policy and controls and compliance, as well as developed relationships with financial institutions and investors.

From 2010 through 2017, Mr. Khandelwal was with Emaar Properties and his last role was Senior Director – Treasury. From 2017 to 2023, Mr. Khandelwal has been Senior Vice President – Accounts and Finance at Dubai Holding LLC. From 2018 to 2022 he also served as the Chief Financial Officer of Dubai Creek Harbour, a subsidiary of Dubai Holding LLC.

Mr. Khandelwal received a Bachelor of Engineering in Construction in 1999 and a Master of Management Studies in Finance in 2001 from Mumbai University (India).

- **Company's Organization Chart**

  Please refer to Annex 4

- **Employment positions of members of the senior executive in subsidiaries and other joint stock companies:**

  None

- **Employment positions of members of the board of directors in subsidiaries and other joint stock companies:**

  None

2. Director's competencies and responsibilities:

The Board of Directors shall have all the powers to manage the Company and the authority to perform all deeds and acts on behalf of the Company and to carry out all the functions required by its objectives. The key responsibilities of the Board include:

- determining the Company's strategy, budget and structure;
- approving the fundamental policies of the Company;
- implementing and overseeing appropriate financial 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 executive management;
- 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.

Board Committees

As envisaged by the Governance Rules, the Board will establish two permanent committees: an Audit Committee and a Nomination and Remuneration Committee. If the need should arise, the Board may set up additional committees as appropriate.

Audit Committee

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 Company's financial statements, reviewing and monitoring the Company's financial and accounting policies and procedures, 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 Company's external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of the Company's internal control review function. 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 SCA and the DFM, including the provisions of the Governance Rules.

The Governance Rules requires that the Audit Committee must comprise at least three members who are non-executive directors of whom at least two of its members must be independent. In addition, all members must have knowledge in financial and accounting matters and at least one member is required to have practical experience in accounting and finance or a university degree or professional certificate in accounting and finance or a related field. The Audit Committee will be chaired by one of the independent members and will include other members elected by the Board members from time to time. The Audit Committee will meet at least four times per year.

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 and intends to obtain written confirmation from the Company's auditors that they will comply with guidelines on independence issued by the relevant accountancy and auditing bodies.

The Audit Committee is chaired by Ahmed Ali Al Kaabi, and its other members are Yousuf Ahmad Ali Saeed Bin Ghulaita Almheiri and Dr. Hanan Sulaiman Mohamed Khalifa Al Suwaidi.

Nomination and Remuneration Committee

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 executive management, including recommending and overseeing the appointment of the members of the Board and endorsing the hiring of the executive management. In such capacity, it is responsible for evaluating the hiring of the Company's 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.

The Nomination and Remuneration Committee must be comprised of 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, and its other members will be nominated by the Board. The Nomination and Remuneration Committee must meet at least twice a year, and otherwise from time to time based on the Company's requirements.

The Nomination and Remuneration Committee is chaired by Abdulla Mohammed Abdulla Bin Damithan Al Qemzi, and its other members are Shehab Hamad Abdullah Hamad Bu Shehab and Essa Abdulla Khamis Bin Natoof Al Falasi.

Corporate Governance

The Company is committed to maintaining appropriate standards of corporate governance and to complying with all legal and regulatory requirements relating to corporate governance. The Company has established a framework of corporate governance policies, rules and practices which comply with the requirements of the Code of Governance issued by Chair of the SCA's Board of Directors' Resolution No. (3/Chairman) of 2020 (the **"Governance Rules**") and take into consideration international best practices as appropriate. The most significant features of that framework are set out hereunder.

3. Shareholders' rights and responsibilities

The Shareholders' key rights as per the Companies Law and the Articles of Association are as follows:

- The right to dividend distributions determined by the General Assembly.
- The priority right to subscribe for new shares in the case of a share capital increase of the Company offerings and to receive their share of the assets upon liquidation of the Company.
- The right to attend General Assembly Meetings and receive a copy of the Company's financial statements.
- The right to request the nullity of any resolutions passed at the General Assembly and to prosecute the board members.
- The right to be nominated as a member of the Board of Directors.
- The right to appoint the auditors of the Company and determine their remuneration.
- The right to act in any way with respect to the shares, in accordance with the law.
- The limitation of liability of each Shareholder to the payment of the purchased share value, but not for the Company's debts except within the limits of the nominal value of his shares.

4. Articles of Association

The full text of the Articles of Association of the Company is annexed to this Prospectus. The Articles of Association describe the rights and obligations associated with the ownership of the Shares in detail.

5. Legal matters

The following summary is qualified by the relevant provisions of the Articles of Association and the Companies Law.

- **Attending General Assembly and voting rights**

Each Shareholder shall have the right to attend the General Assembly meetings and shall have a number of votes equal to the number of his Shares.

- **Share register**

Upon listing on the DFM, the Shares will be dematerialized and the share register will be maintained by the DFM at Dubai CSD.

- **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 1st of January and end on 31st of December of each year.

- **Dividends and liquidation proceeds**

The Company shall pay dividends on Shares in compliance with the regulations and decisions issued by the Authority. Eligible 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 Article 223 of the Companies Law.

- **Interim Dividends**

Subject to the Board' approval, the Company may distribute interim dividends on a semi annual or quarterly basis, provided that such interim dividends shall be ratified by the first annual general assembly meeting of the Company.

- **General Assembly**

The Board may convene a General Assembly whenever it deems necessary. The Shareholders may also require the Board to convene a meeting if it is requested by a number of Shareholders holding not less than 10% (ten per cent). of the Company's issued share capital. In any event, the General Assembly must convene at least once a year upon an invitation by the Board within the four (4) months following the end of the financial year at the place and the time specified in the invitation to the meeting.

Any resolution adopted by the General Assembly without consideration to the Company's interests in favor of a particular group of Shareholders, causing damage to them or providing a private benefit to the members of the Board or to third parties, may be revoked.

The judgment annulling a resolution of a General Assembly shall consequently lead to the resolution being considered as non-existent vis a vis all Shareholders. The Board must publish the annulment judgment in two local daily newspapers published in the Arabic language.

Proceedings for annulment are time barred on the expiry of sixty days from the date of adopting the resolution contested. Initiating the proceedings will not prevent the implementation of the resolution unless the court decides otherwise.

- **Liability of the Board**

The Board shall be liable towards the Company, the Shareholders and third parties for all acts of fraud, abuse of power, violation of the law or the Company's Articles of Association, in addition to mismanagement. The Company shall have the right to initiate proceedings against the members of the Board claiming damages suffered by the Shareholders as a result of the Board's abuse of power, violation of the law or the Company's Articles of Association and mismanagement. A resolution of the General Assembly shall be adopted specifying who shall initiate the proceedings on behalf of the Company.

Any Shareholder may independently initiate proceedings if the Company fails to do so, if the Board's acts have caused a particular damage to the initiating Shareholder. However, he must notify the Company of his intention to initiate proceedings beforehand.

- **Appointment of the Chairman and the Powers of the Chairman**

The Articles of Association provide that the Board of Directors shall elect, from amongst their members, a chairman and a vice-chairman. The chairman shall represent the Company before the courts and shall execute the resolutions adopted by the Board of Directors. In the event that there is an equality of votes by the directors, then the Chairman shall have a casting vote.

6. Independent Auditors

The financial statements of Dubai Taxi Company PJSC as of and for the years ended 31 December 2022 (which includes the unaudited comparative financial information as of and for the year ended 31 December 2021) and 31 December 2021 (which includes the unaudited comparative financial information as of and for the year ended 31 December 2020), and 31 December 2020 included in this Prospectus have been audited by KPMG Lower Gulf Limited (the "**Independent Auditors**") in accordance with the International Standards on Auditing ("**ISAs**") as stated in their independent auditor's reports appearing herein.

The unaudited interim condensed financial statements as at and for the six months ended 30 June 2023 (which includes the comparative financial information for the six months (unaudited) ended 30 June 2022 included in this Prospectus have been reviewed by KPMG Lower Gulf

Limited in accordance with International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity" as stated in their review report appearing herein.

The unaudited interim condensed financial statements as at and for the nine months ended 30 September 2023 (which includes the unaudited and not reviewed comparative financial information for the nine months ended 30 September 2022) included in this Prospectus have been reviewed by KPMG Lower Gulf Limited in accordance with International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity" as stated in their review report appearing herein.

KPMG Lower Gulf Limited

Tel.: +971 4 030300

E-mail address: Ae-fmclientsmarkets@kpmg.com

Dubai, United Arab Emirates

7. Details of any employee ownership scheme

The Company does not have any employee share ownership schemes.

Annex 1 – Financial Statements

KPMG Lower Gulf Limited
The Offices 5 at One Central
Level 4, Office No: 04.01
Sheikh Zayed Road, P.O. Box 3800
Dubai, United Arab Emirates
Tel. +971 (4) 4030300, www.kpmg.com/ae

Independent Practitioner's Assurance Report on the Compilation of Pro Forma Financial Information Included in a Prospectus

To the Shareholder of Dubai Taxi Corporation

Report on the Compilation of Pro Forma Financial Information Included in a Prospectus

We have completed our assurance engagement to report on the compilation of pro forma financial information of Dubai Taxi Corporation ("the Company") by the management. The pro forma financial information consists of the pro forma statement of financial position as at 30th September 2023, and related notes, as set out on in the prospectus issued by the Company. The applicable criteria on the basis of which the management has compiled the pro forma financial information are described in notes 1 to 3 to the accompanying pro forma financial information (the "applicable criteria").

The pro forma financial information has been compiled by the management to illustrate effect of Board resolution passed by the Board of Directors of Roads and Transports Authority ("RTA") on 3 November 2023 for (i) the reduction of share capital (the "Share Capital Reduction") and subsequent payment to RTA and (ii) the reduction of statutory and general reserve and payment of dividend to RTA (the "pre-IPO dividend") on the Company's financial position as at 30 September 2023 as if the transactions had taken place at 30 September 2023. As part of this process, information about the company's financial position has been extracted by the management from the Company's condensed interim financial statements for the period ended 30th September 2023, on which a review report has been published.

Management's responsibility for the pro forma financial information

The management is responsible for compiling the pro forma financial information on the basis of the applicable criteria described in notes 1 to 3 to the pro forma financial information.

Our Independence and Quality Control

We have complied with the independence and other ethical requirement of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

Our responsibility is to express an opinion about whether the pro forma financial information has been compiled, in all material respects, by the management on the basis of the applicable criteria defined in notes 1 to 3 to the pro forma financial information.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner plan and perform procedures to obtain reasonable assurance about whether the management has compiled, in all material respects, the pro forma financial information on the basis of the applicable criteria defined in notes 1 to 3 to the pro forma financial information.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 September 2023 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the management in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the Company, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

Opinion

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria as described in the notes 1 to 3 to the pro forma financial information.

KPMG

KPMG Lower Gulf Limited
Date: 8 Nov 2023
Dubai, United Arab Emirates

SELECTED UNAUDITED PRO FORMA FINANCIAL INFORMATION

Dubai Taxi Corporation ("the ***Company****") was formed on 28 June 1994 in accordance with the provisions of Law No. (5) of 1994 decreed by H. H. The Ruler of Dubai in order to operate a fleet of taxis in the Emirate of Dubai and to the other Emirates. The Company commenced operations on 20 May 1995. In accordance with Law No. (20) of 2008, the Company is wholly owned by the Roads and Transports Authority (" RTA").*

*The selected unaudited pro forma financial information set forth below as at the nine months ended 30 September 2023 (the "****Unaudited Pro Forma Financial Information****") has been derived from the reviewed condensed interim financial statements for the nine-month period ended 30 September 2023, included elsewhere in this Prospectus, and gives effect to Board resolution passed by the Board of Directors of RTA on 3 November 2023 to (i) reduce the capital from AED 200 million to AED 100 million (the "****Capital Reduction****") and payment to be made to RTA(ii) reduce general reserves of AED 100 million to nil and statutory reserve by AED 50 million as the Company is required to maintain statutory reserve equivalent to 50% of the capital and accordingly pay AED 150 million to RTA as pre-IPO dividend (the "****pre-IPO dividend****"). The Company's payment towards reduction in capital of AED 100million and pre-IPO dividend, amounting to AED 150 million to RTA prior to the Global Offering is presented as if they had occurred as at 30 September 2023. The selected unaudited pro forma financial information should be read in conjunction with "Summary Financial and Operating Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations", and "Description of Share Capital" included elsewhere in this Prospectus.*

The Unaudited Pro Forma Financial Information is prepared in accordance with estimates, assumptions and judgements and gives effect to the pro forma adjustments that are (i) directly attributable to the Global Offering; ii) expected to have a continuing impact on the financial results of operations of the Company; and iii) factually supportable.

The Unaudited Pro Forma Financial Information is presented for illustrative purposes only and is not intended to represent or to be indicative of the financial position that would have been reported had the board resolution pre-IPO dividend (both described in the notes under the table below) been implemented as of the date indicated or what the financial position or results of operations would be for any future periods. The pro forma adjustments and related assumptions are described in the accompanying notes to the Unaudited Pro Forma Financial Information.

Unaudited pro forma statement of financial position

As at 30 September 2023

	9M 2023 Interim Financial Statements	Board resolution to reduce Capital and payment to RTA Pro forma Adjustments(2.1)	Board resolution to reduce general and statutory reserve to be paid as Pre-IPO Dividend Pro forma Adjustments(2.2)	Unaudited Pro forma
	AED	*AED*	*AED*	*AED*
Assets				
Property and equipment................	722,280,601	-	-	722,280,601
Intangible assets	556,708,240	-	-	556,708,240
Investment in financial assets.......	-	-	-	-
Non-current assets	**1,278,988,841**	-	-	**1,278,988,841**
Inventories....................................	2,555,653	-	-	2,555,653
Trade and other receivables..........	184,286,622	-	-	184,286,622
Investment in financial assets.......	107,445,933	-	-	107,445,933
Cash and cash equivalents............	537,236,576	(100,000,000)	(150,000,000)	287,236,576
Current assets	**831,524,784**	-	(150,000,000)	**581,524,784**
Total assets	**2,110,513,625**	-	(150,000,000)	**1,860,513,625**
Equity				
Capital	200,000,000	(100,000,000)	-	100,000,000
Statutory reserve..........................	100,000,000	-	(50,000,000)	50,000,000
General reserve............................	100,000,000	-	(100,000,000)	-
Retained earnings	80,805,860	-	-	80,805,860
Total equity	**480,805,860**	-	(150,000,000)	**230,805,860**
Liabilities				
Pension and post-employment benefits	31,822,344	-	-	31,822,344
Loans and borrowings	996,902,500	-	-	996,902,500
Non-current liability...................	**1,028,724,844**	-	-	**1,028,724,844**
Trade and other payables.............	569,339,871	-	-	569,339,871
Due to related parties....................	31,643,050	-	-	31,643,050
Current liabilities	**600,982,921**	-	-	**600,982,921**
Total liabilities	**1,629,707,765**	-	-	**1,629,707,765**
Total equity and liabilities	**2,110,513,625**	-	-	**1,860,513,625**

See the accompanying notes to the Unaudited Pro Forma Financial Information which form integral part of this statement.

The Unaudited Pro Forma Financial Information was approved by the Board of Directors of the RTA on 08 NOV 2023.

....	....	....
H.E. Mattar Mohammed Al Tayer	Mr. Abdulmuhsen Ibrahim Kalbat	Mr. Mansoor Al Falasi
Director General & Chairman	Chairman Supervisory Board	Chief Executive Officer
of the Board of Executive Directors	Dubai Taxi Corporation	Dubai Taxi Corporation
Roads and Transport Authority		

Notes to the Unaudited Pro Forma Financial Information

1. Financial information of Dubai Taxi Corporation ("the Company")

The historical financial information of the Company for the period ended 30 September 2023, included in the Unaudited Pro Forma Financial Information has been derived from the condensed interim financial statements for the period ended 30 September 2023 prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting.*

2 Adjustments to Unaudited Pro Forma Financial Information

2.1 Capital reduction and payment to the RTA

Reflects the reduction in capital of AED 100 million, in accordance with the Board resolution passed by the Board of Directors of the RTA on 3 November 2023. As a result of the reduction in capital, an amount of AED 100 million has been paid to RTA on 3 November 2023.

2.2 Reduction in statutory and general reserve and payment to the RTA as pre-IPO dividend

In accordance with the Board resolution passed by the Board of Directors of the RTA on 3 November 2023, the Company has reduced the general reserve from AED 100 million to AED nil and statutory reserve by AED 50 million as the Company is required to maintain statutory reserve equivalent to 50% of the capital. These reductions are announced as pre-IPO dividend to the RTA and accordingly, the Company has paid pre-IPO dividend amounting to AED 150 million to RTA on 3 November 2023.

3. Approval of the Unaudited Pro Forma Financial Information

The Unaudited Pro Forma Financial Information was approved by the Board of Directors of RTA on 0 8 NOV 2023.

Dubai Taxi Corporation

Condensed interim financial statements
30 September 2023

Dubai Taxi Corporation

Condensed interim financial statements
for the nine month ended 30 September 2023

Contents

KPMG Lower Gulf Limited
The Offices 5 at One Central
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Sheikh Zayed Road, P.O. Box 3800
Dubai, United Arab Emirates
Tel. +971 (4) 4030300, www.kpmg.com/ae

Independent Auditors' Report on Review of Condensed Interim Financial Statements

To the Shareholder of Dubai Taxi Corporation

Introduction

We have reviewed the accompanying condensed statement of financial position of Dubai Taxi Corporation ("the Corporation") as at 30 September 2023, the condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the nine month period then ended, and notes to the condensed interim financial statements. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

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

Other Matter

The condensed statements of profit or loss and other comprehensive income, changes in equity, cash flows and notes to the condensed interim financial statements for the nine month period ended 30 September 2022 were unreviewed.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as at 30 September 2023 are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited

Maher Alkatout
Registration No: 5453
Dubai, United Arab Emirates
Date: 27 OCT 2023

Dubai Taxi Corporation

Condensed statement of profit or loss and other comprehensive income (unaudited)

For the nine months ended 30 September

	Note	**2023**	2022
		AED	AED
			(Unreviewed)
Revenue	*6*	**1,413,736,479**	1,272,131,555
Plate and license fees	*13*	**(232,335,600)**	(233,340,600)
Other direct costs	*7*	**(869,538,500)**	(871,443,477)
Gross profit		**311,862,379**	167,347,478
Other income		**34,483,152**	25,701,936
General and administrative expenses		**(53,302,305)**	(46,851,797)
Impairment loss on financial assets	*17*	**(19,840,701)**	(7,951,994)
Operating profit before staff bonus		**273,202,525**	138,245,623
Finance income		**10,625,317**	4,305,615
Finance cost		**(2,629,756)**	(869,696)
Net finance income	*8*	**7,995,561**	3,435,919
Profit for the period before bonus		**281,198,086**	141,681,542
Staff bonus		**(14,059,904)**	(7,084,077)
Profit for the period		**267,138,182**	134,597,465
Other comprehensive income		-	-
Total comprehensive income for the period		**267,138,182**	134,597,465

The accompanying notes form an integral part of these condensed interim financial statements.

Dubai Taxi Corporation

Condensed statement of financial position

At 30 September 2023

	Note	30 September 2023	31 December 2022
	Note	**AED**	AED
		(Unaudited)	(Audited)
Assets			
Property and equipment	*9*	**722,280,601**	569,784,574
Intangible assets	*10*	**556,708,240**	556,708,240
Investment in financial assets	*11*	**-**	281,888,746
Non-current assets		**1,278,988,841**	1,408,381,560
Inventories		**2,555,653**	2,393,153
Trade and other receivables		**184,286,622**	147,147,043
Investment in financial assets	*11*	**107,445,933**	-
Cash and cash equivalents	*12*	**537,236,576**	235,101,944
Current assets		**831,524,784**	384,642,140
Total assets		**2,110,513,625**	1,793,023,700
Equity			
Capital	*14*	**200,000,000**	200,000,000
Statutory reserve	*15*	**100,000,000**	100,000,000
General reserve	*15*	**100,000,000**	100,000,000
Retained earnings		**80,805,860**	-
Total equity		**480,805,860**	400,000,000
Liabilities			
Pension and post-employment benefits		**31,822,344**	28,556,992
Loans and borrowings	*16*	**996,902,500**	-
Non-current liability		**1,028,724,844**	28,556,992
Trade and other payables		**569,339,871**	536,548,018
Due to related parties	*13*	**31,643,050**	827,918,690
Current liabilities		**600,982,921**	1,364,466,708
Total liabilities		**1,629,707,765**	1,393,023,700
Total equity and liabilities		**2,110,513,625**	1,793,023,700

The accompanying notes form an integral part of these condensed interim financial statements.

The condensed interim financial statements were authorised for issue on 27 OCT 2023

H.E. Mattar Mohammed Al Tayer
Director General & Chairman of the Board of Executive Directors
Roads and Transport Authority

Mr. Abdulmuhsen Ibrahim Kalbat
Chairman supervisory Board
Dubai Taxi Corporation

Mr. Mansoor Alfalasi
Chief Executive Officer
Dubai Taxi Corporation

Dubai Taxi Corporation

Condensed statement of changes in equity (unaudited)

For the nine-month period ended 30 September 2023

	Capital	Statutory reserve	General reserve	Retained earnings	Total
	AED	AED	AED	AED	AED
Balance as at 1 January 2022	200,000,000	86,036,704	86,036,704	-	372,073,408
Total comprehensive income for the period (Unreviewed)	-	-	-	134,597,465	134,597,465
Transfer to reserves (Unreviewed)	-	13,963,296	13,963,296	(27,926,592)	-
Transferred to Roads & Transport Authority (Unreviewed)	-	-	-	(106,670,873)	(106,670,873)
Balance as at 30 September 2022 (Unreviewed)	200,000,000	100,000,000	100,000,000	-	400,000,000
Balance as at 1 January 2023	200,000,000	100,000,000	100,000,000	-	400,000,000
Total comprehensive income for the period	-	-	-	267,138,182	267,138,182
Transferred to Roads & Transport Authority (refer to note 15)	-	-	-	(186,332,322)	(186,332,322)
Balance as at 30 September 2023	**200,000,000**	**100,000,000**	**100,000,000**	**80,805,860**	**480,805,860**

The accompanying notes form an integral part of these condensed interim financial statements.

Dubai Taxi Corporation

Condensed statement of cash flows (unaudited)

For the nine-month period ended 30 September

	Note	2023	2022
		AED	AED
			(Unreviewed)
Cash flows from operating activities			
Profit for the period		**267,138,182**	134,597,465
Adjustments for:			
Depreciation of property and equipment	9	**97,954,901**	73,338,663
Impairment loss on financial assets	17	**19,840,701**	7,951,994
Finance income		**(5,101,074)**	(4,305,615)
(Gain)/ loss on equity securities measured at FVTPL	8	**(4,625,764)**	649,839
Provision for employees' end of service indemnity		**4,379,034**	2,956,706
Gain on disposal of property and equipment	9	**(3,645,635)**	(626,203)
Loss on disposal of investment in financial assets	8	**1,940,312**	-
Interest on loans and borrowings	8	**495,464**	-
Dividend income	8	**(898,479)**	-
Amortization of arrangement fee	8	**52,500**	-
Amortization of right of use asset		**-**	475,444
Gain on derecognition of lease liability		**-**	(2,585,945)
Interest expenses on lease liability		**-**	39,895
Gross cash flows from operations		**377,530,142**	212,492,243
Changes in:			
Inventories		**(162,500)**	305,602
Trade and other receivables		**(57,058,401)**	(137,203,305)
Trade and other payables		**29,959,060**	129,287,768
Due to related parties		**(480,964,611)**	(29,536,367)
Cash (used in)/ generated from operating activities		**(130,696,310)**	175,345,941
Payment of employees end of service benefits		**(1,113,682)**	(734,716)
Net cash flows (used in)/ generated from operating activities		**(131,809,992)**	174,611,225
Cash flows from investing activities			
Purchase of property and equipment	9	**(269,705,255)**	(215,363,730)
Proceeds from disposal of investment in debt instruments	11	**181,093,281**	29,563,822
Proceeds from disposal of property and equipment	9	**22,899,962**	18,177,547
Dividend income received		**898,479**	
Finance income received		**3,551,508**	1,884,864
Purchase of investments in financial assets, net		**-**	(165,510,002)
Net cash used in investing activities		**(61,262,025)**	(331,247,499)
Cash flows from financing activities			
Proceeds from borrowings	16	**1,000,000,000**	-
Repayment of due to related party		**(501,643,351)**	-
Payment for arrangement fee	16	**(3,150,000)**	-
Net cash flows from financing activities		**495,206,649**	-
Net increase/ (decrease) in cash and cash equivalents		**302,134,632**	(156,636,274)
Cash and cash equivalents as at 1 January		**235,101,944**	232,120,956
Cash and cash equivalents as at 30 September	12	**537,236,576**	75,484,682

These comprise the following:			
Cash in hand	12	**2,009,046**	570,556
Cash at banks	12	**535,319,013**	75,009,336
Cash in hand and in banks		**537,328,059**	75,579,892
Less: allowance for impairment		**(91,483)**	(95,210)
Cash and cash equivalents as at 30 September	12	**537,236,576**	75,484,682

The accompanying notes form an integral part of these condensed interim financial statements.

1. Corporate information

Dubai Taxi Corporation ("the Corporation") was incorporated on 28 September 1994 in accordance with the provisions of Law No. (5) of 1994 decreed by H. H. The Ruler of Dubai in order to operate a fleet of taxis in the Emirate of Dubai and to the other Emirates. The Corporation commenced operations on 20 May 1995. In accordance with Law No. (20) of 2008, the Corporation is wholly owned by the Roads & Transport Authority ("RTA" or the "Parent Company").

The registered office of the Corporation is P.O. Box 2647, Dubai, U.A.E.

The ultimate controlling party is the Government of Dubai and the parent company is RTA.

2. Basis of preparation

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*. These condensed interim financial statements do not include all of the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Corporation's last annual financial statements as at and for the year ended 31 December 2022. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Corporation since the last annual financial statements as at and for the year ended 31 December 2022.

The condensed interim financial statements were approved by the Board of Directors on 27 OCT 2023

3. Changes in significant accounting policies

The accounting policies applied by the Corporation in these condensed interim financial statements are the same as those applied by the Corporation in its financial statements as at and for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Corporation has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3.1 New standards, amendments and interpretations adopted by the Corporation

The following new amendments to IFRSs, which became effective for annual periods beginning on or after 1 January 2023, have been adopted in these condensed interim financial statements:

- Disclosure of accounting policies – Amendment to IAS 1 and IFRS Practice Statement 2
- Definition of accounting estimate – Amendment to IAS 8
- Deferred tax related to assets and liabilities arising from a single transaction – Amendment to IAS 12.
- IFRS 17 Insurance Contracts

The adoption of above amendments does not have any significant impact on the condensed interim financial statements of the Corporation.

4. Use of estimates and judgements

The preparation of the condensed interim financial statements, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgements made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2022.

5. Segment information

The Corporation has identified the revenue streams as its basis of segmentation.

- Regular taxis
- Limousine service
- School bus

The Corporation measures the segment performance on profit before staff bonus and operating profit before staff bonus. Although this is a non-IFRS measure, this provides additional information to the users of the condensed interim financial statements. The Corporations Chief Operating Decision Maker (Chief Executive Officer) reviews the internal management reports of the reported segments at least on a quarterly basis.

The following tables presents certain results, assets and liabilities information regarding the Corporation's reportable segments as at the reporting date:

	Regular taxis		Limousine service		School bus		Total	
	30 September 2023	30 September 2022	**30 September 2023**	30 September 2022	**30 September 2023**	30 September 2022	**30 September 2023**	30 September 2022
	AED	AED	**AED**	AED	**AED**	AED	**AED**	AED
Revenue	**1,258,039,865**	1,107,702,691	**86,586,157**	105,114,888	**69,110,457**	59,313,976	**1,413,736,479**	1,272,131,555
Gross profit / (loss)	**302,068,519**	163,897,492	**10,381,613**	9,671,719	**(587,753)**	(6,221,733)	**311,862,379**	167,347,478
Operating profit /(loss) before staff bonus*	**270,491,552**	145,263,689	**6,493,798**	7,033,803	**(3,782,825)**	(14,051,869)	**273,202,525**	138,245,623
Finance income	**10,625,317**	4,305,615	**-**	-	**-**	-	**10,625,317**	4,305,615
Finance cost	**(2,408,496)**	(843,194)	**(101,668)**	(16,643)	**(119,592)**	(9,859)	**(2,629,756)**	(869,696)
Profit for the period/(loss) before bonus	**278,708,373**	148,726,110	**6,392,130**	7,017,160	**(3,902,417)**	(14,061,728)	**281,198,086**	141,681,542
Staff bonus	**(13,741,324)**	(6,764,897)	**(318,580)**	(319,180)	**-**	-	**(14,059,904)**	(7,084,077)
Profit/ (loss) for the period	**264,967,049**	141,961,213	**6,073,550**	6,697,980	**(3,902,417)**	(14,061,728)	**267,138,182**	134,597,465

** This includes impairment allowance on financial assets recognised in accordance with IFRS 9, amounting to AED 19,840,701 (September 2022: AED 7,951,994). Total impairment allowance relates to school bus services amounting to AED 507,779 (September 2022: AED 4,833,924), regular taxi services amounting to AED 17,995,737 (September 2022: AED 2,702,014) and AED 1,337,185 (September 2022: AED 416,056) on limousines services.*

	Regular taxis		Limousine service		School bus		Total	
	30 September 2023	31 December 2022	**30 September 2023**	31 December 2022	**30 September 2023**	31 December 2022	**30 September 2023**	31 December 2022
	AED	AED	**AED**	AED	**AED**	AED	**AED**	AED
Segment assets	**1,727,505,132**	1,527,519,441	**86,764,635**	34,023,628	**296,243,858**	231,480,631	**2,110,513,625**	1,793,023,700
Segment liabilities	**1,470,830,176**	1,310,868,706	**95,961,766**	67,049,251	**62,915,823**	15,105,743	**1,629,707,765**	1,393,023,700

Timing of recognition of revenue from contract with customers (refer to note 6) for the Corporation's reportable segments is presented below:

	Regular taxis		Limousine service		School bus		Total	
	30 September 2023	30 September 2022	**30 September 2023**	30 September 2022	**30 September 2023**	30 September 2022	**30 September 2023**	30 September 2022
	AED	AED	**AED**	AED	**AED**	AED	**AED**	AED
Over the period of time	**1,258,039,747**	1,107,702,691	**86,586,274**	105,114,888	**69,110,458**	59,313,976	**1,413,736,479**	1,272,131,555

The operations of the Corporations are entirely based in United Arab Emirates. Other revenue has been clubbed within regular taxi segment due to being insignificant.

6. Revenue

	Nine months ended 30 September 2023	Nine months ended 30 September 2022
	AED	AED
		(Unreviewed)
Revenue from contract with customers		
Regular taxis	**1,246,680,499**	1,106,103,293
Limousine service	**86,586,157**	105,115,435
School bus	**69,110,457**	59,313,976
Others	**11,359,366**	1,598,851
	1,413,736,479	1,272,131,555
Timing of revenue recognition		
Services transferred over the period of time	**1,413,736,479**	1,272,131,555

7. Other direct costs

	Nine months ended 30 September 2023	Nine months ended 30 September 2022
	AED	AED
		(Unreviewed)
Staff costs	**391,969,771**	388,222,034
Fuel cost	**174,473,169**	202,083,954
Depreciation of property and equipment	**93,794,434**	69,562,180
Charges and commission	**80,510,685**	75,448,048
Vehicle maintenance	**47,193,330**	52,362,667
Insurance	**41,716,240**	36,082,712
VAT expenses	**20,512,682**	20,033,356
Rent expense	**12,360,186**	7,040,623
Amortization of right-of-use assets	**-**	475,444
Others	**7,008,003**	20,132,459
	869,538,500	871,443,477

8. Finance income and cost

	Nine months ended 30 September 2023	Nine months ended 30 September 2022
		(Unreviewed)
	AED	AED
Finance income		
Interest income on Sukuk and Wakala deposits	**4,811,092**	4,147,511
Gain on equity securities measured at FVTPL	**4,625,764**	-
Dividend income	**898,479**	-
Interest income on cash at banks	**289,982**	158,104
	10,625,317	4,305,615

8. Finance income and cost (continued)

	Nine months ended 30 September 2023	Nine months ended 30 September 2022
		(Unreviewed)
	AED	AED
Finance costs		
Loss on disposal of investment in financial assets (refer to note 11)	**(1,940,312)**	-
Interest on loans and borrowings	**(495,464)**	-
Bank charges	**(141,480)**	(179,962)
Amortization of arrangement fee	**(52,500)**	-
Loss on equity securities measured at FVTPL	-	(649,839)
Interest expense on lease	-	(39,895)
	(2,629,756)	(869,696)
Net finance income	**7,995,561**	3,435,919

9. Property and equipment

During the nine months period ended 30 September 2023, the Corporation added property and equipment amounting to AED 269,705,255 *(30 September 2022 (Unreviewed): AED 215,363,730).*

The depreciation on property and equipment during the nine months period ended 30 September 2023 amounted to AED 97,954,901 *(30 September 2022 (Unreviewed): AED 73,338,663).*

During the nine months period ended 30 September 2023, assets with a net carrying amount of AED 19,254,327 *(30 September 2022 (Unreviewed): AED 17,551,344)* were sold by the Corporation at AED 22,899,962 *(30 September 2022 (Unreviewed): AED 18,177,547),* resulting in a profit on disposal of AED 3,645,635 *(30 September 2022 (Unreviewed): AED 626,203).*

10. Intangible assets

At 30 September 2023, intangible assets amounted to AED 556,708,240 *(31 December 2022: AED 556,708,240)*. This represents license plates purchased from RTA as a consideration for obtaining the rights relating to operation of taxis. These have infinite life, therefore, are not amortised.

11. Investment in financial assets

The below table represents the carrying amounts of interests in equity-accounted investees recognised and the related movements during the year:

	30 September 2023	31 December 2022
	AED	AED
Non-current		
Sukuk and Wakala (refer note (i) below)	-	263,496,194
Investment in equity shares (refer note (ii) below)	-	18,491,719
Less: allowance for impairment	-	(99,167)
	-	281,888,746
Current		
Sukuk and Wakala (refer note (i) below)	**107,466,979**	-
Less: allowance for impairment	**(21,046)**	-
	107,445,933	-
Total investment in financial assets	**107,445,933**	281,888,746

11. Investment in financial assets (continued)

(i) These are investments in listed corporate with interest ranging between 3% - 5% and maturity period within 1 - 5 years.

During the period, Sukuk with net carrying amount of AED 159,916,110 *(30 September (Unreviewed): nil)* were sold by Corporation for AED 157,984,634 *(30 September (Unreviewed): nil)* resulting in loss on disposal of AED 1,931,476*(30 September (Unreviewed): nil)*.

(ii) The details of the Corporation's investments in equity securities as follows:

	30 September 2023	31 December 2022
	AED	AED
Salik Company PJSC	-	9,210,000
Tecom Group PJSC	-	3,740,000
Emirates Central Cooling Systems Corp	-	3,203,008
Dubai Electricity and Water Authority PJSC	-	2,338,711
	-	18,491,719

Investments of equity securities are listed on stock exchange and are actively traded in the market. Accordingly fair value of these investments are categorized at level 1 of the fair value hierarchy (refer to note 18).

During the period, investments in equity securities with fair value of AED 23,117,483 *(30 September (Unreviewed): nil)* were sold by Corporation for AED 23,108,647 *(30 September (Unreviewed): nil)* resulting in profit on disposal of AED 8,836*(30 September (Unreviewed): nil)*.

12. Cash and cash equivalents

	30 September 2023	31 December 2022
	AED	AED
Cash in hand	**2,009,046**	475,132
Cash at banks	**535,319,013**	234,718,295
	537,328,059	235,193,427
Less: allowance for impairment	**(91,483)**	(91,483)
	537,236,576	235,101,944

13. Related party transactions

The Corporation has elected to apply the exemption in relation to government related entities under IAS 24 *'Related Parties'* to disclose transactions and balances with government related entities which are individually or collectively significant as of the reporting date. To determine significance, the Corporation considers various qualitative and quantitative factors including whether transactions with related parties are based on approved terms and conditions by management.

13. Related party transactions (continued)

Transactions with related parties included in the condensed interim financial statements are as follows:

	30 September 2023	30 September 2022
	AED	AED
		(Unreviewed)
Expenses charged:		
Plate and license fee (refer note (i) below)	**232,335,600**	233,340,600
Salik charges	**50,831,884**	46,339,960
Revenue earned:		
Rent income (refer note (iii) below)	**5,400,000**	5,400,000

(i) Plate and license fees pertains to the monthly amount charged by RTA (ranging between AED 1,200 to AED 5,000 per taxi) depending upon the nature of the operating taxi.

(ii) This pertains to office space leased to RTA.

Compensation of key management personnel

The remuneration of directors and other key members of management during the period is as follows:

	30 September 2023	30 September 2022
	AED	AED
Short-term benefits and bonus	**6,293,373**	5,833,978
Post-retirement benefits	**448,420**	411,516
Total	**6,741,793**	6,245,494

Balances with related parties

	30 September 2023	31 December 2022
	AED	AED
Due to related parties		
RTA (refer to note 16)	**26,230,230**	822,258,906
Salik Company PJSC	**5,412,820**	5,659,784
	31,643,050	827,918,690

Due to related parties are unsecured, interest free and payable on demand.

14. Capital

	30 September 2023	31 December 2022
	AED	AED
Capital in accordance with Law No. (5) of 1994	**200,000,000**	200,000,000

As mentioned in note 1, in accordance with Law No. (20) of 2008, the Corporation is wholly owned by the RTA. The Corporation has not been divided into shares and therefore, IAS 33 *earnings per share* is not applicable.

15. Other reserves

In accordance with the provisions of Law No. 20 of 2007 decreed by H.H. the Ruler of Dubai, 10% of the yearly net profit of the Corporation will be transferred to statutory and general reserve each year until each reserve reaches a maximum of 50% of the paid-up capital. As of 30 September 2023, statutory and general reserves are 50% of the share capital, hence no transfer made during the period.

In line with the board resolution passed by the Parent Company on 28 September 2023, The Corporation transferred the net profit for the six months period ended 30 June 2023 amounting to AED 186 million to the Parent Company and retained the net profit for the third quarter as retained earnings.

16. Loans and borrowings

	30 September 2023	31 December 2022
	AED	AED
Term loan	**996,902,500**	-
Disclosed in the interim condensed statement of financial position as follows:		
Current	-	-
Non-current	**996,902,500**	-

The table below provides movement of loans and borrowings:

	30 September 2023	31 December 2022
	AED	AED
As 1 January	-	-
Drawdown	**1,000,000,000**	-
Transaction costs	**(3,150,000)**	-
Amortisation of transaction cost	**52,500**	-
At 30 September/ 31 December	**996,902,500**	-

The interest rate of the loan is EIBOR plus 0.8% and is repayable in 5 years in form a bullet payment. The proceeds from loan drawdown has been used to repay the liability of RTA.

During the period, Corporation also obtained a revolving credit facility of AED 200 million with maturity date of 5 years. No drawdown has been made from revolving credit facility during the period.

17. Financial risk management

Overview

The Corporation has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

(a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Corporation's trade and other receivables, investment in financial assets and cash at banks.

17. Financial risk management (continued)

(a) Credit risk (continued)

(i) This includes provision for the staff receivables in relation to terminated and active employees. During the period, the Corporation has provided for AED 14,747,500 *(30 September 2022: AED 4,038,825)*. This is in line with Corporation's policy of providing 100% allowance for receivables from terminated employees. For active employees, allowance for impairment is provided in line with the historical trend based on average percentage of employees leaving the Corporation in prior years.

For cash at banks and investments in financial assets the allowance for impairment is AED 91,483 and AED 21,046, respectively. During the period, impairment allowance of AED 78,121 was reversed pertaining to investments in financial assets.

(b) Liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

	Carrying value	**Contractual cash flows**	**Less than 1 year**	**1 – 5 Years**
	AED	**AED**	**AED**	**AED**
At 30 September 2023				
Non-derivative financial liabilities:				
Due to related parties	**31,644,762**	**31,644,762**	**31,644,762**	**-**
Trade and other payables	**569,339,871**	**569,339,871**	**558,391,246**	**-**
Loans and borrowings	**996,902,500**	**1,301,407,875**	**60,281,575**	**1,241,126,300**
	1,597,887,133	**1,902,392,508**	**650,317,583**	**1,241,126,300**
At 31 December 2022				
Non-derivative financial liabilities:				
Due to a related party	827,918,690	(827,918,690)	(827,918,690)	-
Trade and other payables	536,548,018	(536,548,018)	(536,548,018)	-
	1,364,466,708	(1,364,466,708)	(1,364,466,708)	-

As at 30 September 2023 and 31 December 2022, there were no derivative financial instruments carried by the Corporation.

17. Financial risk management (continued)

(c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Corporation's income or the value of its holdings of financial instruments.

Currency risk

The Corporation does not have any significant foreign currency exposure, as majority of its transactions are denominated in AED.

Interest rate risk

At the reporting date, the interest rate profile of the Corporation's interest-bearing financial instruments is:

	30 September 2023	31 December 2022
	AED	AED
Fixed rate instruments		
Sukuk and Wakala deposits (refer to note 11)	**107,445,933**	263,496,194
Variable rate instruments		
Loans and borrowings (refer to note 16)	**1,000,000,000**	-

Cash flow sensitivity analysis for variable rate instruments

An increase of 1% in interest rates at the reporting date would have increased/ (decreased) statement of profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	30 September 2023	30 September 2022
	AED	AED
		(Unreviewed)
Variable rate instrument	**10,000,000**	-

Since the interest rate on Sukuk and Waqala deposit is fixed, any change in the interest rate will not have any impact on the profit or loss of the Corporation.

Equity price risk

The Corporation's investments are listed in the Dubai Financial Markets ("DFM"). These investments are carried at fair value through profit or loss. The impact of a 2% change in the DFM index at the reporting date on the profit or loss would have been AED nil *(30 September 2022 (Unreviewed): AED 87,921)*.

17. Financial risk management (continued)

(d) Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the condensed statement of financial position are as follows:

	Levels	30 September 2023 Carrying amount AED	30 September 2023 Fair value AED	31 December 2022 Carrying amount AED	31 December 2022 Fair value AED
Financials assets carried at fair value					
Fair value through profit or loss	1	-	-	18,491,719	18,491,719
Financials assets carried at amortised cost					
Sukuks	1	-	-	46,200,315	36,323,578
Wakala and other deposits**		**107,466,979**	**107,466,979**	217,295,878	217,295,878
Trade and other receivables (excluding advances and prepayments) **		**273,763,263**	**273,763,263**	218,842,966	218,842,966
Cash at banks*		**535,319,013**	**535,319,013**	234,718,295	234,718,295
Financial liabilities carried at amortised cost					
Due to related parties**		**31,643,050**	**31,643,050**	827,918,690	827,918,690
Trade and other payables **		**569,339,871**	**569,339,871**	536,548,018	536,548,018

* These financial assets carry a market rate of interest and hence, the fair values reported approximate carrying values.

** These financial assets and liabilities have short term maturity and thus, the fair values reported approximate carrying values.

Fair value hierarchy

The table above analyses assets and liabilities that require or permits fair value measurements or disclosure about fair value measurements.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At 30 September 2023, investments in equity shares amounting to AED nil *(31 December 2022: AED 18,491,719)* are measured at fair value at Level 1 in the hierarchy.

18. Commitments and contingent liabilities

The Corporation's capital commitments at the reporting date amounted to AED 107,144,706 *(31 December 2022: AED 33,634,560)*.

The Corporation do not have any contingent liability *(31 December 2022: nil)*.

19. UAE corporate tax law

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023.

The Cabinet of Ministers Decision No. 1 I 6/2022 effective from January 2023, has confirmed the threshold of income over which the 9% tax rate would apply, and the Law is considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375.000. a rate of 0% will apply to taxable income not exceeding AED 375,000.

The Corporation will be subject to taxation commencing I January 2024. Based on the above, the Corporation assessed the deferred tax implication and concluded it is not expected to be material as of and for the nine months period ended 30 September 2023. As certain other Cabinet Decisions are pending as on the date of these condensed interim financial information, the Corporation will continue to assess the impact of these pending Cabinet Decisions on deferred taxes as and when finalised and published.

20. Comparative figures

The previous period's figures have been regrouped wherever necessary, in order to confirm to the current year's presentation. The regrouping does not affect the previously reported net assets, total equity and profit or loss and other comprehensive income. This includes reclassification of plate and license fee in condensed profit or loss account to direct expenses in the comparative period which has resulted in reduction of gross profit, however, no impact on net and operating profit.

Dubai Taxi Corporation

Condensed interim financial statements
30 June 2023

Dubai Taxi Corporation

Condensed interim financial statements
for the six months ended 30 June 2023

Contents

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Independent Auditors' Report on Review of Condensed Interim Financial Statements

To the Shareholder of Dubai Taxi Corporation

Introduction

We have reviewed the accompanying condensed statement of financial position of Dubai Taxi Corporation ("the Corporation") as at 30 June 2023, the condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six month period then ended, and notes to the condensed interim financial statements. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as at 30 June 2023 are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited

Maher Alkatout
Registration No.: 5453
Dubai, United Arab Emirates
Date: 28 SEP 2023

Dubai Taxi Corporation

Condensed statement of profit or loss (unaudited)
For the six months ended 30 June

	Note	**2023**	2022
		AED	AED
Revenue	*6*	**956,678,554**	864,107,346
Plate and license fees	*13*	**(155,660,400)**	(155,510,400)
Other direct costs	*7*	**(584,772,845)**	(578,567,249)
Gross profit		**216,245,309**	130,029,697
Other income		**23,228,388**	18,990,804
General and administrative expenses		**(36,053,080)**	(33,233,881)
Impairment loss on financial assets		**(15,654,524)**	(3,837,473)
Operating profit before staff bonus		**187,766,093**	111,949,147
Finance income		**8,448,964**	2,891,003
Finance cost		**(75,771)**	(113,416)
Net finance income	*8*	**8,373,193**	2,777,587
Profit for the period before staff bonus		**196,139,286**	114,726,734
Staff bonus		**(9,806,964)**	(5,736,337)
Profit for the period		**186,332,322**	108,990,397
Other comprehensive income		**-**	-
Total comprehensive income for the period		**186,332,322**	108,990,397

The accompanying notes form an integral part of these condensed interim financial statements.

Dubai Taxi Corporation

Condensed statement of financial position

	Note	30 June 2023	31 December 2022
	Note	**AED**	AED
		(Unaudited)	(Audited)
Assets			
Property and equipment	*9*	**644,546,433**	569,784,574
Intangible assets	*10*	**556,708,240**	556,708,240
Investment in financial assets	*11*	**164,904,068**	281,888,746
Non-current assets		**1,366,158,741**	1,408,381,560
Inventories		**3,839,902**	2,393,153
Trade and other receivables		**198,495,309**	147,147,043
Investment in financial assets	*11*	**125,841,061**	-
Cash and cash equivalents	*12*	**353,586,863**	235,101,944
Current assets		**681,763,135**	384,642,140
Total assets		**2,047,921,876**	1,793,023,700
Equity			
Capital	*14*	**200,000,000**	200,000,000
Statutory reserve	*15*	**100,000,000**	100,000,000
General reserve	*15*	**100,000,000**	100,000,000
Total equity		**400,000,000**	400,000,000
Liabilities			
Pension and post-employment benefits		**30,764,580**	28,556,992
Non-current liability		**30,764,580**	28,556,992
Trade and other payables		**575,765,914**	536,548,018
Due to related parties	*13*	**1,041,391,382**	827,918,690
Current liabilities		**1,617,157,296**	1,364,466,708
Total liabilities		**1,647,921,876**	1,393,023,700
Total equity and liabilities		**2,047,921,876**	1,793,023,700

The accompanying notes form an integral part of these condensed interim financial statements.

The condensed interim financial statements were authorised for issue on 27 SEP 2023

....	....	....
H.E. Mattar Mohammed Al Tayer Director General & Chairman of the Board of Executive Directors Roads and Transport Authority	Mr. Abdulmuhsen Ibrahim Kalbat Chairman supervisory Board Dubai Taxi Corporation	Mr. Mansoor Alfalasi Chief Executive Officer Dubai Taxi Corporation

Dubai Taxi Corporation

Condensed statement of changes in equity (unaudited)

For the six months ended 30 June 2023

	Paid-up capital	Statutory reserve	General reserve	Retained earnings	Total
	AED	**AED**	**AED**	**AED**	**AED**
Balance as at 1 January 2022	200,000,000	86,036,704	86,036,704	-	372,073,408
Profit for the period	-	-	-	108,990,397	108,990,397
Transfer to reserves	-	11,472,673	11,472,673	(22,945,346)	-
Transferred to Roads & Transport Authority	-	-	-	(86,045,051)	(86,045,051)
Balance as at 30 June 2022	200,000,000	97,509,377	97,509,377	-	395,018,754
Balance as at 1 January 2023	**200,000,000**	**100,000,000**	**100,000,000**	**-**	**400,000,000**
Profit for the period	**-**	**-**	**-**	**186,332,322**	**186,332,322**
Transferred to Roads & Transport Authority	**-**	**-**	**-**	**(186,332,322)**	**(186,332,322)**
Balance as at 30 June 2023	**200,000,000**	**100,000,000**	**100,000,000**	**-**	**400,000,000**

The accompanying notes form an integral part of these condensed interim financial statements.

Dubai Taxi Corporation

Condensed statement of cash flows (unaudited)

For the six months ended 30 June

		2023	2022
	Note	**AED**	AED
Cash flows from operating activities			
Profit for the period		**186,332,322**	108,990,397
Adjustments for:			
Impairment loss on financial assets		**15,654,524**	3,837,473
Depreciation of property and equipment	*9*	**61,506,347**	47,143,978
Finance income	*8*	**(4,538,860)**	(2,891,003)
Gain on equity securities measured at FVTPL	*8*	**(3,434,561)**	-
Provision for employees' end of service indemnity		**2,820,185**	2,011,815
Gain on disposal of property and equipment	*9*	**(1,992,054)**	(1,339,314)
Dividend income		**(475,543)**	-
Amortization of right of use asset		**-**	475,443
Gain on derecognition of lease liability		**-**	(2,585,945)
Interest expenses on lease liability		**-**	39,895
Gross cash flows from operations		**255,872,360**	155,682,739
Changes in:			
Inventories		**(1,446,749)**	379,327
Trade and other receivables		**(67,006,517)**	(60,868,810)
Trade and other payables		**37,668,238**	109,347,863
Due to related parties		**27,140,370**	(96,296,591)
Cash generated from operating activities		**252,227,702**	108,244,528
Payment of employees end of service benefits		**(612,597)**	(410,524)
Net cash from operating activities		**251,615,105**	107,834,004
Cash flows from investing activities			
Purchase of property and equipment		**(146,730,089)**	(85,329,409)
Proceeds from disposal of property and equipment		**12,453,937**	10,667,451
Finance income received		**666,696**	214,838
Dividend income received		**475,543**	-
Proceeds from matured investment in debt instruments		**-**	50,215,230
Purchase of investments in financial assets		**-**	(128,491,718)
Net cash used in investing activities		**(133,133,913)**	(152,723,608)
Net increase/ (decrease) in cash and cash equivalents		**118,481,192**	(44,889,604)
Cash and cash equivalents as at 1 January		**235,197,154**	232,216,166
Cash and cash equivalents as at 30 June	*12*	**353,678,346**	187,326,562

These comprise the following:			
Cash in hand	*12*	**1,429,370**	29,095
Cash at banks	*12*	**352,248,976**	187,297,467
Cash in hand and in banks		**353,678,346**	187,326,562
Less: allowance for impairment		**(91,483)**	(95,210)
Cash and cash equivalents as at 30 June	*12*	**353,586,863**	187,231,352

The accompanying notes form an integral part of these condensed interim financial statements.

1. Corporate information

Dubai Taxi Corporation ("the Corporation") was incorporated on 28 June 1994 in accordance with the provisions of Law No. (5) of 1994 decreed by H. H. The Ruler of Dubai in order to operate a fleet of taxis in the Emirate of Dubai and to the other Emirates. The Corporation commenced operations on 20 May 1995. In accordance with Law No. (20) of 2008, the Corporation is wholly owned by the Roads & Transport Authority ("RTA").

The registered office of the Corporation is P.O. Box 2647, Dubai, U.A.E.

The ultimate controlling party is the Government of Dubai and the parent company is RTA.

2. Basis of preparation

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*. These condensed interim financial statements do not include all of the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Corporation's last annual financial statements as at and for the year ended 31 December 2022. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Corporation since the last annual financial statements as at and for the year ended 31 December 2022.

The condensed interim financial statements were approved by the Board of Directors on _______.

2.1 Funding and liquidity

As at 30 June 2023, the Corporation has net current liabilities amounting to AED 935,394,161 *(31 December 2022: AED 979,824,568).* This is mainly related to amount due to Parent Company of AED 1,030,005,922 *(31 December 2022: 822,258,906)*. Management believes that it will be able to meet the obligations based on future cash flow projections. Therefore, the Corporation's management believe that the Corporation will meet its liquidity requirements as and when it falls due during the next twelve months from the reporting date.

3. Changes in significant accounting policies

The accounting policies applied by the Corporation in these condensed interim financial statements are the same as those applied by the Corporation in its financial statements as at and for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Corporation has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3.1 New standards, amendments and interpretations adopted by the Corporation

The following new amendments to IFRSs, which became effective for annual periods beginning on or after 1 January 2023, have been adopted in these condensed interim financial statements:

- Disclosure of accounting policies – Amendment to IAS 1 and IFRS Practice Statement 2
- Definition of accounting estimate – Amendment to IAS 8
- Deferred tax related to assets and liabilities arising from a single transaction – Amendment to IAS 12.
- IFRS 17 Insurance Contracts

The adoption of above amendments does not have any significant impact on the condensed interim financial statements of the Corporation.

4. Use of estimates and judgements

The preparation of the condensed interim financial statements, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2022.

5. Segment information

The Corporation has identified the revenue streams as its basis of segmentation.

- Regular taxis
- Limousine service
- School bus

The Corporation measures the segment performance on profit before staff bonus and operating profit before staff bonus. Although this is a non-IFRS measure, this provides additional information to the users of the condensed interim financial statements.

The Corporations Chief Operating Decision Maker (Chief Executive Officer) reviews the internal management reports of the reported segments at least on a quarterly basis.

The following tables presents certain results, assets and liabilities information regarding the Corporation's reportable segments as at the reporting date:

	Regular taxis		**Limousine service**		**School bus**		**Total**	
	30 June 2023	30 June 2022	**30 June 2023**	30 June 2022	**30 June 2023**	30 June 2022	**30 June 2023**	30 June 2022
	AED	AED	**AED**	AED	**AED**	AED	**AED**	AED
Revenue	**841,483,231**	740,851,994	**58,088,371**	73,784,705	**57,106,952**	49,470,647	**956,678,554**	864,107,346
Gross Profit	**202,234,162**	111,676,114	**8,026,295**	8,379,130	**5,984,852**	9,974,453	**216,245,309**	130,029,697
Operating profit before staff bonus*	**185,965,953**	106,252,999	**6,242,381**	5,457,295	**(4,442,241)**	238,853	**187,766,093**	111,949,147
Finance income	**8,448,964**	2,891,003	-	**-**	-	**-**	**8,448,964**	2,891,003
Finance cost	**(66,699)**	(103,045)	**(4,574)**	(6,209)	**(4,498)**	(4,162)	**(75,771)**	(113,416)
Profit/ (loss) for the period before bonus	**194,348,218**	109,040,957	**6,237,807**	5,451,086	**(4,446,739)**	234,691	**196,139,286**	114,726,734
Staff bonus	**(9,501,988)**	(5,452,049)	**(304,976)**	(272,554)	-	(11,734)	**(9,806,964)**	(5,736,337)
Profit/ (loss) for the period	**184,846,230**	103,588,908	**5,932,831**	5,178,532	**(4,446,739)**	222,957	**186,332,322**	108,990,397

* This includes impairment allowance on financial assets recognised in accordance with IFRS 9, amounting to AED 15,654,524 *(June 2022: AED 3,837,473).* Total impairment allowance relates school bus services amounting to AED 7,736,214 *(June 2022: AED 4,890,038)*, regular taxi services amounting to AED 7,369,534 *(June 2022: reversal of AED 957,035)* and AED 548,776 *(June 2022: reversal of AED 95,530)* on limousines services.

	Regular taxis		**Limousine service**		**School bus**		**Total**	
	30 June 2023	31 December 2022	**30 June 2023**	31 December 2022	**30 June 2023**	31 December 2022	**30 June 2023**	31 December 2022
	AED	AED	**AED**	AED	**AED**	AED	**AED**	AED
Segment assets	**1,745,275,775**	1,527,519,441	**47,881,691**	34,023,628	**254,764,410**	231,480,631	**2,047,921,876**	1,793,023,700
Segment liabilities	**1,556,665,447**	1,310,868,706	**77,029,269**	67,049,251	**14,227,160**	15,105,743	**1,647,921,876**	1,393,023,700

Timing of recognition of revenue from contract with customers (refer to note 6) for the Corporation's reportable segments is presented below:

	Regular taxis		**Limousine service**		**School bus**		**Total**	
	30 June 2023	30 June 2022	**30 June 2023**	30 June 2022	**30 June 2023**	30 June 2022	**30 June 2023**	30 June 2022
	AED	AED	**AED**	AED	**AED**	AED	**AED**	AED
Over a period of time	**841,483,231**	740,851,994	**58,088,371**	73,784,705	**57,106,952**	49,470,647	**956,678,554**	864,107,346

The operations of the Corporations are entirely based in United Arab Emirates. Other revenue has been clubbed within regular taxi segment due to being insignificant.

6. Revenue

	Six months ended 30 June 2023	Six months ended 30 June 2022
	AED	AED
Revenue from contract with customers		
Regular taxis	**835,749,377**	739,764,620
Limousine service	**58,088,371**	73,784,705
School bus	**57,106,952**	49,470,647
Others	**5,733,854**	1,087,374
	956,678,554	864,107,346
Timing of revenue recognition		
Services transferred over the period of time	**956,678,554**	864,107,346

7. Other direct costs

	Six months ended 30 June 2023	Six months ended 30 June 2022
	AED	AED
Staff costs	**268,535,750**	268,685,851
Fuel cost	**113,030,320**	125,298,495
Depreciation of property and equipment	**58,668,118**	44,692,042
Charges and commission	**55,180,430**	49,330,846
Vehicle maintenance	**30,976,259**	36,767,064
Insurance	**27,380,718**	24,382,153
VAT expense	**12,457,150**	13,055,344
Rent expense	**7,487,052**	3,813,591
Amortization of right-of-use assets	**-**	475,444
Others	**11,057,048**	12,066,419
	584,772,845	578,567,249

8. Finance income and costs

	Six months ended 30 June 2023	Six months ended 30 June 2022
	AED	AED
Finance income		
Interest income on Sukuk and Wakala deposits (refer to note 11)	**4,396,872**	2,772,529
Gain on equity securities measured at FVTPL	**3,434,561**	-
Dividend income	**475,543**	-
Interest income on cash at banks	**141,988**	118,474
	8,448,964	2,891,003
Finance costs		
Bank charges	**75,771**	73,521
Interest expense on lease	**-**	39,895
	75,771	113,416
Net finance income	**8,373,193**	2,777,587

9. Property and equipment

During the six months period ended 30 June 2023, the Corporation acquired property and equipment amounting to AED 146,730,089 *(30 June 2022: AED 85,329,409).*

The depreciation on property and equipment during the six month period ended 30 June 2023 amounted to AED 61,506,347 *(30 June 2022: AED 47,143,978 thousand).* Depreciation on property and equipment recorded as a direct cost during the six month period ended 30 June 2023 amounted to AED 58,668,118 *(30 June 2022: 44,692,042).*

During the six month period ended 30 June 2023, assets with a net carrying amount of AED 10,461,883 *(30 June 2022: AED 9,328,137)* were sold by the Corporation at AED 12,453,937 *(30 June 2022: AED 10,667,451),* resulting in a profit on disposal of AED 1,992,054 *(30 June 2022: AED 1,339,314).*

10. Intangible assets

At 30 June 2023, intangible assets amounted to AED 556,708,240 *(30 June 2022: AED 556,708,240).*

This represents license plates purchased from RTA as a consideration for obtaining the rights relating to operation of taxis. These have infinite life, therefore, are not amortised.

11. Investment in financial assets

The below table represents the carrying amounts of interests in equity-accounted investees recognised and the related movements during the year:

	30 June 2023	31 December 2022
	AED	AED
Sukuk and Wakala (refer note (i) below)	**143,076,955**	263,496,194
Investment in equity shares	**21,926,280**	18,491,719
Less: allowance for impairment	**(99,167)**	(99,167)
Non-current	**164,904,068**	281,888,746
Sukuk and Wakala	**125,841,061**	-
Current	**125,841,061**	-
	290,745,129	281,888,746

(i) These are investments in listed corporate. The corporate bonds are held by the Corporation 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. Hence the corporate bonds are classified as at amortized cost. The interest from these investments are ranging between 3% - 5% with a maturity period within 1 - 5 years.

11. Investment in financial assets (continued)

(ii) The details of the Corporation's investments in equity securities as follows:

	30 June 2023	31 December 2022
	AED	AED
Salik Company PJSC	**7,875,000**	9,210,000
Tecom Group PJSC	**7,350,000**	3,740,000
Emirates Central Cooling Systems Corp	**4,060,150**	3,203,008
Dubai Electricity and Water Authority PJSC	**2,641,130**	2,338,711
	21,926,280	18,491,719

Investments of equity securities are listed on stock exchange and are actively traded in the market. Accordingly fair value of these investments are categorized at level 1 of the fair value hierarchy (refer to note 16).

12. Cash and cash equivalents

	30 June 2023	31 December 2022
	AED	AED
Cash in hand	**1,429,370**	475,132
Cash at banks	**352,248,976**	234,718,295
	353,678,346	235,193,427
Less: allowance for impairment	**(91,483)**	(91,483)
	353,586,863	235,101,944

13. Related party transactions

The Corporation has elected to apply the exemption in relation to government related entities under IAS 24 *'Related Parties'* to disclose transactions and balances with government related entities which are individually or collectively significant as of the reporting date. To determine significance, the Corporation considers various qualitative and quantitative factors including whether transactions with related parties are based on approved terms and conditions by management.

Transactions with related parties included in the condensed interim financial statements are as follows:

	30 June 2023	30 June 2022
	AED	AED
Expenses charged:		
Plate and license fee (refer note (i) below)	**155,660,400**	155,510,400
Salik charges	**34,547,484**	31,858,732
Traffic fine	**4,403,350**	5,003,325
Revenue earned:		
Rent income (refer note (ii) below)	**3,780,000**	3,780,000

(i) Plate and license fees pertains to the monthly amount charged by RTA (ranging between AED 1,200 to AED 5,000 per taxi) depending upon the nature of the operating taxi.

(ii) This pertains to office space leased to RTA.

13. Related party transactions (continued)

Compensation of key management personnel

The remuneration of directors and other key members of management during the period is as follows:

	30 June 2023	30 June 2022
	AED	AED
Short-term benefits and bonus	**5,263,821**	4,317,816
Post-retirement benefits	**281,745**	270,174
Total	**5,545,566**	4,587,990

Balances with related parties

	30 June 2023	31 December 2022
	AED	AED
Due to related parties		
RTA*	**1,030,005,922**	822,258,906
Salik Company PJSC	**11,385,460**	5,659,784
	1,041,391,382	827,918,690

*This includes transfer of profit for the six month period ended 30 June 2023.

Due to related parties are unsecured, interest free and payable on demand.

14. Capital

	30 June 2023	31 December 2022
	AED	AED
Capital in accordance with Law No. (5) of 1994	**200,000,000**	200,000,000

As mentioned in note 1, in accordance with Law No. (20) of 2008, the Corporation is wholly owned by the Roads & Transport Authority ("RTA"). The Corporation has not been divided into shares and therefore, IAS 33 *earnings per share* is not applicable.

15. Other reserves

In accordance with the provisions of Law No. 20 of 2007 decreed by H.H. the Ruler of Dubai, 10% of the net profit before staff bonus of the Corporation will be transferred to statutory and general reserve each year until each reserve reaches a maximum of 50% of the paid-up capital. As of 30 June 2023, statutory and general reserves are 50% of the capital, hence no transfer made during the period.

Profit for the six month period ended 30 June 2023 amounting to AED 186,332,322 (*30 June 2022: AED 86,045,051 after the transfer to general and statutory reserve)* is transferred to the Parent Company in line with the decree. This has been recorded as payable to the Parent Company.

16. Financial risk management

Overview

The Corporation has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

16. Financial risk management (continued)

(a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Corporation's trade and other receivables, investment in financial assets and cash at banks.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	30 June 2023 AED	31 December 2022 AED
Cash at banks	**352,248,976**	234,718,295
Trade and other receivables (excluding prepayments and advances)	**180,196,003**	136,913,665
Investments in financial assets	**290,745,129**	281,888,746
	823,190,108	653,520,706

Trade and other receivables

The following table details the risk profile of trade receivables based on the Corporation's provision matrix. The following table provides the information about the exposure to credit risk and ECLs for trade receivables:

	30 June 2023			31 December 2022		
	ECL %	**Gross carrying amount at default AED**	**Lifetime ECL AED**	ECL %	Gross carrying amount at default AED	Lifetime ECL AED
Current	**8%**	**35,878,333**	**2,743,420**	3%	18,645,043	528,154
0 to 30	**1%**	**3,940,672**	**51,173**	7%	19,912,300	1,323,342
31 to 60	**3%**	**14,474,604**	**421,391**	15%	783,437	120,482
61 to 90	**30%**	**1,002,864**	**304,782**	23%	3,384,331	772,520
91 to 180	**30%**	**24,801,167**	**7,440,350**	20%	3,415,016	696,272
181 to 365	**30%**	**8,643,528**	**2,593,059**	37%	8,172,871	2,993,794
Above 365	**100%**	**52,160,137**	**52,160,137**	100%	49,930,906	49,930,906
		140,901,305	**65,714,312**		104,243,904	56,365,470

16. Financial risk management (continued)

The following table shows the movement in lifetime ECL that has been recognised for trade and other receivables and staff receivables.

	30 June 2023 AED
At 1 January	**83,536,376**
Charge for the period (refer note (i) below)	**15,654,524**
As at 30 June	**99,190,900**

(i) This includes provision for the staff receivables in relation to terminated and active employees. During the period, the Corporation has provided for AED 6,305,681 *(30 June 2022: reversal of AED 3,065,095)*. This is in line with Corporation's policy of providing 100% allowance for receivables from terminated employees. For active employees, allowance for impairment is provided in line with the historical trend based on average percentage of employees leaving the Corporation in prior years.

For cash at banks and investments in financial assets the allowance for impairment is AED 91,483 and AED 99,167 respectively with no additional allowance recognised during the period

(b) Liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

	Carrying value AED	Contractual cash flows AED	Less than 1 year AED	1 – 2 years AED
At 30 June 2023				
Non-derivative financial liabilities:				
Due to related parties	**1,041,391,382**	**(1,041,391,382)**	**(1,041,391,382)**	**-**
Trade and other payables	**575,765,914**	**(575,765,914)**	**(575,765,914)**	**-**
	1,617,157,296	**(1,617,157,296)**	**(1,617,157,296)**	**-**
At 31 December 2022				
Non-derivative financial liabilities:				
Due to related parties	827,918,690	(827,918,690)	(827,918,690)	-
Trade and other payables	536,548,018	(536,548,018)	(536,548,018)	-
	1,364,466,708	(1,364,466,708)	(1,364,466,708)	-

As at 30 June 2023 and 31 December 2022, there were no derivative financial instruments carried by the Corporation. Further, the Corporation has no undrawn borrowing facilities as of 30 June 2023 and 31 December 2022.

(c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Corporation's income or the value of its holdings of financial instruments.

16. Financial risk management (continued)

Currency risk

The Corporation does not have any significant foreign currency exposure, as majority of its transactions are denominated in AED.

Interest rate risk

At the reporting date, the interest rate profile of the Corporation's interest-bearing financial instruments is:

	30 June 2023 AED	31 December 2022 AED
Fixed rate instruments		
Financial asset		
Sukuk and Wakala deposits (refer to note 11)	**268,818,849**	263,397,027

Sensitivity analysis for fixed rate instruments

Since the interest rate on these financial investments is fixed, any change in the interest rate will not have any impact on the profit or loss of the Company.

Equity price risk

The Corporation's investments are listed in the Dubai Financial Markets ("DFM"). These investments are carried at fair value through profit or loss. The impact of a 2% change in the DFM index at the reporting date on the profit or loss would have been AED 438,526.

(d) Fair value versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the condensed statement of financial position are as follows:

		30 June 2023	**30 June 2023**	**31 December 2022**	**31 December 2022**
	Levels	**Carrying amount**	**Fair value**	Carrying amount	Fair value
		AED	**AED**	AED	AED
Financials assets carried at fair value					
Fair value through profit or loss	1	**21,926,280**	**21,926,280**	18,491,719	18,491,719
Financials assets carried at amortised cost					
Sukuks and bonds	1	**268,918,016**	**262,563,900**	263,496,194	253,619,456
Trade and other receivables (excluding advances and prepayments) **		**180,196,003**	**180,196,003**	135,306,590	135,306,590
Cash at banks*		**352,248,976**	**352,248,976**	234,718,295	234,718,295
Financial liabilities carried at amortised cost					
Due to related parties**		**1,041,391,382**	**1,041,391,382**	827,918,690	827,918,690
Trade and other payables **		**575,765,914**	**575,765,914**	536,548,018	536,548,018

16. Financial risk management (continued)

d) Fair value versus carrying amounts

* These financial assets carry a market rate of interest and hence, the fair values reported approximate carrying values.
** These financial assets and liabilities have short term maturity and thus, the fair values reported approximate carrying values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At 30 June 2023, investments in equity shares amounting to AED 21,926,280 *(31 December 2022: AED 18,491,719)* are measured at fair value at Level 1 in the hierarchy.

17. Commitments and contingent liabilities

The Corporation's capital commitments at the reporting date amounted to AED 98,566,812 *(2022: AED 33,634,560)*.

The Corporation do not have any contingent liability *(2022: nil)*.

18. UAE corporate tax law

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023.

The Cabinet of Ministers Decision No. 1 I 6/2022 effective from January 2023, has confirmed the threshold of income over which the 9% tax rate would apply, and the Law is considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375.000. a rate of 0% will apply to taxable income not exceeding AED 375,000.

The Corporation will be subject to taxation commencing I January 2024. Based on the above, the Corporation assessed the deferred tax implication and concluded it is not expected to be material as of and for the six-month period ended 30 June 2023. As certain other Cabinet Decisions are pending as on the date of these condensed interim financial information, the Corporation will continue to assess the impact of these pending Cabinet Decisions on deferred taxes as and when finalised and published.

19. Comparative figures

The previous period's figures have been regrouped wherever necessary, in order to confirm to the current year's presentation. The regrouping does not affect the previously reported net assets, total equity and profit or loss and other comprehensive income. This includes reclassification of plate and license fee in condensed profit or loss account to direct expenses in the comparative period which has resulted in reduction of gross profit, however, no impact on net and operating profit.

Dubai Taxi Corporation

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Dubai Taxi Corporation

Directors' Report

The Board of Directors of **Dubai Taxi Corporation** (the "Corporation") have the pleasure in submitting the audited financial statements of the Corporation as at 31 December 2022.

General Information

Dubai Taxi Corporation (the "Corporation") was formed on 28 June 1994 in accordance with the provisions of Law No. (5) of 1994 decreed by H. H. The Ruler of Dubai in order to operate a fleet of taxis in the Emirate of Dubai and to the other Emirates. The Corporation commenced operations on 20 May 1995. In accordance with Law No. (20) of 2008, the Corporation is wholly owned by the Roads & Transport Authority (RTA).

The registered office of the Corporation is P.O. Box 2647, Dubai, U.A.E.

The ultimate controlling party is the Government of Dubai and the parent Corporation is the Roads & Transport Authority (RTA).

Financial Results

The Corporation has recorded a net income of AED 225,901,786 for the year ended 31 December 2022 (2021: 157,374,801). Revenue for the year ended 31 December 2022 amounted to AED 1,762,822,650 (2021: AED 1,341,342,010).

Segment reporting

The following is segment analysis of the Corporation's operating profit:

Description	Regular Taxis 2022	2021	VIP 2022	2021	School Bus 2022	2021	Delivery Revenue 2022	2021	Total 2022	2021
	AED	AED	**AED**	AED	**AED**	AED	**AED**	AED	**AED**	AED
Operating income	**1,533,738,911**	1,180,571,878	**137,179,104**	114,959,687	**89,741,235**	45,810,445	**2,163,400**	-	**1,762,822,650**	1,341,342,010
Direct operating cost										
Direct staff costs	**(434,255,181)**	(343,214,302)	**(44,349,308)**	(40,761,830)	**(47,891,048)**	(22,140,971)	**(1,625,556)**	-	**(528,121,093)**	(406,117,103)
Fuel cost	**(235,761,979)**	(146,156,734)	**(15,898,239)**	(11,764,302)	**(13,836,173)**	(4,575,200)	**(747,454)**	-	**(266,243,845)**	(162,496,236)
Depreciation of vehicles and accessories	**(71,807,568)**	(69,853,159)	**(11,048,754)**	(10,346,518)	**(9,758,131)**	(6,586,831)	**(55,082)**	-	**(92,669,535)**	(86,786,508)
Vehicle maintenance	**(61,553,409)**	(53,538,447)	**(6,453,968)**	(9,034,116)	**(4,335,233)**	(2,749,974)	**(255,009)**	-	**(72,597,619)**	(65,322,537)
Insurance	**(40,908,951)**	(37,705,450)	**(5,526,748)**	(6,491,509)	**(3,026,031)**	(1,272,738)	**(81,317)**	-	**(49,543,047)**	(45,469,697)
Taxes (VAT)	**(23,472,240)**	(17,277,175)	**(2,112,622)**	(1,975,796)	**(1,439,980)**	(527,058)	**-**	-	**(27,024,842)**	(19,780,029)
Other operating costs	**(96,583,125)**	(70,842,472)	**(32,210,166)**	(28,763,689)	**(11,691,946)**	(1,733,836)	**(160,276)**	-	**(140,645,513)**	(101,339,997)
Total	**(964,342,453)**	(738,587,739)	**(117,599,805)**	(109,137,760)	**(91,978,542)**	(39,586,608)	**(2,924,694)**	-	**(1,176,845,494)**	(887,312,107)
Operating profit / (loss)	**569,396,458**	441,984,139	**19,579,299**	5,821,927	**(2,237,307)**	6,223,837	**(761,294)**	-	**585,977,156**	454,029,903
Plate and license fee	**(311,275,369)**	(234,644,846)	**(7,228,800)**	(7,891,200)	**-**	-	**-**	-	**(318,504,169)**	(242,536,046)
	258,121,089	207,339,293	**12,350,499**	(2,069,273)	**(2,237,307)**	6,223,837	**(761,294)**	-	**267,472,987**	211,493,857

Auditors

KPMG Lower Gulf Limited were appointed as external auditors of the Corporation for the year ended 31 December 2022 and are eligible for reappointment.

On behalf of Dubai Taxi Corporation

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Mr. Essam Aqil Al Rafie
Director, Shared Services Department
Dubai Taxi Corporation

KPMG Lower Gulf Limited
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Level 4, Office No: 04.01
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Independent auditors' report

To the Shareholder of Dubai Taxi Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dubai Taxi Corporation ("the Corporation"), which comprise the statement of financial position as at 31 December 2022, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the 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.

Other Information

Management is responsible for the other information. The other information comprises the Directors' report which is set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 Corporation's internal control.

— Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

— 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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

— Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

We communicate with those charged with governance 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.

KPMG Lower Gulf Limited

Maher Alkatout
Registration No.: 5453
Dubai, United Arab Emirates

Date: 12 JUL 2023

Dubai Taxi Corporation

Statement of profit or loss and other comprehensive income
for the year ended 31 December 2022

	Note	2022 AED	2021 AED
Revenue	*4*	**1,762,822,650**	1,341,342,010
Operating costs	*5*	**(1,176,845,494)**	(887,312,107)
Gross profit		**585,977,156**	454,029,903
Other income	*6*	**43,079,061**	29,263,819
General and administrative expenses	*7*	**(68,764,056)**	(67,817,953)
Impairment loss on financial assets	*22(a)*	**(11,773,143)**	(20,573,199)
Plate and license fees	*21*	**(318,504,169)**	(242,536,046)
Operating profit		**230,014,849**	152,366,524
Finance income – net	*8*	**6,169,880**	5,008,277
Profit for the year before bonus		**236,184,729**	157,374,801
Staff bonus		**(11,809,236)**	(7,868,740)
Profit for the year		**224,375,493**	149,506,061
Other comprehensive income		**-**	-
Total comprehensive income for the year		**224,375,493**	149,506,061

The notes on pages 9 to 35 form an integral part of these financial statements.

The independent auditors' report on financial statements is set out on pages 2 to 4.

Dubai Taxi Corporation

Statement of financial position
as at 31 December 2022

	Note	2022 AED	2021 AED
Assets			
Non-current assets			
Property and equipment	9	**569,784,574**	412,062,088
Intangible assets	10	**556,708,240**	556,708,240
Investment in financial assets	13	**263,397,027**	45,576,693
Right-of-use-asset	14	**-**	5,899,581
		1,389,889,841	1,020,246,602
Current assets			
Inventories		**2,393,153**	3,731,511
Trade and other receivables	12	**147,147,043**	97,841,880
Investment in financial assets	13	**18,491,719**	29,510,959
Cash and cash equivalents	15	**235,101,944**	232,120,956
		403,133,859	363,205,306
Total assets		**1,793,023,700**	1,383,451,908
Equity and liabilities			
Equity			
Share capital	16	**200,000,000**	200,000,000
Statutory reserve	17	**100,000,000**	86,036,704
General reserve	17	**100,000,000**	86,036,704
Total equity		**400,000,000**	372,073,408
Liabilities			
Non-current liabilities			
Employees' end of service benefits	18	**28,556,992**	23,924,872
Lease liability	20	**-**	2,668,324
		28,556,992	26,593,196
Current liabilities			
Trade and other payables	19	**542,207,802**	352,730,704
Due to a related party	21	**822,258,906**	626,752,736
Lease liability	20	**-**	5,301,864
		1,364,466,708	984,785,304
Total liabilities		**1,393,023,700**	1,011,378,500
Total equity and liabilities		**1,793,023,700**	1,383,451,908

To the best of our knowledge, the financial statements fairly presents, in all material respects, the financial position, results of operation and cash flows of the Corporation as of, and for, the year ended 31 December 2022.

The notes on pages 9 to 35 form an integral part of these financial statements.

These financial statements were authorised for issue by the Board of Directors on 12 JUL 2023

H.E. Mattar Mohammed Ahmed Al Tayer
Director General, Chairman
of the Board of Executive Directors
Roads and Transport Authority

Mr. Abdulmuhsen Ibrahim Kalbat
Chairman of Supervisory Board
Dubai Taxi Corporation

Mr. Mansoor Rahma Alfalasi
Chief Executive Officer
Dubai Taxi Corporation

The independent auditors' report on financial statements is set out on pages 2 to 4.

Dubai Taxi Corporation

Statement of changes in equity
for the year ended 31 December 2022

	Paid-up capital AED	Statutory reserve AED	General reserve AED	Retained earnings AED	Total AED
At 1 January 2021	200,000,000	70,299,224	70,299,224	-	340,598,448
Total comprehensive income for the year					
Profit for the year	-	-	-	149,506,061	149,506,061
Total comprehensive income for the year	-	-	-	149,506,061	149,506,061
Transfer to reserves		15,737,480	15,737,480	(31,474,960)	-
Transferred to Roads & Transport Authority	-	-	-	(118,031,101)	(118,031,101)
At 31 December 2021	200,000,000	86,036,704	86,036,704	-	372,073,408
At 1 January 2022	200,000,000	86,036,704	86,036,704	-	372,073,408
Total comprehensive income for the year					
Profit for the year	-	-	-	224,375,493	224,375,493
Total comprehensive income for the year	-	-	-	224,375,493	224,375,493
Transfer to reserves	-	13,963,296	13,963,296	(27,926,592)	-
Transferred to Roads & Transport Authority	-	-	-	(196,448,901)	(196,448,901)
At 31 December 2022	**200,000,000**	**100,000,000**	**100,000,000**	**-**	**400,000,000**

The notes on pages 9 to 35 form an integral part of these financial statements.

Dubai Taxi Corporation

Statement of cash flows
for the year ended 31 December 2022

	Note	2022 AED	2021 AED
Cash flows from operating activities			
Profit/ (loss) for the year		**224,375,493**	149,506,061
Adjustments for:			
Depreciation of property and equipment	*9*	**97,752,439**	93,073,325
Impairment losses on financial assets	*22(a)*	**11,773,143**	20,573,199
Interest income	*8*	**(6,228,057)**	(5,396,918)
Provision for employees' end of service benefits	*18*	**5,633,950**	2,750,899
Gain on derecognition of lease liability	*20*	**(2,585,945)**	-
Gain/ (loss) on disposal of property and equipment		**(1,458,746)**	215,088
Depreciation of right-of-use asset	*14*	**475,443**	3,731,972
Interest expenses on lease liability	*20*	**39,895**	388,641
Loss on investment in equity shares	*8*	**18,282**	-
		329,795,897	264,842,267
Working capital adjustments:			
Trade and other receivables		**(61,359,111)**	(37,832,948)
Inventories		**1,338,358**	(748,501)
Trade and other payables		**189,477,098**	46,600,377
Due to a related party		**(942,731)**	(153,306,845)
		458,309,511	119,554,350
Payment of employees' end of service benefits	*18*	**(1,001,830)**	(2,639,495)
Net cash generated from operating activities		**457,307,681**	116,914,855
Cash flows from investing activities			
Proceeds from matured investment in financial assets		**29,786,813**	169,839,600
Purchase of investments in financial assets		**(231,010,001)**	(75,000,000)
Purchase of property and equipment	*9*	**(284,043,763)**	(92,196,106)
Proceeds from disposal of property and equipment		**30,027,584**	24,851,263
Interest income received		**908,947**	6,282,413
Net cash (used in)/ generated from investing activities		**(454,330,420)**	33,777,170
Cash flows from financing activities			
Repayment of lease liability	*14*	**-**	(4,418,219)
Net cash used in financing activities		**-**	(4,418,219)
Net increase in cash and cash equivalents		**2,977,261**	146,273,806
Cash and cash equivalents at beginning of the year		**232,216,166**	85,942,360
Cash and cash equivalents at end of the year		**235,193,427**	232,216,166

The notes on pages 9 to 35 are an integral part of these separate financial statements.

The independent auditors' report is set out on pages 2 to 4.

1. Legal status and activities

Dubai Taxi Corporation (the "Corporation") was formed on 28 June 1994 in accordance with the provisions of Law No. (5) of 1994 decreed by H. H. The Ruler of Dubai in order to operate a fleet of taxis in the Emirate of Dubai and to the other Emirates. The Corporation commenced operations on 20 May 1995. In accordance with Law No. (20) of 2008, the Corporation is wholly owned by the Roads & Transport Authority ("RTA").

The registered office of the Corporation is P.O. Box 2647, Dubai, U.A.E.

The ultimate controlling party is the Government of Dubai and the parent company is RTA.

2. Basis of preparation

2.1. Statement of compliance

The financial statements of the Corporation have been prepared in accordance with the International Financial Reporting Standards ("IFRS").

2.3. Basis of measurement

The financial statements of the Corporation have been prepared on the historical cost convention basis.

2.4. Functional and presentation currency

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

2.5. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Corporation's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in note 24.

2. Basis of preparation (continued)

3. Significant accounting policies

The Corporation has consistently applied the accounting policies to all years presented, unless otherwise stated.

3.1. Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Corporation expects to be entitled in exchange for those goods or services.

The Corporation's revenue mainly consists of revenue from below sources transport service revenues and bus revenue.

Transport service revenue

The Corporation provide regular Taxi and Limousine service. Transport service revenue is recognised as the performance obligation is satisfied. Since the Corporation fulfills its performance obligation upon completion of each trip, revenue is recognized point in time. Customer makes the payment through cash or credit card once the performance obligation is satisfied. This is based on meter reading and predetermined rates for trips both inside and outside the emirate of Dubai.

Bus revenue

The Corporation contracts with schools and other parties to provide bus transport service. The bus transportation service is provided for the period in line with the agreements. Therefore, revenue is recognised once the performance obligation is satisfied over a period of time. The revenue amount is based on pre-determined rates per seat. The invoices are issued according to the agreement terms and are usually payable within 30 days.

3.2. Employee benefits

General pension and social security - Defined contribution plan

The Corporation is a member of the pension scheme operated by the Federal Pension General and Social Security Authority which is a defined contribution plan. The Corporation's contribution, for eligible UAE National employees is calculated as a percentage of the employees' salaries and charged to the profit or loss, in accordance with the provisions of Federal Law No. (7) of 1999 relating to Pension and Social Security Law. The Corporation has no legal or constructive obligation to pay any further contributions.

End of service benefits to non-UAE nationals - Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Termination benefits are payable when employment is terminated by the Corporation before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Provision for expatriate employees' end of service benefits is made in accordance with the Corporation's human resource policy and Government of Dubai Human Resource Management Law and is based on current basic remuneration and cumulative years of service at the reporting date.

3. Significant accounting policies (continued)

3.3. Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

Subsequent costs

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 Corporation and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss in the period in which they are incurred.

Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Corporation will obtain ownership by the end of the lease term.

The estimated useful lives of property and equipment for the current and comparative period is as follows:

	Useful life (years)
Motor vehicles (including buses)	3 – 15
Equipment	3 – 7
Buildings, prefabricated houses and sheds	4 –30
Furniture and fittings	3 – 7
	====

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate. Any change is accounted for as a change in accounting estimate by changing the depreciation charge for the current and future periods.

Capital work in progress

Properties or assets in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes all direct costs attributable to the design and construction of the property including related staff costs, and for qualifying assets, borrowing costs are capitalised in accordance with the Corporation’s accounting policy. When the assets are ready for intended use, the capital work-in-progress is transferred to the appropriate property and equipment category and is depreciated in accordance with the Corporation’s policies.

3. Significant accounting policies (continued)

3.4. Intangible assets

Intangible assets are capitalised at cost only when future economic benefits are probable and can be estimated reliably. Cost includes purchase price together with any directly attributable expenditure. When the carrying amount of an intangible asset is greater than its estimated recoverable amount, it is written down immediately to its estimated recoverable amount and is reviewed at each reporting date for possible reversal of the impairment loss. Intangible assets pertain to acquisition of license plates. Licensing plates having indefinite useful lives are carried at cost less impairment loss, if any.

3.5. Inventories

Inventories mainly consist of spare parts and consumables. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average method and includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.6. Leases

At inception of a contract, the Corporation assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Corporation uses the definition of a lease in IFRS 16.

Corporation as a lessee

The Corporation recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated over the shorter of the asset's useful life or the lease term on a straight-line basis. If the Corporation is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset’s useful life. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in statement of profit or loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Corporation’s incremental borrowing rate.

3. Significant accounting policies (continued)

3.6. Leases (continued)

Corporation as a lessee (continued)

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Corporation is reasonably certain to exercise, lease payments in an optional renewal period if the Corporation is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Corporation is reasonably certain not to terminate early.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the corporation, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Corporation's estimate of the amount expected to be payable under a residual value guarantee, if the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Corporation presents right-of-use assets and lease liabilities separately on statement of financial position.

Variable lease payments that depend on revenue and output are recognised in statement of profit or loss in the period in which the condition that triggers those payments occurs.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of property and equipment that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

When the Corporation acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Corporation makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Corporation considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Corporation recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of revenue.

3. Significant accounting policies (continued)

3.7. Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Corporation becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI") - debt investment; FVOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Corporation changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Accordingly, corporations investments in financial assets (i.e. sukuk and wakala) is measured at amortised cost.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Corporation may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income ("OCI"). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Corporation may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3. Significant accounting policies (continued)

3.7. Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Corporation derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Corporation neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Corporation enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

3. Significant accounting policies (continued)

3.7. Financial instruments (continued)

ii. Derecognition (continued)

Financial liabilities (continued)

The Corporation derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Corporation also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Corporation currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.8. Impairment

i. Non-derivative financial assets

Financial instruments and contract assets

The Corporation recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets

The Corporation measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Corporation considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Corporation’s historical experience and informed credit assessment, that includes forward-looking information.

The Corporation assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

3. Significant accounting policies (continued)

3.8. Impairment (continued)

i. Non-derivative financial assets (continued)

Financial instruments and contract assets (continued)

The Corporation considers a financial asset to be in default when:

– the debtor is unlikely to pay credit obligations to the Corporation in full, without recourse by the Corporation to actions such as realising security (if any are held); or
– the financial asset is more than 180 days past due

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Corporation is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Corporation expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Corporation assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 30 days past due;
- the restructuring of a loan or advance by the Corporation on terms that the Corporation would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

3. Significant accounting policies (continued)

3.8. Impairment

i. Non-derivative financial assets (continued)

Write-off

The gross carrying amount of a financial asset is written off when the Corporation has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

ii. Non-financial assets

At each reporting date, the Corporation reviews the carrying amounts of its tangible and intangible 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).

Where it is not possible to estimate the recoverable amount of an individual asset, the Corporation estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where 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 corporation 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 to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a 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 (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (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 (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income, 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.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

Impairment losses are recognised in the profit or loss. Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3. Significant accounting policies (continued)

3.9. Provisions

Provisions are recognised when the Corporation has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the obligation. Increases in provisions due to the passage of time are recognised as interest expense.

3.10. New standards and interpretations issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted. However, the Corporation has not early adopted the new or amended standards in preparing these separate financial statements. The following amended standards and interpretations are not expected to have a significant impact on the Corporation's financial statements:

	Effective date
Classification of Liabilities as Current and Non-current (Amendments to IAS 1)	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
Definition of Accounting Estimates (Amendments to IAS 8)	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	1 January 2023

3.11. Other new or amended standards

The following new or amended standards that are required to be adopted in annual periods beginning on or after 1 January 2021. These standards did not have a significant impact on the Corporation's financial statements:

	Effective date
Onerous Contracts - Cost of Fulfilling a Contract (Amendment to IAS 37)	1 January 2022
Annual improvements to IFRS Standards 2018-2020	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022
Reference to Conceptual Framework (Amendments to IFRS 3)	1 January 2022

4. Revenue

	2022	2021
	AED	AED
Regular taxis	**1,533,642,335**	1,180,571,878
Limousine service	**137,275,680**	114,959,687
School bus	**89,741,235**	45,810,445
Other revenues	**2,163,400**	-
	1,762,822,650	1,341,342,010
Timing of revenue recognition		
Services transferred at a point in time	**1,673,081,415**	1,295,531,565
Services transferred over the period of time	**89,741,235**	45,810,445
Revenue from contracts with customers	**1,762,822,650**	1,341,342,010

5. Operating costs

	2022	2021
	AED	AED
Staff costs	**528,121,093**	406,117,103
Fuel cost	**266,243,845**	162,496,236
Charges and commission	**102,668,326**	68,662,899
Depreciation of property and equipment (refer to note 9)	**92,669,535**	86,786,508
Vehicle maintenance	**72,597,619**	65,322,537
Insurance	**49,543,047**	45,469,697
VAT expense	**27,024,842**	19,780,029
Rent expense	**11,342,045**	6,515,184
Depreciation of right-of-use assets (refer to note 14)	**475,443**	3,731,972
Other operating costs	**26,159,699**	22,429,942
	1,176,845,494	887,312,107

6. Other income

	2022	2021
	AED	AED
Penalties and fines (refer to note (i) below)	**14,403,990**	9,427,364
Rental income	**8,527,596**	8,549,641
Advertising	**3,340,400**	2,676,072
Gain/ (loss) on disposal of property and equipment	**1,458,746**	(215,088)
Others	**15,348,329**	8,825,830
	43,079,061	29,263,819

(i) Penalties and fines majorly include absent penalty and quality check fines levied on drivers for violating quality control policies of the Corporation.

7. General and administrative expenses

	2022 AED	2021 AED
Staff costs	**40,479,257**	37,187,883
Maintenance expenses	**9,558,156**	10,454,542
Depreciation of property and equipment (refer to note 9)	**5,082,904**	6,286,817
Security expenses	**3,414,287**	3,212,179
Insurance expenses	**2,295,869**	226,239
Cleaning expenses	**1,604,311**	2,230,253
Advertising	**937,745**	2,747,980
Other expenses	**5,391,527**	5,472,060
	68,764,056	67,817,953

8. Finance income - net

	2022 AED	2021 AED
Finance income:		
Interest income on Sukuk and Wakala deposits (refer to note 13)	**6,030,381**	5,188,230
Interest income on cash at banks	**197,676**	208,688
	6,228,057	5,396,918
Finance costs:		
Interest expense on lease liability (refer to note 20)	**39,895**	388,641
Loss on equity securities measured at FVTPL (refer to note 13)	**18,282**	-
	58,177	388,641
Finance income – net	**6,169,880**	5,008,277

9. Property and equipment

	Motor vehicles AED	Equipment AED	Building, prefabricated house & shed* AED	Furniture and fittings AED	Capital work-in-progress AED	Total AED
Cost						
At 1 January 2021	781,741,646	39,948,329	124,688,322	13,588,021	8,160,510	968,126,828
Additions	87,318,859	-	10,146,801	2,890,956	(8,160,510)	92,196,106
Disposals	(116,373,326)	-	-	-	-	(116,373,326)
At 31 December 2021	752,687,179	39,948,329	134,835,123	16,478,977	-	943,949,608
At 1 January 2022	752,687,179	39,948,329	134,835,123	16,478,977	-	943,949,608
Additions	276,412,976	2,749,235	-	1,885,578	2,995,974	284,043,763
Disposals	(131,231,836)	-	-	-	-	(131,231,836)
At 31 December 2022	897,868,319	42,697,564	134,835,123	18,364,555	2,995,974	1,096,761,535
Accumulated depreciation						
At 1 January 2021	408,734,102	27,855,142	85,151,092	8,380,834	-	530,121,170
Charge for the year	85,804,074	2,523,487	2,476,591	2,269,173	-	93,073,325
On disposals	(91,306,975)	-	-	-	-	(91,306,975)
At 31 December 2021	403,231,201	30,378,629	87,627,683	10,650,007	-	531,887,520
At 1 January 2022	403,231,201	30,378,629	87,627,683	10,650,007	-	531,887,520
Charge for the year	90,203,009	2,155,475	2,513,967	2,879,988	-	97,752,439
On disposals	(102,662,998)	-	-	-		(102,662,998)
At 31 December 2022	390,771,212	32,534,104	90,141,650	13,529,995	-	526,976,961
Net book value						
At 31 December 2022	**507,097,107**	**10,163,460**	**44,693,473**	**4,834,560**	**2,995,974**	**569,784,574**
At 31 December 2021	349,455,978	9,569,700	47,207,440	5,828,970	-	412,062,088

Depreciation charge of AED 92,669,535 *(2021: AED 86,786,508)* is charged to direct operating cost and AED 5,082,904 *(31 December 2021: AED 6,286,817)* has been charged to general and administrative expenses respectively.

* The land on which the building, prefabricated house and shed is constructed was previously owned by Dubai Taxi Corporation; however in 2008, ownership was transferred to the RTA and utilised by the Corporation free of any charges.

10. Intangible assets

	Airport taxi licensed plates AED	Normal taxi licensed plates AED	Total AED
At 31 December 2022	**36,075,000**	**520,633,240**	**556,708,240**
At 31 December 2021	36,075,000	520,633,240	556,708,240

This represents license plates purchased from RTA as a consideration for obtaining the rights relating to operation of taxis. These have infinite life, therefore, are not amortised.

11. Impairment testing

License plates with indefinite useful lives have been allocated to motor vehicles, for the purpose of impairment testing.

The recoverable amount of the CGU has been determined based on their value in use calculated using cash flow projections based on the financial budgets and forecasts approved by management.

Details of the CGU are shown below:

	2022 AED	2021 AED
Carrying amount of license plates and motor vehicles	**1,063,805,347**	822,182,089

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of motor vehicles and license plates.

Discount rate	**7%**
Growth rate	**6%**
Terminal growth rate for license plates	**1%**

For license fleet, five years cash flows were included in the discounted cash flow model and a terminal growth rate thereafter.

Budgeted margins – The basis used to determine the value assigned to the budgeted margin is the average gross margin achieved in the year immediately before the budgeted year, adjusted for expected growth rates.

Discount rates – The Corporation has taken the Weighted Average Cost of Capital (WACC) as the discount rate of 7%. This represent the cost of capital adjusted for the respective location risk factors.

Terminal value growth rate – In management's view, the terminal growth rate is the minimum growth rate expected to be achieved beyond the five-year period. This is based on the overall regional economic growth forecasted and the Corporation's existing internal capacity changes. Based on the historical trend of growth, the long-term growth of 1% is considered reasonable.

Sensitivity to changes in assumptions

The calculation of value in use for the CGU requires estimates on future earnings and therefore a sensitivity analysis was performed. A sensitivity analysis demonstrated that a 20% decrease in earnings for a future period of five years from the reporting date would not result in impairment. An increase of 2.5% in discount rate and decrease of 0.5% in terminal value growth rate would not result in impairment.

12. Trade and other receivables

	2022 AED	2021 AED
Trade receivables	**104,243,904**	75,896,548
Staff receivable	**101,640,855**	71,048,592
Less: allowance for impairment (refer to note 22(a))	**(83,536,376)**	(71,482,428)
	122,348,383	75,462,712
Prepaid expenses	**11,238,893**	9,274,397
Advance to suppliers	**601,560**	4,140,000
Other receivables	**12,958,207**	8,964,771
	147,147,043	97,841,880

13. Investment in financial assets

	2022 AED	2021 AED
Non-current		
Sukuk and Wakala (refer note (i) below)	**263,496,194**	45,677,084
Less: allowance for impairment (refer to note 22(a))	**(99,167)**	(100,391)
	263,397,027	45,576,693
Current		
Investment in equity securities (refer note (ii) below)	**18,491,719**	-
Sukuk and Wakala (refer note (i) below)	**-**	29,786,813
Less: allowance for impairment (refer to note 22(a))	**-**	(275,854)
	18,491,719	29,510,959

(i) These are investments in listed corporate. The corporate bonds are held by the Corporation 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. Hence the corporate bonds are classified as at amortized cost. The interest from these investments are ranging between 3% - 5% with a maturity period within 1 - 5 years.

(ii) The details of the Corporation's investments in equity securities as follows:

	2022 AED
Salik Company PJSC	**9,210,000**
Tecom Group PJSC	**3,740,000**
Emirates Central Cooling Systems Corp	**3,203,008**
Dubai Electricity and Water Authority PJSC	**2,338,711**
	18,491,719

13. Investments in financial assets (continued)

Investments of equity securities are listed on stock exchange and are actively traded in the market. Accordingly fair value of these investments are categorized at Level 1 of the fair value hierarchy (refer to note 22e).

14. Right-of-use asset

In 2018, the Corporation entered into a lease contract for drivers accommodation. The table below represents the carrying amounts of right-of-use asset recognised and the related movement during the year:

	2022	2021
	AED	AED
At 1 January	**5,899,581**	9,631,553
Charge for the year	**(475,443)**	(3,731,972)
Derecognition of right of use asset	**(5,424,138)**	-
At 31 December	**-**	5,899,581

	2022	2021
	AED	AED
Amount recognised in consolidated statement of profit or loss		
Depreciation of right-of-use asset (refer to note 5)	**475,443**	3,731,972
Interest on lease liability (refer to note 20)	**39,895**	388,641
Amount recognised in consolidated statement of cash flows		
Lease payments made during the year (included under financing activities)	**-**	4,418,219

During the year, Corporation has terminated the lease contract for drivers accommodation. The Corporation has entered into a contract with another party which is of a short-term nature. The Corporation has elected not to recognise right-of-use assets and lease liabilities for the lease in line with the recognition exemption criteria mentioned in IFRS 16 *Leases*.

15. Cash and cash equivalents

	2022	2021
	AED	AED
Cash in hand	**475,132**	432,378
Cash at banks	**234,718,295**	231,783,788
	235,193,427	232,216,166
Less: allowance for impairment (refer to note 22(a))	**(91,483)**	(95,210)
	235,101,944	232,120,956

16. Share Capital

	2022	2021
	AED	AED
Authorised capital in accordance with Law No. (5) of 1994		
Paid-up by the Government of Dubai	**200,000,000**	200,000,000
	=========	=========

Law No. 20 of 2007, which relates to the formation of Dubai Taxi Corporation, does not specify the number of shares and the value of each share of the capital.

17. Statutory and general reserves

In accordance with the provisions of Law No. 20 of 2007 decreed by H.H. the Ruler of Dubai, 10% of the yearly net profit of the Corporation will be transferred to statutory and general reserve each year until each reserve reaches a maximum of 50% of the paid-up capital. Accordingly, AED 196,448,901 was transferred to reserves in 2022 (2021: AED 118,031,101).

18. Employees' end of service benefits

	2022	2021
	AED	AED
At 1 January	**23,924,872**	23,813,468
Charge for the year	**5,633,950**	2,750,899
Paid during the year	**(1,001,830)**	(2,639,495)
	-------------	-------------
At 31 December	**28,556,992**	23,924,872
	========	========

In addition to the above, the Corporation contributes 15% of the 'contribution calculation salary' in case of those employees who are UAE nationals. These employees are also required to contribute 5% of the 'contribution calculation salary' to the scheme. The Corporation's contribution is recognised as an expense in the statement of profit or loss as incurred.

19. Trade and other payables

	2022	2021
	AED	AED
Trade payables	**355,936,333**	188,932,730
Staff payable	**106,059,383**	77,718,682
Leave salary provision	**25,664,606**	27,339,917
Accrued expenses	**21,537,711**	14,972,519
Other payables	**33,009,769**	43,766,856
	--------------	--------------
At 31 December	**542,207,802**	352,730,704
	=========	=========

20. Lease liability

	2022 AED	2021 AED
At 1 January	**7,970,188**	11,999,766
Interest expense	**39,895**	388,641
Payments made to lessor	**-**	(4,418,219)
Derecognition of lease liability	**(8,010,083)**	-
At 31 December	**-**	7,970,188
Non-current portion	**-**	2,668,324
Current portion	**-**	5,301,864
	-	7,970,188

On February 2022, the Corporation terminated its lease for drivers accommodation. As a result, the Corporation recognised an income of AED 2,585,945 in the profit or loss.

21. Related party transactions and balances

The Corporation enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24 *Related Parties Disclosure*. Related parties comprise companies under common ownership and/ or common management control and key management personnel. The management decides on the terms and conditions of transactions and of services received/ rendered from/ to related parties as well as other charges.

During the year, the Corporation entered into the following significant transactions with a related party in the ordinary course of business, carried out on terms and conditions, agreed between the parties:

	2022 AED	2021 AED
Parent company:		
Plate and license fees (refer note (i) below)	**318,504,169**	242,536,046
Salik charges	**31,858,732**	48,303,468
Traffic fine	**9,552,205**	14,714,765
Rent income (refer note (ii) below)	**7,200,000**	7,200,000

(i) Plate and license fees pertains to the monthly amount charged by RTA (ranging between AED 1,200 to AED 5,000 per taxi) depending upon the nature of the operating taxi.

(ii) This pertains to office space leased to RTA.

Compensation of key management personnel

The remuneration of directors and other members of key management during the year were as follows:

	2022 AED	2021 AED
Remuneration and other benefits	**8,376,958**	9,686,863

21. Related party transactions and balances (continued)

Related party balances include the following:

	2022 AED	2021 AED
Due from a related party		
Public Transport Agency	**203,400**	203,400
Less: allowance for doubtful debts	**(203,400)**	(203,400)
	-	-

	2022 AED	2021 AED
Due to a related party		
Parent Company:		
Roads & Transport Authority*	**822,258,906**	626,752,736

* These balances are unsecured and interest free and are repayable on demand.

22. Financial risk management

Overview

The Corporation has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

This note presents information about the Corporation's exposure to each of the above risks, the Corporation's objectives, policies and processes for measuring and managing risk, and the Corporation's management of capital. Furthermore, quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility and oversight for the Corporation's risk management framework and monitoring the Corporation's risk management policies. The Corporation's risk management policies are established to identify and analyse the risks faced by the Corporation, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions. The Corporation, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

22. Financial risk management (continued)

(a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Corporation's trade and other receivables, investment in financial assets and cash at banks. In order to minimise credit risk, the management has developed and maintained a credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the management uses other publicly available financial information and the Corporation's own trading records to rate its major customers and other debtors. The Corporation's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2022 AED	2021 AED
Cash at banks	**234,718,295**	231,783,788
Trade and other receivables (excluding prepayments and advances)	**135,306,590**	84,427,483
Investments in financial assets	**281,888,746**	75,087,652
	651,913,631	391,298,923

Trade and other receivables

The Corporation's revenue generated through its fleet of taxies is cash revenue. Trade receivables represent mainly receivables from staff, school bus revenues, advertising revenue and claims from insurance companies.

The Corporation always measures the loss allowance for trade and staff receivables at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on trade and staff receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Corporation has recognised a loss allowance of 100% against terminated staff and 100% against all trade and active staff receivables over 365 days past due because historical experience has indicated that these receivables are generally not recoverable.

There has been no change in the estimation techniques or significant assumptions made during the current year.

The Corporation writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over one year past due, whichever occurs earlier.

22. Financial risk management (continued)

(a) Credit risk (continued)

Trade and other receivables (continued)

The following table provides the information about the exposure to credit risk and ECLs for trade receivables:

	31 December 2022			31 December 2021		
	ECL	**Gross carrying amount at default**	**Life time ECL**	ECL	Gross carrying amount at default	Lifetime ECL
	%	**AED**	**AED**	%	AED	AED
Current	**3%**	**18,645,043**	**528,154**	19%	1,118,828	213,047
0 to 30	**7%**	**19,912,300**	**1,323,342**	3%	8,323,618	259,836
31 to 60	**15%**	**783,437**	**120,482**	8%	6,819,318	523,348
61 to 90	**23%**	**3,384,331**	**772,520**	3%	8,463,045	271,515
91 to 180	**20%**	**3,415,016**	**696,272**	48%	2,704,045	1,301,178
181 to 365	**37%**	**8,172,871**	**2,993,794**	81%	14,288,171	11,601,900
Above 365	**100%**	**49,930,906**	**49,930,906**	100%	34,179,523	34,179,523
		104,243,904	**56,365,470**		75,896,548	48,350,347

The following table shows the movement in lifetime ECL that has been recognised for trade and other receivables and staff receivables.

	2022	2021
	AED	AED
At 1 January	**71,482,428**	60,695,173
Impairment allowance for the year (refer note (i) below)	**12,053,948**	20,651,058
Write off	**-**	(9,863,803)
As at 31 December	**83,536,376**	71,482,428

(i) This includes provision for the staff receivables in relation to terminated and active employees. During the year Corporation has provided for AED 4,038,825 *(31 December 2021: AED 4,407,838)*. This is in line with Corporation's policy of providing 100% allowance for receivables from terminated employees and ECL simplified approach as set up in IFRS 9 for active employees.

22. Financial risk management (continued)

(a) Credit risk (continued)

Cash at banks

The Corporation limits its exposure to credit risk by placing balances with local reputed banks. Given the profile of its bankers, management does not expect any counter party to fail to meet its obligations. The bank balances are held with banks of repute, all of which are rated A3 to Baa1, based on ratings published by Moody's Investors Service.

Impairment of cash at banks has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Corporation considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, management of the Corporation estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL.

Details of provision for impairment as per IFRS 9 are as follows:

	2022	2021
	AED	AED
As at 1 January	**95,210**	17,489
Impairment allowance for the year	**-**	77,721
Reversal of allowance during the year	**(3,727)**	-
As at 31 December	**91,483**	95,210

Investment in financial assets

For the purposes of impairment assessment, the Sukuk and Wakala are considered to have low credit risk as the counterparties to these investments have a minimum B- credit rating. Accordingly, for the purpose of impairment assessment for these financial assets, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the expected credit losses for these assets, the management of the Corporation have taken into account the historical default experience, the financial position of the counterparties, as well as the future prospects of the industries in which the issuers operate obtained from economic expert reports, financial analyst reports and considering various external sources of actual and forecast economic information, as appropriate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

22. Financial risk management (continued)

(a) Credit risk (continued)

Investment in financial assets (continued)

Details of provision for impairment as per IFRS 9 are as follows:

	2022 AED	2021 AED
At 1 January	**376,245**	531,825
Reversal of impairment allowance for the year	**(277,078)**	(155,580)
At 31 December	**99,167**	376,245

(b) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. Ultimate responsibility for liquidity risk management rests with the board of directors, which has built a liquidity risk management framework for the management of the Corporation's short, medium and long-term funding and liquidity management requirements. The Corporation manages liquidity risk by maintaining reserves and by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

	Carrying value AED	Contractual cash flows AED	Less than 1 year AED	1 – 2 Years
At 31 December 2022				
Non-derivative financial liabilities:				
Due to a related party	**822,258,906**	**(822,258,906)**	**(822,258,906)**	**-**
Trade and other payables	**542,207,802**	**(542,207,802)**	**(542,207,802)**	**-**
	1,364,466,708	**(1,364,466,708)**	**(1,364,466,708)**	**-**
At 31 December 2021				
Non-derivative financial liabilities:				
Due to a related party	626,752,736	(626,752,736)	(626,752,736)	-
Trade and other payables	352,730,704	(352,730,704)	(352,730,704)	-
Lease liability	7,970,188	(8,193,789)	(5,301,864)	(2,891,925)
	987,453,628	(987,677,229)	(984,785,304)	(2,891,925)

As at 31 December 2022 and 31 December 2021, there were no derivative financial instruments carried by the Corporation. Further, the Corporation has no undrawn borrowing facilities as of 31 December 2022 and 2021.

22. Financial risk management (continued)

(c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Corporation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. There has been no change to the Corporation's exposure to market risks or the manner in which it manages and measures the risk

Currency risk

The Corporation does not have any significant foreign currency exposure, as majority of its transactions are denominated in AED.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Corporation is exposed to interest rate risk in respect of its fixed deposits.

At the reporting date, the interest rate profile of the Corporation's interest-bearing financial instruments is:

	2022 AED	2021 AED
Fixed rate instruments		
Financial asset		
Sukuk and Wakala deposits (refer to note 13)	**263,397,027**	**75,087,652**
	=========	========

Sensitivity analysis for fixed rate instruments

Since the interest rate on these financial investments is fixed, any change in the interest rate will not have any impact on the profit or loss of the Company.

(d) Capital management

The Corporation's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to the shareholders. The Corporation manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

22. Financial risk management (continued)

(e) Fair value hierarchy

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At 31 December 2022, investments in equity shares amounting to AED 18,491,719 are measured at fair value at Level 1 in the hierarchy. At 31 December 2021, there are no financial assets and liabilities measured at fair value.

23. Commitments and contingent liabilities

(a) Capital commitments

The Corporation's capital commitments at the reporting date amounted to AED 33,634,560 *(31 December 2021: AED 67,422,251)*.

The Corporation do not have any contingent liability *(31 December 2021: nil)*.

24. Significant accounting estimates and judgements

In the application of the Corporation's accounting policies, which are described in Note 3 to these financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The significant judgements and estimates made by management, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

Key sources of estimation

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property and equipment

The Corporation's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

24. Significant accounting estimates and judgements (continued)

Key sources of estimation (continued)

Impairment of intangible assets

The Corporation's management tests annually whether there is an indication that intangible assets have suffered impairment in accordance with accounting policies stated in note 3. The recoverable amount of an asset is determined based on value-in-use method. This method uses estimated cash flow projections over the estimated useful life of the asset discounted using market rates.

Management performs impairment testing on an annual basis by estimating expected future cash flows and discount rates for calculating present value of such cash flows used to compute value-in-use.

Impairment of trade and other receivables

The Corporation reviews its receivables to assess impairment at least on an annual basis. The Corporation's credit risk is primarily attributable to its trade receivables. In determining whether impairment losses should be recognised in profit and loss, the Corporation makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for impairment is made in accordance with the 'expected credit loss' (ECL) model. This requires considerable judgement about how the changes in economic factors affect ECLs, which are determined on a probability-weighted basis.

Such estimations are based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results.

25. UAE Corporate Tax Law

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023.

As at 31 December 2022, the Law was not considered to be substantively enacted from the perspective of IAS 12 – Income Taxes since the threshold of income over which the 9% tax rate would apply and other clarifications were yet to prescribed by way of Cabinet Decisions.

The Cabinet of Ministers Decision No. 116/2022 effective from 2023, has confirmed the threshold of income over which the 9% tax rate would apply and the Law is considered to be substantively enacted. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000.

The Corporation is currently in the process of assessing the impact on the financial statements, both from current and deferred tax perspective.

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Directors' Report

The Board of Directors of **Dubai Taxi Corporation** (the "Corporation") have the pleasure in submitting the audited financial statements of the Corporation as at 31 December 2021.

General Information

Dubai Taxi Corporation (the "Corporation") was formed on 28 June 1994 in accordance with the provisions of Law No. (5) of 1994 decreed by H. H. The Ruler of Dubai in order to operate a fleet of taxis in the Emirate of Dubai and to the other Emirates. The Corporation commenced operations on 20 May 1995. In accordance with Law No. (20) of 2008, the Corporation is wholly owned by the Roads & Transport Authority (RTA).

The registered office of the Corporation is P.O. Box 2647, Dubai, U.A.E.

The ultimate controlling party is the Government of Dubai and the parent Corporation is the Roads & Transport Authority (RTA).

Financial Results

The Corporation has recorded a net income of AED 149,506,061 for the year ended 31 December 2021 and a net loss for the year ended 31 December 2020 amounting to AED 145,420,079. Revenue for the year ended 31 December 2021 amounted to AED 1,341,288,001 (2020: AED 887,410,704).

Segment reporting

The following is segment analysis of the Corporation's operating profit:

Description	**Regular Taxis**		**VIP**		**School Bus**		**Total**	
	2021 AED	2020 AED	**2021 AED**	2020 AED	**2021 AED**	2020 AED	**2021 AED**	2020 AED
Operating income	**1,180,571,878**	797,316,319	**114,959,687**	69,689,535	**45,810,445**	20,404,850	**1,341,342,010**	887,410,704
Direct operating cost								
Direct staff costs	**(343,214,302)**	(267,921,121)	**(40,761,830)**	(25,371,027)	**(22,140,971)**	(14,202,883)	**(406,117,103)**	(307,495,031)
Fuel cost	**(146,156,734)**	(110,746,473)	**(11,764,302)**	(8,864,405)	**(4,575,200)**	(2,048,200)	**(162,496,236)**	(121,659,078)
Depreciation of vehicles and accessories	**(69,853,159)**	(100,336,492)	**(10,346,518)**	(18,040,910)	**(6,586,831)**	(6,185,581)	**(86,786,508)**	(124,562,983)
Vehicle maintenance	**(53,538,447)**	(46,823,129)	**(9,034,116)**	(5,410,040)	**(2,749,974)**	(1,714,346)	**(65,322,537)**	(53,947,515)
Insurance	**(37,705,450)**	(42,239,032)	**(6,491,509)**	(6,881,441)	**(1,272,738)**	(1,070,493)	**(45,469,697)**	(50,190,966)
Taxes (VAT)	**(17,277,175)**	(15,764,221)	**(1,975,796)**	(1,749,895)	**(527,058)**	(264,650)	**(19,780,029)**	(17,778,766)
Other operating costs	**(70,842,472)**	(39,195,085)	**(28,763,689)**	(24,007,547)	**(1,733,836)**	(779,537)	**(101,339,997)**	(63,982,169)
Total	**(738,587,739)**	(623,025,553)	**(109,137,760)**	(90,325,265)	**(39,586,608)**	(26,265,690)	**(887,312,107)**	(739,616,508)
Operating profit / (loss)	**441,984,139**	174,290,766	**5,821,927**	(20,635,730)	**6,223,837**	(5,860,840)	**454,029,903**	147,794,196
Plate and license fee	**(234,644,846)**	(215,105,223)	**(7,891,200)**	(6,069,300)	**-**	-	**(242,536,046)**	(221,174,523)
	207,339,293	(40,814,457)	**(2,069,273)**	(26,705,030)	**6,223,837**	(5,860,840)	**211,493,857**	(73,380,327)

Auditors

KPMG Lower Gulf Limited were appointed as external auditors of the Corporation for the year ended 31 December 2021 and are eligible for reappointment.

On behalf of Dubai Taxi Corporation

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Mr. Essam Aqil Al Rafie
Director, Shared Services Department
Dubai Taxi Corporation

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Independent auditors' report

To the Shareholder of Dubai Taxi Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dubai Taxi Corporation ("the Corporation"), which comprise the statement of financial position as at 31 December 2021, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the 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.

Other Information

Management is responsible for the other information. The other information comprises the Directors' report which is set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Other Information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 Corporation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditors' Responsibilities for the Audit of the 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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

KPMG Lower Gulf Limited

Emilio Pera
Registration No.: 1146
Dubai, United Arab Emirates

Date 06 JUN 2022

Dubai Taxi Corporation

Statement of profit or loss and other comprehensive income
for the year ended 31 December 2021

	Note	**2021** **AED**	2020 AED
Revenue	*4*	**1,341,342,010**	887,410,704
Operating costs	*5*	**(887,312,107)**	(739,616,508)
Gross profit		**454,029,903**	147,794,196
Other income	*6*	**29,263,819**	34,054,943
General and administrative expenses	*7*	**(67,817,953)**	(76,674,686)
Impairment loss on financial assets	*22(a)*	**(20,573,199)**	(36,151,871)
Plate and license fees	*21*	**(242,536,046)**	(221,174,523)
Operating profit/ (loss)		**152,366,524**	(152,151,941)
Finance income – net	*8*	**5,008,277**	6,731,862
Profit/ (loss) for the year before bonus		**157,374,801**	(145,420,079)
Staff bonus		**(7,868,740)**	-
Profit/ (loss) for the year		**149,506,061**	(145,420,079)
Other comprehensive income		**-**	-
Total comprehensive income/ (loss) for the year		**149,506,061**	(145,420,079)

The notes on pages 9 to 36 form an integral part of these financial statements.

The independent auditors' report on financial statements is set out on pages 2 to 4.

Dubai Taxi Corporation

Statement of financial position
as at 31 December 2021

	Note	2021 AED	2020 AED
Assets			
Non-current assets			
Property and equipment	*9*	**412,062,088**	438,005,658
Intangible assets	*10*	**556,708,240**	556,708,240
Investment in financial assets	*13*	**45,576,693**	73,147,259
Right-of-use-asset	*14*	**5,899,581**	9,631,553
		1,020,246,602	1,077,492,710
Current assets			
Inventories		**3,731,511**	2,983,010
Trade and other receivables	*12*	**97,841,880**	80,659,990
Investment in financial assets	*13*	**29,510,959**	97,509,908
Cash and cash equivalents	*15*	**232,120,956**	85,924,871
		363,205,306	267,077,779
Total assets		**1,383,451,908**	1,344,570,489
Equity and liabilities			
Equity			
Share capital	*16*	**200,000,000**	200,000,000
Statutory reserve	*17*	**86,036,704**	70,299,224
General reserve	*17*	**86,036,704**	70,299,224
Total equity		**372,073,408**	340,598,448
Liabilities			
Non-current liabilities			
Employees' end of service benefits	*18*	**23,924,872**	23,813,468
Lease liability	*20*	**2,668,324**	7,581,547
		26,593,196	31,395,015
Current liabilities			
Trade and other payables	*19*	**352,730,704**	306,130,327
Due to a related party	*21*	**626,752,736**	662,028,480
Lease liability	*20*	**5,301,864**	4,418,219
		984,785,304	972,577,026
Total liabilities		**1,011,378,500**	1,003,972,041
Total equity and liabilities		**1,383,451,908**	1,344,570,489

To the best of our knowledge, the financial statements fairly presents, in all material respects, the financial position, results of operation and cash flows of the Corporation as of, and for, the year ended 31 December 2021.

The notes on pages 9 to 36 form an integral part of these financial statements.

These financial statements were authorised for issue by the Board of Directors on 6 June 2022.

H.E. Mattar Mohammed Ahmed Al Tayer Director General, Chairman of the Board of Executive Directors Roads & Transports Authority	Abdulmuhsen Ibrahim Kalbat Chairman of Supervisory Board Dubai Taxi Corporation	Mr. Mansoor Rahma Alfalasi CEO-Dubai Taxi Corporation

The independent auditors' report on financial statements is set out on pages 2 to 4.

Dubai Taxi Corporation

Statement of changes in equity
for the year ended 31 December 2021

	Paid-up capital AED	Statutory reserve AED	General reserve AED	Retained earnings AED	Total AED
At 1 January 2020	200,000,000	70,299,224	70,299,224	-	340,598,448
Total comprehensive loss for the year					
Loss for the year	-	-	-	(145,420,079)	(145,420,079)
Total comprehensive loss for the year	-	-	-	(145,420,079)	(145,420,079)
Transferred to Roads & Transport Authority	-	-	-	145,420,079	145,420,079
At 31 December 2020	200,000,000	70,299,224	70,299,224	-	340,598,448
At 1 January 2021	200,000,000	70,299,224	70,299,224	-	340,598,448
Total comprehensive income for the year					
Profit for the year	-	-	-	149,506,061	149,506,061
Total comprehensive income for the year	-	-	-	149,506,061	149,506,061
Transfer to reserves	-	15,737,480	15,737,480	(31,474,960)	-
Transferred to Roads & Transport Authority	-	-	-	(118,031,101)	(118,031,101)
At 31 December 2021	**200,000,000**	**86,036,704**	**86,036,704**	**-**	**372,073,408**

The notes on pages 9 to 36 form an integral part of these financial statements.

Dubai Taxi Corporation

Statement of cash flows
for the year ended 31 December 2021

	Note	2021 AED	2020 AED
Cash flows from operating activities			
Profit/ (loss) for the year		**149,506,061**	(145,420,079)
Adjustments for:			
Depreciation of property and equipment	*9*	**93,073,325**	132,428,949
Impairment losses on financial assets	*22(a)*	**20,573,199**	36,151,871
Interest income	*8*	**(5,396,918)**	(7,265,474)
Provision for employees' end of service indemnity	*18*	**2,750,899**	4,538,189
Depreciation of right-of-use asset	*14*	**3,731,972**	3,742,196
Loss/ (gain) on disposal of property and equipment		**215,088**	(338,921)
Interest expenses on lease liability	*20*	**388,641**	533,612
		264,842,267	24,370,343
Working capital adjustments:			
Trade and other receivables		**(37,832,948)**	(59,279,761)
Inventories		**(748,501)**	405,402
Trade and other payables		**46,600,377**	23,585,751
Due to a related party		**(153,306,845)**	(46,832,253)
		119,554,350	(57,750,518)
Payment of employees' end of service benefits	*18*	**(2,639,495)**	(3,536,270)
Net cash generated from/ (used in) operating activities		**116,914,855**	(61,286,788)
Cash flows from investing activities			
Proceeds from matured investment in debt instruments		**169,839,600**	126,064,958
Purchase of investments in financial assets		**(75,000,000)**	(103,863,333)
Purchase of property and equipment	*9*	**(92,196,106)**	(101,705,029)
Proceeds from disposal of property and equipment		**24,851,263**	12,151,038
Interest income received	*8*	**6,282,413**	7,265,474
Net cash generated from/ (used in) investing activities		**33,777,170**	(60,086,892)
Cash flows from financing activities			
Repayment of lease liability	*14*	**(4,418,219)**	(3,681,851)
Net cash used in financing activities		**(4,418,219)**	(3,681,851)
Net increase/ (decrease) in cash and cash equivalents		**146,273,806**	(125,055,531)
Cash and cash equivalents at beginning of the year		**85,942,360**	210,997,891
Cash and cash equivalents at end of the year		**232,216,166**	85,942,360

The notes on pages 9 to 36 are an integral part of these separate financial statements.

The independent auditors' report is set out on pages 2 to 4.

1. Legal status and activities

Dubai Taxi Corporation (the "Corporation") was formed on 28 June 1994 in accordance with the provisions of Law No. (5) of 1994 decreed by H. H. The Ruler of Dubai in order to operate a fleet of taxis in the Emirate of Dubai and to the other Emirates. The Corporation commenced operations on 20 May 1995. In accordance with Law No. (20) of 2008, the Corporation is wholly owned by the Roads & Transport Authority ("RTA").

The registered office of the Corporation is P.O. Box 2647, Dubai, U.A.E.

The ultimate controlling party is the Government of Dubai and the parent company is RTA.

2. Basis of preparation

2.1. Statement of compliance

The financial statements of the Corporation have been prepared in accordance with the International Financial Reporting Standards ("IFRS").

2.3. Basis of measurement

The financial statements of the Corporation have been prepared on the historical cost convention basis.

2.4. Functional and presentation currency

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

2.5. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Corporation's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in note 24.

Management has also reassessed significant judgements, estimates and assumptions primarily due to the current economic uncertainties arising from the recent outbreak of the COVID-19 Coronavirus pandemic as outlined below:

(i) COVID- 19

In 2020, the outbreak of the COVID-19 pandemic and the measures adopted by government in UAE to mitigate the COVID-19 coronavirus pandemic's spread had impacted the Corporation. These included restrictions on movement, group gatherings, travel bans, border closings, business closures, quarantines, stay-at-home, shelter-in-place orders, density limitations and social distancing measures. Therefore, use of public transport was significantly reduced and accordingly Corporation had to halt its transport operations for periods of three to five months during the year. This negatively impacted the Corporation's financial performance in the previous year.

2. Basis of preparation (continued)

2.5. Use of estimates and judgements (continued)

(i) COVID- 19 (continued)

In the current year, with the lockdown lifted and economic activities picking up in Dubai, passenger transport activity has improved during the year. Also, with the travel restrictions lifted, Dubai has been a tourist destination, especially with the EXPO 2020 launched during the year. With this regard, the operations of the Corporation have significantly improved during the year.

Management continues to assess and monitor the impact of COVID-19 on its businesses, particularly the effect on its operations. The Corporation has a strong governance model which focuses on cost efficiency, operational excellence, liquidity management and careful assessment of priorities and returns. Management expects to achieve the pre-covid results in 2022.

(ii) Impairment test

IAS 36 Impairment of assets requires that intangible assets with indefinite lives are tested for impairment at a minimum every year and other non-financial assets are tested only when there are indicators of impairment that these assets might be impaired.

Management performed detailed impairment assessment of the intangible assets. Corporation updated the assumptions (discount rate and growth rate) and future cash flow projections to test for impairment reflecting the increased level of risk and uncertainty. The value in use is compared to the carrying amount to assess any probable impairment (refer to note 11 for further details).

3. Significant accounting policies

The Corporation has consistently applied the accounting policies to all years presented, unless otherwise stated.

3.1. Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Corporation expects to be entitled in exchange for those goods or services.

The Corporation's revenue mainly consists of revenue from below sources transport service revenues and bus revenue.

Transport service revenue

The Corporation provide regular Taxi and Limousine service. Transport service revenue is recognised as the performance obligation is satisfied. Since the Corporation fulfills its performance obligation upon completion of each trip, revenue is recognized point in time. Customer makes the payment through cash or credit card once the performance obligation is satisfied. This is based on meter reading and predetermined rates for trips both inside and outside the emirate of Dubai.

3. Significant accounting policies (contined)

3.1. Revenue (continued)

Bus revenue

The Corporation contracts with schools and other parties to provide bus transport service. The bus transportation service is provided for the period in line with the agreements. Therefore, revenue is recognised once the performance obligation is satisfied over a period of time. The revenue amount is based on pre-determined rates per seat. The invoices are issued according to the agreement terms and are usually payable within 30 days.

3.2. Employee benefits

General pension and social security - Defined contribution plan

The Corporation is a member of the pension scheme operated by the Federal Pension General and Social Security Authority which is a defined contribution plan. The Corporation's contribution, for eligible UAE National employees is calculated as a percentage of the employees' salaries and charged to the profit or loss, in accordance with the provisions of Federal Law No. (7) of 1999 relating to Pension and Social Security Law. The Corporation has no legal or constructive obligation to pay any further contributions.

End of service benefits to non-UAE nationals - Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Termination benefits are payable when employment is terminated by the Corporation before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Provision for expatriate employees' end of service benefits is made in accordance with the Corporation's human resource policy and Government of Dubai Human Resource Management Law and is based on current basic remuneration and cumulative years of service at the reporting date.

3.2. Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

Subsequent costs

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 Corporation and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss in the period in which they are incurred.

3. Significant accounting policies (continued)

3.2. Property and equipment (continued)

Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Corporation will obtain ownership by the end of the lease term.

The estimated useful lives of property and equipment for the current and comparative period is as follows:

	Useful life (years)
Motor vehicles (including buses)	3 – 15
Equipment	3 – 7
Buildings, prefabricated houses and sheds	4 –30
Furniture and fittings	3 – 7
	====

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate. Any change is accounted for as a change in accounting estimate by changing the depreciation charge for the current and future periods.

Capital work in progress

Properties or assets in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes all direct costs attributable to the design and construction of the property including related staff costs, and for qualifying assets, borrowing costs are capitalised in accordance with the Corporation's accounting policy. When the assets are ready for intended use, the capital work-in-progress is transferred to the appropriate property and equipment category and is depreciated in accordance with the Corporation's policies.

3.3. Intangible assets

Intangible assets are capitalised at cost only when future economic benefits are probable and can be estimated reliably. Cost includes purchase price together with any directly attributable expenditure. When the carrying amount of an intangible asset is greater than its estimated recoverable amount, it is written down immediately to its estimated recoverable amount and is reviewed at each reporting date for possible reversal of the impairment loss. Intangible assets pertain to acquisition of license plates. Licensing plates having indefinite useful lives are carried at cost less impairment loss, if any.

3.4. Inventories

Inventories mainly consist of spare parts and consumables. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average method and includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3. Significant accounting policies (continued)

3.5. Leases

At inception of a contract, the Corporation assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Corporation uses the definition of a lease in IFRS 16.

Corporation as a lessee

The Corporation recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated over the shorter of the asset's useful life or the lease term on a straight-line basis. If the Corporation is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in statement of profit or loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Corporation's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Corporation is reasonably certain to exercise, lease payments in an optional renewal period if the Corporation is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Corporation is reasonably certain not to terminate early.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the corporation, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Corporation's estimate of the amount expected to be payable under a residual value guarantee, if the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3. Significant accounting policies (continued)

3.5. Leases (continued)

Corporation as a lessee (continued)

The Corporation presents right-of-use assets and lease liabilities separately on statement of financial position.

Variable lease payments that depend on revenue and output are recognised in statement of profit or loss in the period in which the condition that triggers those payments occurs.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of property and equipment that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

When the Corporation acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Corporation makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Corporation considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Corporation recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of revenue.

3.6. Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Corporation becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI") - debt investment; FVOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Corporation changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

3. Significant accounting policies (continued)

3.6. Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets (continued)

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Accordingly, corporations investments in financial assets (i.e. sukuk and wakala) is measured at amortised cost.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Corporation may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income ("OCI"). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Corporation may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

3. Significant accounting policies (continued)

3.7. Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets – Subsequent measurement and gains and losses (continued)

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Corporation derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Corporation neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Corporation enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Corporation derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Corporation also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Corporation currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3. Significant accounting policies (continued)

3.8. Impairment

i. Non-derivative financial assets

Financial instruments and contract assets

The Corporation recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets

The Corporation measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Corporation considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Corporation's historical experience and informed credit assessment, that includes forward-looking information.

The Corporation assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Corporation considers a financial asset to be in default when:

– the debtor is unlikely to pay credit obligations to the Corporation in full, without recourse by the Corporation to actions such as realising security (if any are held); or
– the financial asset is more than 180 days past due

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Corporation is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Corporation expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

3. Significant accounting policies (continued)

3.8. Impairment

i. Non-derivative financial assets (continued)

Credit-impaired financial assets

At each reporting date, the Corporation assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 30 days past due;
- the restructuring of a loan or advance by the Corporation on terms that the Corporation would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Corporation has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

ii. Non-financial assets

At each reporting date, the Corporation reviews the carrying amounts of its tangible and intangible 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).

Where it is not possible to estimate the recoverable amount of an individual asset, the Corporation estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where 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 corporation 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 to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a 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 (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

3. Significant accounting policies (continued)

3.8. Impairment (continued)

ii. Non-financial assets

Where an impairment loss subsequently reverses, the carrying amount of the asset (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 (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income, 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.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

Impairment losses are recognised in the profit or loss. Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.9. Provisions

Provisions are recognised when the Corporation has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the obligation. Increases in provisions due to the passage of time are recognised as interest expense.

3.10. New standards and interpretations issued but not yet effective

A number ofnew standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted. However, the Authority has not early adopted the new or amended standards in preparing these separate financial statements. The following amended standards and interpretations are not expected to have a significant impact on the Corporation's financial statements:

	Effective date
COVID-19-Related Rent Concessions beyond 3 0 June 2021 (Amendments to IFRS 16)	1 April 2021
Onerous Contracts - Cost of Fulfilling a Contract (Amendment to IAS 37)	1 January 2022
Annual improvements to IFRS Standards 2018-2020	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022
Reference to Conceptual Framework (Amendments to IFRS 3)	1 January 2022
Classification of Liabilities as Current and Non-current (Amendments to IAS 1)	1 January 2023

3.11. New standards and interpretations issued but not yet effective (continued)

	Effective date
IFRS 1 7 Insurance Contracts and amendments to IFRS 16 Insurance Contracts	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
Definition of Accounting Estimates (Amendments to IAS 8)	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	1 January 2023
Sale or Contribution of Assets between and Investor its Associates or Joint Venture (Amendments to IFRS 10 and 28)	Effective date deferred indefinitely

3.12. Other new or amended standards

The following new or amended standards that are required to be adopted in annual periods beginning on or after 1 January 2021 and are not expected to have a significant impact on the Authority's separate financial statements:

	Effective date
Covid-19 Related Rent Concessions (Amendment to IFRS 16)	1 June 2020
Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	1 January 2021

4. Revenue

	2021	2020
	AED	AED
Regular taxis	**1,180,571,878**	797,316,319
Limousine service	**114,959,687**	69,689,535
School bus	**45,810,445**	20,404,850
	1,341,342,010	887,410,704
Timing of revenue recognition		
Services transferred at a point in time	**1,293,950,632**	866,236,895
Services transferred over the period of time	**47,391,378**	21,173,809
Revenue from contracts with customers	**1,341,342,010**	887,410,704

Dubai Taxi Corporation

Notes *(continued)*

5. Operating costs

	2021	2020
	AED	AED
Staff costs	**406,117,103**	307,495,031
Fuel cost	**162,496,236**	121,659,078
Depreciation of property and equipment (refer to note 9)	**86,786,508**	124,562,983
Vehicle maintenance	**65,322,537**	53,947,515
Charges and commission	**68,662,899**	38,606,207
Insurance	**45,469,697**	50,190,966
VAT expense	**19,780,029**	17,778,766
Rent expense	**6,515,184**	8,693,711
Depreciation of right of use assets (refer to note 14)	**3,731,972**	3,742,196
Other operating costs	**22,429,942**	12,940,055
	887,312,107	739,616,508

6. Other income

	2021	2020
	AED	AED
Penalties and fines (refer to note (i) below)	**9,427,364**	9,031,309
Rental income	**8,549,641**	9,576,325
Advertising	**2,676,072**	6,755,260
(Loss)/ gain on disposal of property and equipment	**(215,088)**	338,921
Others	**8,825,830**	8,353,128
	29,263,819	34,054,943

(i) Penalties and fines majorly include absent penalty and quality check fines levied on drivers for violating quality policies of the Corporation.

7. General and administrative expenses

	2021	2020
	AED	AED
Staff costs	**37,187,883**	46,165,006
Maintenance expenses	**10,454,542**	8,092,538
Depreciation of property and equipment (refer to note 9)	**6,286,817**	7,865,966
Security guard expenses	**3,212,179**	2,657,767
Advertising	**2,747,980**	3,569,265
Cleaning expenses	**2,230,253**	2,338,888
Printing and stationery	**262,711**	288,707
Insurance expenses	**226,239**	226,271
Professional fees	**38,035**	2,037,113
Other expenses	**5,171,314**	3,433,165
	67,817,953	76,674,686

8. Finance income - net

	2021 **AED**	2020 AED
Finance income:		
Interest income on Sukuk and Wakala deposits (refer to note 13)	**5,188,230**	6,974,659
Interest income on cash at banks	**208,688**	290,815
	5,396,918	7,265,474
Finance costs:		
Interest expense on lease liabilities (refer to note 20)	**388,641**	533,612
	388,641	533,612
Finance income – net	**5,008,277**	6,731,862

9. Property and equipment

	Motor vehicles AED	Equipment AED	Building, prefabricated house & shed* AED	Furniture and fittings AED	Capital work-in-progress AED	Total AED
Cost						
At 1 January 2020	732,407,240	35,837,294	123,197,906	10,204,039	2,788,611	904,435,090
Additions	86,660,058	4,111,035	1,490,416	576,971	8,866,549	101,705,029
Disposals	(38,013,291)	-	-	-	-	(38,013,291)
Transfers	687,639	-	-	2,807,011	(3,494,650)	-
At 31 December 2020	781,741,646	39,948,329	124,688,322	13,588,021	8,160,510	968,126,828
At 1 January 2021	781,741,646	39,948,329	124,688,322	13,588,021	8,160,510	968,126,828
Additions	87,318,859	-	10,146,801	2,890,956	(8,160,510)	92,196,106
Disposals	(116,373,326)	-	-	-	-	(116,373,326)
At 31 December 2021	752,687,179	39,948,329	134,835,123	16,478,977	-	943,949,608
Accumulated depreciation						
At 1 January 2020	312,887,899	23,130,800	81,494,706	6,379,990	-	423,893,395
Charge for the year	122,047,377	4,724,342	3,656,386	2,000,844	-	132,428,949
On disposals	(26,201,174)	-	-	-	-	(26,201,174)
At 31 December 2020	408,734,102	27,855,142	85,151,092	8,380,834	-	530,121,170
At 1 January 2021	408,734,102	27,855,142	85,151,092	8,380,834	-	530,121,170
Charge for the year	85,804,074	2,523,487	2,476,591	2,269,173	-	93,073,325
On disposals	(91,306,975)	-	-	-	-	(91,306,975)
At 31 December 2021	403,231,201	30,378,629	87,627,683	10,650,007	-	531,887,520
Net book value						
At 31 December 2021	**349,455,978**	**9,569,700**	**47,207,440**	**5,828,970**	**-**	**412,062,088**
At 31 December 2020	373,007,544	12,093,187	39,537,230	5,207,187	8,160,510	438,005,658

Depreciation charge of AED 86,786,508 (2020: AED 124,562,983) is charged to direct operating cost and AED 6,286,817 (2020: AED 7,865,966) has been charged to general and administrative expenses respectively.

* The land on which the building, prefabricated house and shed is constructed was previously owned by Dubai Taxi Corporation; however in 2008, ownership was transferred to the RTA and utilised by the Corporation free of any charges.

10. Intangible assets

	Airport taxi licensed plates AED	Normal taxi licensed plates AED	Total AED
As at 31 December 2021	**36,075,000**	**520,633,240**	**556,708,240**
As at 31 December 2020	36,075,000	520,633,240	556,708,240

This represents license plates purchased from RTA as a consideration for obtaining the rights relating to operation of taxis. These have infinite life, therefore, are not amortised.

11. Impairment testing

License plates with indefinite useful lives have been allocated to motor vehicles, for the purpose of impairment testing.

The recoverable amount of the CGU has been determined based on their value in use calculated using cash flow projections based on the financial budgets and forecasts approved by management.

Details of the CGU are shown below:

	2021 **AED**	2020 AED
Carrying amount of license plates and motor vehicles	**822,182,089**	822,388,644

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of motor vehicles and license plates.

Discount rate	**7%**
Growth rate	**6%**
Terminal growth rate for license plates	**1%**

For license fleet, five years cash flows were included in the discounted cash flow model and a terminal growth rate thereafter.

Budgeted margins – The basis used to determine the value assigned to the budgeted margin is the average gross margin achieved in the year immediately before the budgeted year, adjusted for expected growth rates.

Discount rates – The Corporation has taken the Weighted Average Cost of Capital (WACC) as the discount rate of 7%. This represent the cost of capital adjusted for the respective location risk factors.

Terminal value growth rate – In management's view, the terminal growth rate is the minimum growth rate expected to be achieved beyond the five-year period. This is based on the overall regional economic growth forecasted and the Corporation's existing internal capacity changes for a given region. Based on the historical trend of growth, the long-term growth of 1% is considered reasonable.

11. Impairment testing (continued)

Sensitivity to changes in assumptions

The calculation of value in use for the CGU is sensitive to future earnings and therefore a sensitivity analysis was performed. A sensitivity analysis demonstrated that a 20% decrease in earnings for a future period of five years from the reporting date would not result in impairment. An increase of 2.5% in discount rate and decrease of 0.5% in terminal value growth rate would not result in impairment.

12. Trade and other receivables

	2021 AED	2020 AED
Trade receivables	**75,896,548**	47,388,745
Staff receivable	**71,048,592**	74,978,964
Less: allowance for impairment (refer to note 22(a))	**(71,482,428)**	(60,695,173)
	75,462,712	61,672,536
Prepaid expenses	**9,274,397**	9,008,664
Advance to suppliers	**4,140,000**	4,140,000
Other receivables	**8,964,771**	5,838,790
	97,841,880	80,659,990

13. Investments in financial assets

	2021 AED	2020 AED
Non-current		
Sukuk and Wakala	**45,677,084**	73,519,784
Less: loss allowance (refer to note 22(a))	**(100,391)**	(372,525)
	45,576,693	73,147,259
Current		
Sukuk and Wakala	**29,786,813**	97,669,208
Less: loss allowance (refer to note 22(a))	**(275,854)**	(159,300)
	29,510,959	97,509,908

These are investments in listed corporate. The corporate bonds are held by the Corporation 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. Hence the corporate bonds are classified as at amortized cost. The interest from these investments are ranging between 3% - 5% with a maturity period within 1 - 5 years.

14. Right-of-use asset

The Corporation entered into a lease contract for drivers accommodation. The table below represents the carrying amounts of right-of-use assets recognised and the related movements during the year:

	2021 AED	2020 AED
Cost		
At 1 January	**17,105,720**	17,105,720
Amortisation		
At 1 January	**7,474,167**	3,731,971
Charge for the year	**3,731,972**	3,742,196
At 31 December	**11,206,139**	7,474,167
Net book value at 31 December	**5,899,581**	9,631,553

	2021 AED	2020 AED
Amount recognised in consolidated statement of profit or loss		
Depreciation of right-of-use assets (refer to note 9)	**3,731,972**	3,742,196
Interest on lease liabilities (refer to note 20)	**388,641**	533,612
Amount recognised in consolidated statement of cash flows		
Lease payments made during the year (included under financing activities)	**4,418,219**	3,681,851

15. Cash and cash equivalents

	2021 AED	2020 AED
Cash in hand	**432,378**	130,857
Cash at banks	**231,783,788**	85,811,503
	232,216,166	85,942,360
Less: loss allowance (refer to note 22(a))	**(95,210)**	(17,489)
	232,120,956	85,924,871

16. Share Capital

	2021	2020
	AED	AED
Authorised capital in accordance with Law No. (5) of 1994		
Paid-up by the Government of Dubai	**200,000,000**	200,000,000

Law No. 20 of 2007, which relates to the formation of Dubai Taxi Corporation, does not specify the number of shares and the value of each share of the capital. In the prior year, the Corporation have issued shares amounting to AED 100 million to Road Transport Authority (Government of Dubai), these shares were paid in cash.

17. Statutory and general reserves

In accordance with the provisions of Law No. 20 of 2007 decreed by H.H. the Ruler of Dubai, 10% of the yearly net profit of the Corporation will be transferred to statutory and general reserve each year until each reserve reaches a maximum of 50% of the paid-up capital.

18. Employees' end of service benefits

	2021	2020
	AED	AED
As at 1 January	**23,813,468**	22,811,549
Charge for the year	**2,750,899**	4,538,189
Paid during the year	**(2,639,495)**	(3,536,270)
As at 31 December	**23,924,872**	23,813,468

In addition to the above, the Corporation contributes 15% of the 'contribution calculation salary' in case of those employees who are UAE nar tionals. These employees are also required to contribute 5% of the 'contribution calculation salary' to the scheme. The Corporation's contribution is recognised as an expense in the statement of profit or loss as incurred.

19. Trade and other payables

	2021	2020
	AED	AED
Trade payables	**188,932,730**	173,168,612
Staff payable	**77,718,682**	67,747,777
Leave salary provision	**27,339,917**	25,687,937
Accrued expenses	**14,972,519**	18,185,933
Other payables	**43,766,856**	21,340,068
As at 31 December	**352,730,704**	306,130,327

Information about Corporation's exposure to liquidity risk is included in note 22(b).

20. Lease liability

	2021	2020
	AED	AED
As at 1 January	**11,999,766**	15,148,005
Interest expense	**388,641**	533,612
Payments made to lessor	**(4,418,219)**	(3,681,851)
As at 31 December	**7,970,188**	11,999,766
Non-current portion	**2,668,324**	7,581,547
Current portion	**5,301,864**	4,418,219
	7,970,188	11,999,766

Refer to note 22(b) for maturity of lease liability.

21. Related party transactions and balances

The Corporation enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24 *Related Parties Disclosure*. Related parties comprise companies under common ownership and/or common management control and key management personnel. The management decides on the terms and conditions of transactions and of services received/ rendered from/ to related parties as well as other charges.

During the year, the Corporation entered into the following significant transactions with related parties in the ordinary course of business, carried out on terms and conditions, agreed between the parties:

	2021	2020
	AED	AED
Corporation under common control:		
Plate and license fees (refer note (i) below)	**242,536,046**	221,174,523
Salik charges	**48,303,468**	31,846,448
Traffic fine	**14,714,765**	10,201,795
Rent income (refer note (ii) below)	**7,200,000**	7,200,000

(i) Plate and license fees pertains to the monthly amount charged by RTA (ranging between AED 1,200 to AED 5,000 per taxi) depending upon the nature of operating taxi.
(ii) This pertains to office space leased to RTA.

Compensation of key management personnel

The remuneration of directors and other members of key management during the year were as follows:

	2021	2020
	AED	AED
Remuneration and other benefits	**9,686,863**	7,524,721

21. Related party transactions and balances (continued)

Related party balances include the following:

	2021 AED	2020 AED
Due from a related party		
Public Transport Agency	**203,400**	203,400
Less: allowance for doubtful debts	**(203,400)**	(203,400)
	----------	----------
	-	-
	===	===

	2021 AED	2020 AED
Due to a related party		
Parent Company:		
Roads & Transport Authority*	**634,621,476**	662,028,480
	=========	=========

* These balances are unsecured and interest free and are repayable on demand.

22. Financial risk management

Overview

The Corporation has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

This note presents information about the Corporation's exposure to each of the above risks, the Corporation's objectives, policies and processes for measuring and managing risk, and the Corporation's management of capital. Furthermore, quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility and oversight for the Corporation's risk management framework and monitoring the Corporation's risk management policies. The Corporation's risk management policies are established to identify and analyse the risks faced by the Corporation, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions. The Corporation, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations. The Corporation's risk management strategy has not changed due to the COVID-19 coronavirus pandemic.

22. Financial risk management (continued)

(a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Corporation's trade and other receivables, investment in financial assets and cash at banks. In order to minimise credit risk, the management has developed and maintained a credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the management uses other publicly available financial information and the Corporation's own trading records to rate its major customers and other debtors. The Corporation's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. In response to COVID-19 pandemic, the management has also been performing more frequent reviews of long term receivables and has accordingly decided to write off trade receivables due over 365 days.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2021 AED	2020 AED
Cash at banks	**232,120,956**	85,942,360
Trade and other receivables (excluding prepayments and advances)	**84,427,483**	67,511,326
Investments in financial assets	**75,087,652**	170,657,167
	391,636,091	323,962,507

Trade and other receivables

The Corporation's revenue generated through its fleet of taxies is cash revenue. Trade receivables represent mainly receivables from staff, school bus revenues, advertising revenue and claims from insurance companies.

The Corporation always measures the loss allowance for trade and staff receivables at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on trade and staff receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Corporation has recognised a loss allowance of 100% against all trade and staff receivables over 365 days past due because historical experience has indicated that these receivables are generally not recoverable.

There has been no change in the estimation techniques or significant assumptions made during the current year.

The Corporation writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

22. Financial risk management (continued)

(a) Credit risk (continued)

Trade and other receivables (continued)

The following table details the risk profile of trade receivables based on the Corporation's provision matrix. As the Corporation's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Corporation's different customer base.

		2021			2020	
	ECL	**Gross carrying amount at default**	**Life time ECL**	ECL	Gross carrying amount at default	Lifetime ECL
	%	**AED**	**AED**	%	AED	AED
Current	19%	**1,118,828**	**213,047**	15%	2,387,192	360,412
0 to 30	3%	**8,323,618**	**259,836**	27%	1,465,080	401,793
31 to 60	8%	**6,819,318**	**523,348**	53%	4,018,558	2,120,383
61 to 90	3%	**8,463,045**	**271,515**	26%	1,614,464	422,094
91 to 180	48%	**2,704,045**	**1,301,178**	64%	3,727,624	2,371,529
181 to 365	81%	**14,288,171**	**11,601,900**	75%	11,579,296	8,687,739
Above 365	100%	**34,179,523**	**34,179,523**	92%	22,596,531	20,849,423
		75,896,548	**48,350,347**		47,388,745	35,213,373

The following table shows the movement in lifetime ECL that has been recognised for trade and other receivables in accordance with the simplified approach set out in IFRS 9.

	2021	2020
	AED	AED
As at 1 January	**60,695,173**	44,694,845
Impairment allowance for the year*	**20,651,058**	36,197,378
Write off	**(9,863,803)**	(20,197,050)
As at 31 December	**71,482,428**	60,695,173

* This includes provision for the staff receivables in relation to terminated and active employees. During the year Corporation has provided for AED 4,407,838 (2019: AED 14,342,556). This is in line with Corporation's policy of providing 100% allowance for receivables from terminated employees and ECL model for active employees.

22. Financial risk management (continued)

(a) Credit risk (continued)

Cash at banks

The Corporation limits its exposure to credit risk by placing balances with local reputed banks. Given the profile of its bankers, management does not expect any counter party to fail to meet its obligations. The bank balances are held with banks of repute, all of which are rated A3 to Baa1, based on ratings published by Moody's Investors Service.

Impairment of cash at banks has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Corporation considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, management of the Corporation estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL.

Details of provision for impairment as per IFRS 9 are as follows:

	2021 AED	2020 AED
As at 1 January	**17,489**	64,408
Impairment allowance for the year	**77,721**	-
Reversal of allowance during the year	**-**	(46,919)
As at 31 December	**95,210**	17,489

Investment in financial assets

For the purposes of impairment assessment, the Sukuk and Wakala are considered to have low credit risk as the counterparties to these investments have a minimum B- credit rating. Accordingly, for the purpose of impairment assessment for these financial assets, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the expected credit losses for these assets, the management of the Corporation have taken into account the historical default experience, the financial position of the counterparties, as well as the future prospects of the industries in which the issuers operate obtained from economic expert reports, financial analyst reports and considering various external sources of actual and forecast economic information, as appropriate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

22. Financial risk management (continued)

(a) Credit risk (continued)

Investment in financial assets (continued)

Details of provision for impairment as per IFRS 9 are as follows:

	2021 **AED**	2020 AED
As at 1 January	**531,825**	530,413
(Reversal of) / impairment allowance for the year	**(155,580)**	1,412
As at 31 December	**376,245**	531,825

(b) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. Ultimate responsibility for liquidity risk management rests with the board of directors, which has built a liquidity risk management framework for the management of the Corporation's short, medium and long-term funding and liquidity management requirements. The Corporation manages liquidity risk by maintaining reserves and by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. COVID19 has not impacted the Group's ability to maintain the normal payment cycle.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

	Carrying value AED	**Contractual cash flows AED**	**Less than 1 year AED**	**1 – 2 Years**
At 31 December 2021				
Non-derivative financial liabilities:				
Due to a related party	**626,752,736**	**(626,752,736)**	**(626,752,736)**	**-**
Trade and other payables	**352,730,704**	**(352,730,704)**	**(352,730,704)**	**-**
Lease liability	**7,970,188**	**(8,193,789)**	**(5,301,864)**	**(2,891,925)**
	987,453,628	**(987,677,229)**	**(984,785,304)**	**(2,891,925)**
At 31 December 2020				
Non-derivative financial liabilities:				
Due to a related party	662,028,480	(662,028,480)	(662,028,480)	-
Trade and other payables	306,130,327	(306,130,327)	(306,130,327)	-
Lease liability	11,999,766	(12,612,008)	(4,418,219)	(8,193,789)
	980,158,573	(980,770,815)	(972,577,026)	(8,193,789)

As at 31 December 2021 and 31 December 2020, there were no derivative financial instruments carried by the Corporation. Further, the Corporation has no undrawn borrowing facilities as of 31 December 2021 and 2020.

22. Financial risk management (continued)

(c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Corporation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. There has been no change to the Corporation's exposure to market risks or the manner in which it manages and measures the risk

Currency risk

The Corporation does not have any significant foreign currency exposure, as majority of its transactions are denominated in AED.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Corporation is exposed to interest rate risk in respect of its fixed deposits.

At the reporting date, the interest rate profile of the Corporation's interest-bearing financial instruments is:

	2021	2020
	AED	AED
Fixed rate instruments		
Financial asset		
Sukuk and Wakala deposits (refer to note 13)	**75,087,652**	170,657,167
	=========	=========

Sensitivity analysis for fixed rate instruments

Since the interest rate on these financial investments is fixed, any change in the interest rate will not have any impact on the profit or loss of the Company.

(d) Capital management

The Corporation's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to the shareholders. The Corporation manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

22. Financial risk management (continued)

(e) Fair value hierarchy

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At 31 December 2021 and 31 December 2020, there are no financial assets and liabilities measured at fair value.

23. Commitments and contingent liabilities

(a) Capital commitments

The Corporation’s capital commitments at the reporting date amounted to AED 67,422,251 (2020: AED 77,855,915).

24. Significant accounting estimates and judgements

In the application of the Corporation’s accounting policies, which are described in Note 3 to these financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The significant judgements and estimates made by management, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

Key judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Corporation’s accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

Key sources of estimation

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

25. Significant accounting estimates and judgements (continued)

Key sources of estimation (continued)

Useful lives of property and equipment

The Corporation's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Impairment of intangible assets

The Corporation's management tests annually whether there is an indication that intangible assets have suffered impairment in accordance with accounting policies stated in note 3. The recoverable amount of an asset is determined based on value-in-use method. This method uses estimated cash flow projections over the estimated useful life of the asset discounted using market rates.

Management performs impairment testing on an annual basis by estimating expected future cash flows and discount rates for calculating present value of such cash flows used to compute value-in-use.

Impairment of trade and other receivables

The Corporation reviews its receivables to assess impairment at least on an annual basis. The Corporation's credit risk is primarily attributable to its trade receivables. In determining whether impairment losses should be recognised in profit and loss, the Corporation makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for impairment is made in accordance with the 'expected credit loss' (ECL) model. This requires considerable judgement about how the changes in economic factors affect ECLs, which are determined on a probability-weighted basis.

Such estimations are based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results.

26. Comparative figures

Certain comparative figures have been regrouped/reclassified, wherever necessary, to conform to the presentation adopted in these financial statements to ensure more appropriate presentation which is consistent with best practice within the Corporation. Such reclassifications do not affect previously reported results.

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Dubai Taxi Corporation

Directors' Report

The Board of Directors of **Dubai Taxi Corporation** (the "Corporation") have the pleasure in submitting the audited financial statements of the Corporation as at 31 December 2020.

General Information

Dubai Taxi Corporation (the "Corporation") was formed on 28 June 1994 in accordance with the provisions of Law No. (5) of 1994 decreed by H. H. The Ruler of Dubai in order to operate a fleet of taxis in the Emirate of Dubai and to the other Emirates. The Corporation commenced operations on 20 May 1995. In accordance with Law No. (20) of 2008, the Corporation is wholly owned by the Roads & Transport Authority (RTA).

The registered office of the Corporation is P.O. Box 2647, Dubai, U.A.E.

The ultimate controlling party is the Government of Dubai and the parent Corporation is the Roads & Transport Authority (RTA).

Financial Results

The Corporation has recorded a loss of AED 145,420,079 for the year ended 31 December 2020 and profit before staff bonus for the year ended 31 December 2019 amounting to AED 202,992,240. Revenue for the year ended 31 December 2020 amounted to AED 881,577,794 (2019: AED 1,655,867,838).

Segment reporting

The following is segment analysis of the Corporation's operating profit:

Description	Regular Taxis 2020 AED	Regular Taxis 2019 AED	VIP 2020 AED	VIP 2019 AED	School Bus 2020 AED	School Bus 2019 AED	Total 2020 AED	Total 2019 AED
Operating income	**791,483,409**	1,439,469,572	**69,689,535**	176,670,664	**20,404,850**	39,727,602	**881,577,794**	1,655,867,838
Direct operating cost								
Direct Staff costs	**(267,921,121)**	(412,365,200)	**(25,371,027)**	(52,869,214)	**(14,202,883)**	(24,880,441)	**(307,495,031)**	(490,114,855)
Fuel cost	**(110,746,473)**	(209,552,238)	**(8,864,405)**	(19,855,251)	**(2,048,200)**	(5,443,197)	**(121,659,078)**	(234,850,686)
Depreciation of vehicles and accessories	**(100,336,492)**	(112,601,880)	**(18,040,910)**	(21,903,987)	**(6,185,581)**	(6,366,310)	**(124,562,983)**	(140,872,177)
Vehicle maintenance	**(46,823,129)**	(67,044,354)	**(5,410,040)**	(12,850,540)	**(1,714,346)**	(3,277,024)	**(53,947,515)**	(83,171,918)
Insurance	**(42,239,032)**	(45,429,189)	**(6,881,441)**	(7,732,891)	**(1,070,493)**	(1,780,772)	**(50,190,966)**	(54,942,852)
Taxes (VAT)	**(15,764,221)**	(22,234,881)	**(1,749,895)**	(2,379,867)	**(264,650)**	(888,931)	**(17,778,766)**	(25,503,679)
Other operating costs	**(33,362,174)**	(27,457,208)	**(24,007,547)**	(38,691,088)	**(779,538)**	(807,067)	**(58,149,259)**	(66,955,363)
Total	**(617,192,642)**	(896,684,950)	**(90,325,265)**	(156,282,838)	**(26,265,691)**	(43,443,742)	**(733,783,598)**	(1,096,411,530)
Operating profit	**174,290,767**	542,784,622	**(20,635,730)**	20,387,826	**(5,860,841)**	(3,716,140)	**147,794,196**	559,456,308

Auditors

KPMG Lower Gulf Limited were appointed as external auditors of the Corporation for the year ended 31 December 2020 and are eligible for reappointment.

On behalf of Dubai Taxi Corporation

....

Mr. Essam Aqil Al Rafie
Director, Shared Services Department
Dubai Taxi Corporation

15 JUN 2021

KPMG Lower Gulf Limited
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Level 4, Office No: 04.01
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Independent Auditors' Report

To the Shareholder of Dubai Taxi Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dubai Taxi Corporation (the "Corporation"), which comprise the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

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 Financial Statements* section of our report. We are independent of the Corporation in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements, 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.

Other Matter Relating to Comparative Information

The financial statements of the Corporation as at and for the year ended 31 December 2019 were audited by another auditor who expressed an unmodified opinion on those financial statements on 24 June 2020.

Other Information

Management is responsible for the other information. The other information comprises the Directors' report which is set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 the 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 Corporation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 Corporation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

We communicate with those charged with governance 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.

KPMG Lower Gulf Limited

Emilio Pera
Registration No.: 1146
Dubai, United Arab Emirates

Date: 15 JUN 2021

Dubai Taxi Corporation

Statement of profit or loss and other comprehensive income
for the year ended 31 December 2020

	Note	**2020** **AED**	2019 AED
Revenue	*4*	**881,577,794**	1,655,867,838
Operating costs	*5*	**(733,783,598)**	(1,096,411,530)
Gross profit		**147,794,196**	559,456,308
Other income	*6*	**34,054,943**	48,850,193
General and administrative expenses	*7*	**(76,431,826)**	(100,354,437)
Impairment loss on financial assets	*22(a)*	**(36,151,871)**	(13,887,421)
Plate and license fees	*21*	**(221,174,523)**	(307,335,864)
Operating (loss) / profit		**(151,909,081)**	186,728,779
Finance income – net	*8*	**6,489,002**	6,113,849
(Loss) / Profit for the year		**(145,420,079)**	192,842,628
Other comprehensive income		**-**	-
Total comprehensive (loss) / income for the year		**(145,420,079)**	192,842,628

The notes on pages 10 to 37 form an integral part of these financial statements.

The independent auditors' report on financial statements is set out on pages 2 to 5.

Dubai Taxi Corporation

Statement of financial position
as at 31 December 2020

	Note	**2020 AED**	2019 AED
Assets			
Non-current assets			
Property and equipment	*9*	**438,005,658**	480,541,695
Intangible assets	*10*	**556,708,240**	556,708,240
Investment in financial assets	*13*	**73,147,259**	73,349,288
Right-of-use-assets	*14*	**9,631,553**	13,373,749
		1,077,492,710	1,123,972,972
Current assets			
Inventories		**2,983,010**	3,388,412
Trade and other receivables	*12*	**80,659,990**	57,577,607
Investment in financial assets	*13*	**97,509,908**	119,510,916
Cash and cash equivalents	*15*	**85,924,871**	210,933,483
		267,077,779	391,410,418
waterm			
Total assets		**1,344,570,489**	1,515,383,390
Equity and liabilities			
Equity			
Share capital		**200,000,000**	200,000,000
Statutory reserve	*17*	**70,299,224**	70,299,224
General reserve	*17*	**70,299,224**	70,299,224
Total equity		**340,598,448**	340,598,448
Liabilities			
Non-current liabilities			
Employees' end of service benefits	*18*	**23,813,468**	22,811,549
Lease liability	*20*	**7,581,547**	11,466,155
		31,395,015	34,277,704
Current liabilities			
Trade and other payables	*19*	**306,130,327**	282,544,576
Due to a related party	*21*	**662,028,480**	854,280,812
Lease liability	*20*	**4,418,219**	3,681,850
		972,577,026	1,140,507,238
Total liabilities		**1,003,972,041**	1,174,784,942
Total equity and liabilities		**1,344,570,489**	1,515,383,390

To the best of our knowledge, the financial statements fairly presents, in all material respects, the financial position, results of operation and cash flows of the Corporation as of, and for, the year ended 31 December 2020.

The notes on pages 10 to 37 form an integral part of these financial statements.

These financial statements were authorised for issue by the Board of Directors on 15 JUN 2021

H.E. Mattar Mohammed Al Tayer
Director General & Chairman of the
Board of Executive Directors
Roads and Transport Authority

Mr. Abdul Muhsen Ibrahim Younus
CEO – Rail Agency Chairman, DTC
supervisor Board &
Roads and Transport Authority

Mr. Mansoor Alfalasi
Chief Executive Officer
Dubai Taxi Corporation

The independent auditors' report on financial statements is set out on pages 2 to 5.

Statement of changes in equity

Dubai Taxi Corporation

for the year ended 31 December 2020

	Paid-up capital AED	Statutory reserve AED	General reserve AED	Accumulated losses AED	Total AED
At 1 January 2019	100,000,000	50,000,000	50,000,000	-	200,000,000
Adjustment on initial application of IFRS 9	-	-	-	(464,281)	(464,281)
Restated balances as of 1 January 2019	100,000,000	50,000,000	50,000,000	(464,281)	199,535,719
Introduction of paid up capital	100,000,000	-	-	-	100,000,000
Total comprehensive income for the year					
Profit for the year	-	-	-	192,842,628	192,842,628
Total comprehensive income for the year	-	-	-	192,842,628	192,842,628
Transfer to reserves	-	20,299,224	20,299,224	(40,598,448)	-
Transferred to Roads & Transport Authority	-	-	-	(151,779,899)	(151,779,899)
At 31 December 2019	200,000,000	70,299,224	70,299,224	-	340,598,448
At 1 January 2020	200,000,000	70,299,224	70,299,224	-	340,598,448
Total comprehensive loss for the year					
Loss for the year	-	-	-	(145,420,079)	(145,420,079)
Total comprehensive loss for the year	-	-	-	(145,420,079)	(145,420,079)
Transferred to Roads & Transport Authority	-	-	-	145,420,079	145,420,079
At 31 December 2020	**200,000,000**	**70,299,224**	**70,299,224**	**-**	**340,598,448**

The notes on pages 10 to 37 form an integral part of these financial statements.

Dubai Taxi Corporation

Statement of cash flows
for the year ended 31 December 2020

	Note	2020 AED	2019 AED
Cash flows from operating activities			
Profit for the year		**(145,420,079)**	192,842,628
Adjustments for:			
Depreciation of property and equipment	9	**132,428,949**	151,792,870
Recovery of allowance for slow moving inventories		**-**	(82,095)
Impairment losses on financial assets	22(a)	**36,151,871**	13,887,421
Interest income	8	**(7,265,474)**	(6,803,927)
Provision for employees' end of service indemnity	18	**4,538,189**	2,859,334
Depreciation of right of use asset	14	**3,742,196**	3,731,971
(Gain) / loss on disposal of property and equipment	6	**(338,921)**	3,024,919
Interest expenses on lease liability	14	**533,612**	646,212
		24,370,343	361,899,333
Working capital adjustments:			
Trade and other receivables		**(59,279,761)**	(9,551,887)
Inventories		**405,402**	(368,759)
Trade and other payables		**23,585,751**	(39,059,026)
Due to a related party		**(46,832,253)**	(172,914,072)
		(57,750,518)	140,005,589
Payment of employees' end of service benefits	18	**(3,536,270)**	(4,078,228)
Net cash (used in) / from operating activities		**(61,286,788)**	135,927,361
Cash flows from investing activities			
Proceeds from matured investment in debt instruments		**126,064,958**	28,222,750
Purchase of investments in financial assets		**(103,863,333)**	(100,000,000)
Purchase of property and equipment	9	**(101,705,029)**	(148,110,115)
Purchase of intangible assets		**-**	(30,666,600)
Proceeds from disposal of property and equipment		**12,151,038**	20,876,801
Interest income	8	**7,265,474**	6,803,927
Net cash used in investing activities		**(60,086,892)**	(222,873,237)
Cash flows from financing activities			
Repayment of lease liabilities	14	**(3,681,851)**	(3,068,208)
Increase in share capital		**-**	100,000,000
Net cash (used in) / generated from financing activities		**(3,681,851)**	96,931,792
Net (decrease) / increase in cash and cash equivalents		**(125,055,531)**	9,985,916
Cash and cash equivalents at beginning of the year		**210,997,891**	201,011,975
Cash and cash equivalents at end of the year		**85,942,360**	210,997,891

The notes on pages 10 to 37 are an integral part of these separate financial statements.

The independent auditors' report is set out on pages 2 to 5.

1. Legal status and activities

Dubai Taxi Corporation (the "Corporation") was formed on 28 June 1994 in accordance with the provisions of Law No. (5) of 1994 decreed by H. H. The Ruler of Dubai in order to operate a fleet of taxis in the Emirate of Dubai and to the other Emirates. The Corporation commenced operations on 20 May 1995. In accordance with Law No. (20) of 2008, the Corporation is wholly owned by the Roads & Transport Authority ("RTA").

The registered office of the Corporation is P.O. Box 2647, Dubai, U.A.E.

The ultimate controlling party is the Government of Dubai and the parent company is RTA.

2. Basis of preparation

2.1. Statement of compliance

The financial statements of the Corporation have been prepared in accordance with the International Financial Reporting Standards ("IFRS").

2.3. Basis of measurement

The financial statements of the Corporation have been prepared on the historical cost convention basis.

2.4. Functional and presentation currency

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

2.5. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Corporation's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in note 24.

Management has also reassessed significant judgements, estimates and assumptions primarily due to the current economic uncertainties arising from the recent outbreak of the COVID-19 Coronavirus pandemic as outlined below:

(i) COVID- 19

Due to outbreak of the COVID-19 pandemic and the measures adopted by government in UAE to mitigate the COVID-19 coronavirus pandemic's spread have impacted the Corporation. These included restrictions on movement, group gatherings, travel bans, border closings, business closures, quarantines, stay-at-home, shelter-in-place orders, density limitations and social distancing measures. Therefore, use of public transport was significantly reduced and accordingly Corporation had to halt its transport operations for periods of three to five months during the year. This has negatively impacted the Corporation's financial performance for the year.

2. Basis of preparation (continued)

2.5. Use of estimates and judgements (continued)

(i) COVID- 19 (continued)

In response to the pandemic situation, the Corporation continues to monitor and respond to all liquidity and funding requirements through its plan reflecting the current economic scenarios. The Corporation believes that, as at 31 December 2020, liquidity position of the Corporation remains strong and its existing balances of cash and cash equivalents along with investment in financial assets will be sufficient to satisfy its working capital needs, capital expenditures and other liquidity requirements as they fall due in the foreseeable future. For the year ended 31 December 2020, the Corporation recognised a net loss of AED 145.4 million *(2019: Net profit AED 192.8 million),* however Corporation has net assets of AED 195.2 million *(2019: AED 340.5 million)* and net current liabilities of AED 850.9 million *(2019: AED 749 million),* mainly due to balance due to RTA which are payable on demand and will only be called for payment once Corporation has the ability to repay this amount. Furthermore, Corporation has AED 256.6 million *(2019: 403.8 million)* of resources comprising cash and cash equivalents, and other highly liquid investments in financial assets amounting to AED 170.6 million *(2019: 192.9 million)* available at the date of authorisation of these financial statements.

There is still significant uncertainty over how the outbreak will impact the Corporation's business in future periods and customer demand for transportation. Management has therefore prepared a budget considering a period of 12 months from the date of authorisation of these financial statements. The assumptions modelled are based on the estimated potential impact of COVID-19 restrictions and regulations and expected levels of passenger demand, along with management's proposed responses over the course of the period. This includes the benefits of actions already taken by management to mitigate the downsides brought by COVID-19, such as renegotiation of license and plate fees to RTA, which is one of the major costs for the corporation. This resulted in Corporation saving AED 86.2 million as a result of discount provided by RTA.

Management continues to assess and monitor the impact of COVID-19 on its businesses, particularly the effect on its operations. The Corporation has a strong governance model which focuses on cost efficiency, operational excellence, liquidity management and careful assessment of priorities and returns. To respond to a severe downside scenario, in future the management might take following mitigating actions to reduce costs, optimise the Corporation's cash flow and preserve liquidity:

- reducing non-essential capital expenditure and deferring or cancelling discretionary spend; and
- freezing non-essential recruitment.

With the lockdown lifted and economic activities picking up in Dubai, the management expects passenger transport activity to improve in coming months. Also, with the travel restrictions lifted, Dubai is to be a preferred tourist destination, therefore, the Corporation expects its operations to improve during 2021 and to reach 70% as compared to 2019 revenue (pre-pandemic).

The effects of Covid-19 on humanity and businesses continues to evolve, hence there are potential risks and uncertainties associated with its future impact on businesses, though the Corporation continues to update its plans to seek to respond to them.

(ii) Impairment test

Given the Corporation has suffered loss during the year, management performed detailed impairment assessment of the property and equipment and intangible assets. Corporation updated the assumptions (discount rate and growth rate) and future cash flow projections to test for impairment reflecting the increased level of risk and uncertainty. The value in use is compared to the carrying amount to assess any probable impairment (refer to note 11 for further details).

2. Basis of preparation (continued)

2.6. Changes in significant accounting policies

A. Other standards

Effective 1 January 2020, following new/ amended IFRS have become effective and have been applied in preparing these financial statements:

- Amendments to References to Conceptual Framework in IFRS Standards
- Definition of Material (Amendments to IAS 1 and IAS 8)
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39, and IFRS 7)

The application of these revised IFRS has not had any significant impact on the amounts reported for the current and prior period but may affect the accounting for future transactions or arrangements.

3. Significant accounting policies

The Corporation has consistently applied the accounting policies to all years presented, unless otherwise stated.

3.1. Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Corporation expects to be entitled in exchange for those goods or services.

The Corporation's revenue mainly consists of revenue from below sources transport service revenues and bus revenue.

Transport service revenue

The Corporation provide regular Taxi and Limousine service. Transport service revenue is recognised as the performance obligation is satisfied. Since the Corporation fulfills its performance obligation upon completion of each trip, revenue is recognized point in time. Customer makes the payment through cash or credit card once the performance obligation is satisfied. This is based on meter reading and predetermined rates for trips both inside and outside the emirate of Dubai.

Bus revenue

The Corporation contracts with schools and other parties to provide bus transport service. The bus transportation service is provided for the period in line with the agreements. Therefore, revenue is recognised once the performance obligation is satisfied over a period of time. The revenue amount is based on pre-determined rates per seat. The invoices are issued according to the agreement terms and are usually payable within 30 days.

3.2. Employee benefits

General pension and social security - Defined contribution plan

The Corporation is a member of the pension scheme operated by the Federal Pension General and Social Security Authority which is a defined contribution plan. The Corporation's contribution, for eligible UAE National employees is calculated as a percentage of the employees' salaries and charged to the profit or loss, in accordance with the provisions of Federal Law No. (7) of 1999 relating to Pension and Social Security Law. The Corporation has no legal or constructive obligation to pay any further contributions.

3. Significant accounting policies (continued)

3.2. Employee benefits (continued)

End of service benefits to non-UAE nationals - Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Termination benefits are payable when employment is terminated by the Corporation before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Provision for expatriate employees' end of service benefits is made in accordance with the Corporation's human resource policy and Government of Dubai Human Resource Management Law and is based on current basic remuneration and cumulative years of service at the reporting date.

3.3. Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset.

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

Subsequent costs

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 Corporation and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the profit or loss in the period in which they are incurred.

Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Corporation will obtain ownership by the end of the lease term.

The estimated useful lives of property and equipment for the current and comparative period is as follows:

	Useful life (years)
Motor vehicles (including buses)	4 – 15
Equipment	3 – 7
Buildings, prefabricated houses and sheds	4 –30
Furniture and fittings	3 – 7

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate. Any change is accounted for as a change in accounting estimate by changing the depreciation charge for the current and future periods.

3. Significant accounting policies (continued)

3.3. Property and equipment (continued)

Capital work in progress

Properties or assets in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes all direct costs attributable to the design and construction of the property including related staff costs, and for qualifying assets, borrowing costs are capitalised in accordance with the Corporation's accounting policy. When the assets are ready for intended use, the capital work-in-progress is transferred to the appropriate property and equipment category and is depreciated in accordance with the Corporation's policies.

3.4. Intangible assets

Intangible assets are capitalised at cost only when future economic benefits are probable and can be estimated reliably. Cost includes purchase price together with any directly attributable expenditure. When the carrying amount of an intangible asset is greater than its estimated recoverable amount, it is written down immediately to its estimated recoverable amount and is reviewed at each reporting date for possible reversal of the impairment loss. Intangible assets pertain to acquisition of license plates. Licensing plates having indefinite useful lives are carried at cost less impairment loss, if any.

3.5. Inventories

Inventories mainly consist of spare parts and consumables. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average method and includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.6. Leases

At inception of a contract, the Corporation assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Corporation uses the definition of a lease in IFRS 16.

Corporation as a lessee

The Corporation recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated over the shorter of the asset's useful life or the lease term on a straight-line basis. If the Corporation is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in statement of profit or loss.

3. Significant accounting policies (continued)

3.6. Leases (continued)

Corporation as a lessee (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Corporation's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Corporation is reasonably certain to exercise, lease payments in an optional renewal period if the Corporation is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Corporation is reasonably certain not to terminate early.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the corporation, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Corporation's estimate of the amount expected to be payable under a residual value guarantee, if the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Corporation presents right-of-use assets and lease liabilities separately on statement of financial position.

Variable lease payments that depend on revenue and output are recognised in statement of profit or loss in the period in which the condition that triggers those payments occurs.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of property and equipment that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3. Significant accounting policies (continued)

3.6. Leases (continued)

Short-term leases and leases of low-value assets (continued)

For contracts entered into before 1 January 2021, the Company determined whether the arrangement was or contained a lease based on the assessment of whether:

- Fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- The arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met:
- The purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
- Facts and circumstances indicated that it was remoted that other parties would take more than an insignificant amount of the output nor equal to the current market price or unit of output.

Corporation as a lessor

When the Corporation acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Corporation makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Corporation considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Corporation recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of revenue.

3.7. Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Corporation becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI") - debt investment; FVOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Corporation changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

3. Significant accounting policies (continued)

3.7. Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets (continued)

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Accordingly, corporations investments in financial assets (i.e. sukuk and wakala) is measured at amortised cost.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Corporation may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income ("OCI"). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Corporation may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

3. Significant accounting policies (continued)

3.7. Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial assets – Subsequent measurement and gains and losses (continued)

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Corporation derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Corporation neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Corporation enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Corporation derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Corporation also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Corporation currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3. Significant accounting policies (continued)

3.8. Impairment

i. Non-derivative financial assets

Financial instruments and contract assets

The Corporation recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets

The Corporation measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Corporation considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Corporation's historical experience and informed credit assessment, that includes forward-looking information.

The Corporation assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Corporation considers a financial asset to be in default when:

- the debtor is unlikely to pay credit obligations to the Corporation in full, without recourse by the Corporation to actions such as realising security (if any are held); or
- the financial asset is more than 180 days past due

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Corporation is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Corporation expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

3. Significant accounting policies (continued)

3.8. Impairment

i. Non-derivative financial assets (continued)

Credit-impaired financial assets

At each reporting date, the Corporation assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 30 days past due;
- the restructuring of a loan or advance by the Corporation on terms that the Corporation would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Corporation has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

ii. Non-financial assets

At each reporting date, the Corporation reviews the carrying amounts of its tangible and intangible 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).

Where it is not possible to estimate the recoverable amount of an individual asset, the Corporation estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where 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 corporation 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 to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a 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.

3. Significant accounting policies (continued)

3.8. Impairment (continued)

ii. Non-financial assets

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 (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (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 (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income, 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.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

Impairment losses are recognised in the profit or loss. Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.9. Provisions

Provisions are recognised when the Corporation has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the obligation. Increases in provisions due to the passage of time are recognised as interest expense.

3.10. New standards and interpretations issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however the Corporation has not early adopted the new or amended standards in preparing these financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Corporation's financial statements:

- Annual Improvements to IFRS Standards 2018-2020
- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

3. Significant accounting policies (continued)

3.10. New standards and interpretations issued but not yet effective (continue)

- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- IFRS 17 Insurance contracts and amendments to IFRS 17 Insurance Contracts
- Sale or contribution of Assets between an Investor and its associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

4. Revenue

	2020 AED	2019 AED
Regular taxis	**791,483,409**	1,439,469,572
Limousine service	**69,689,535**	176,670,664
School bus	**20,404,850**	39,727,602
	881,577,794	1,655,867,838
Timing of revenue recognition		
Services transferred at a point in time	**861,172,944**	1,616,140,236
Services transferred over the period of time	**20,404,850**	39,727,602
Revenue from contracts with customers	**881,577,794**	1,655,867,838

5. Direct operating costs

	2020 AED	2019 AED
Staff costs	**307,495,031**	490,114,855
Fuel cost	**121,659,078**	234,850,686
Depreciation of property and equipment (refer to note 9)	**124,562,983**	140,872,177
Vehicle maintenance	**53,947,515**	83,171,918
Insurance	**50,190,966**	54,942,852
Charges and commission	**38,606,207**	61,387,871
VAT expense	**17,778,766**	25,503,679
Rent expense	**8,693,711**	1,088,000
Depreciation of right of use assets	**3,742,196**	3,731,971
Other operating costs	**7,107,145**	747,521
	733,783,598	1,096,411,530

6. Other income

	2020 AED	2019 AED
Rental income	**9,576,325**	9,550,027
Penalties and fines (refer to note (i) below)	**9,031,309**	13,343,053
Advertising	**6,755,260**	6,496,649
Loss on disposal of property and equipment	**338,921**	(3,024,919)
Others	**8,353,128**	22,485,383
	34,054,943	48,850,193

(i) Penalties and fines majorly include absent penalty and quality check fines levied on drivers for violating quality policies of the corporation.

7. General and administrative expenses

	2020 AED	2019 AED
Staff costs	**46,165,006**	52,218,645
Depreciation of property and equipment (refer to note 9)	**7,865,966**	10,920,694
Maintenance expenses	**8,092,538**	8,938,705
Advertising	**3,569,265**	4,137,647
Professional fees	**2,037,113**	4,168,957
Insurance expenses	**226,271**	237,915
Printing and stationery	**288,707**	525,619
Staff bonus	-	10,149,612
Other expenses	**8,186,960**	9,056,643
	76,431,826	100,354,437

8. Finance income - net

	2020 AED	2019 AED
Finance income:		
Interest income on Sukuk and Wakala deposits	**6,974,659**	6,570,338
Interest income on cash at bank	**290,815**	233,589
	7,265,474	6,803,927
Finance costs:		
Interest expense on lease liabilities	**533,612**	646,212
Bank charges	**242,860**	43,866
	776,472	690,078
Finance income – net	**6,489,002**	6,113,849

9. Property and equipment

	Motor vehicles AED	Equipment AED	Building, prefabricated house & shed* AED	Furniture and fittings AED	Capital work-in-progress AED	Total AED
Cost						
At 1 January 2019	682,016,694	32,991,699	115,272,107	7,013,901	13,353,675	850,648,076
Additions	144,713,647	1,512,915	-	148,400	1,735,153	148,110,115
Disposals	(94,323,101)	-	-	-	-	(94,323,101)
Transfers	-	1,332,680	7,925,799	3,041,738	(12,300,217)	-
At 31 December 2019	732,407,240	35,837,294	123,197,906	10,204,039	2,788,611	904,435,090
At 1 January 2020	732,407,240	35,837,294	123,197,906	10,204,039	2,788,611	904,435,090
Additions	86,660,058	4,111,035	1,490,416	576,971	8,866,549	101,705,029
Disposals	(38,013,291)	-	-	-	-	(38,013,291)
Transfers	687,639			2,807,011	(3,494,650)	-
At 31 December 2020	781,741,646	39,948,329	124,688,322	13,588,021	8,160,510	968,126,828
Accumulated depreciation						
At 1 January 2019	246,977,633	14,923,503	75,815,250	4,805,520	-	342,521,906
Charge for the year	136,331,647	8,207,297	5,679,456	1,574,470	-	151,792,870
On disposals	(70,421,381)	-	-	-	-	(70,421,381)
At 31 December 2019	312,887,899	23,130,800	81,494,706	6,379,990	-	423,893,395
At 1 January 2020	312,887,899	23,130,800	81,494,706	6,379,990	-	423,893,395
Charge for the year	122,047,377	4,724,342	3,656,386	2,000,844	-	132,428,949
On disposals	(26,201,174)	-	-	-	-	(26,201,174)
At 31 December 2020	408,734,102	27,855,142	85,151,092	8,380,834	-	530,121,170
Net book value						
At 31 December 2020	**373,007,544**	**12,093,187**	**39,537,230**	**5,207,187**	**8,160,510**	**438,005,658**
At 31 December 2019	419,519,341	12,706,494	41,703,200	3,824,049	2,788,611	480,541,695

Depreciation charge of AED 124,562,983 (2019: AED 140,872,177) is charged to direct operating cost and AED 7,865,966 (2019: AED 10,920,693) has been charged to general and administrative expenses respectively.

*The land on which the building, prefabricated house and shed is constructed was previously owned by Dubai Taxi Corporation; however in 2008, ownership was transferred to the Parent Company "Roads & Transport Authority" and utilised by the Corporation free of any charges.

10. Intangible assets

	Airport taxi licensed plates AED	Normal taxi licensed plates AED	Total AED
As at 31 December 2020	**36,075,000**	**520,633,240**	**556,708,240**
As at 31 December 2019	36,075,000	520,633,240	556,708,240

These represent license plates purchased from RTA as a consideration for obtaining the rights relating to operation of taxi. These have infinite life, therefore, are not amortised.

11. Impairment testing

License plates with indefinite useful lives have been allocated to various cash-generating units, for the purpose of impairment testing.

Impairment testing is also done at entire taxi and bus fleet that represents individual CGUs respectively.

The recoverable amount of the CGU has been determined based on their value in use calculated using cash flow projections based on the financial budgets and forecasts approved by management.

Details of the CGU are shown below:

	2020 AED	2019 AED
Carrying amount of license plates and motor vehicles	**853,937,349**	896,006,365
Carrying amount of buses	**75,772,724**	80,221,216

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of motor vehicles and license plates.

	2020
Discount rate	**7%**
Growth rate	**18%***
Terminal growth rate for license plates	**1%**

*Management expects to achieve 70% of the pre-Covid19 coronavirus pandemic results in 2021. Thereafter, management has assumed average growth of 18% year on year basis.

Impairment assessment for taxi and bus fleet is based on 4-year cash flows, representing the average remaining useful. For license fleet, five years cash flows were included in the discounted cash flow model and a terminal growth rate thereafter.

Budgeted margins – The basis used to determine the value assigned to the budgeted margin is the average gross margin achieved in the year immediately before the budgeted year, adjusted for expected growth rates.

Discount rates – The Corporation has taken the Weighted Average Cost of Capital (WACC) as the discount rate of 7%. This represent the cost of capital adjusted for the respective location risk factors.

Terminal value growth rate – In management's view, the terminal growth rate is the minimum growth rate expected to be achieved beyond the five-year period. This is based on the overall regional economic growth forecasted and the Corporation's existing internal capacity changes for a given region. Based on the historical trend of growth, the long-term growth of 1% is considered reasonable.

11. Impairment testing (continued)

Sensitivity to changes in assumptions

The calculation of value in use for the CGU is sensitive to future earnings and therefore a sensitivity analysis was performed. A sensitivity analysis demonstrated that a 20% decrease in earnings for a future period of five years from the reporting date would not result in impairment. An increase of 2.5% in discount rate and decrease of 0.5% in terminal value growth rate would not result in impairment.

12. Trade and other receivables

	2020	2019
	AED	AED
Trade receivables	**47,388,745**	32,949,202
Staff receivable	**74,978,964**	55,024,766
Less: allowance for impairment (refer to note 22(a))	**(60,695,173)**	(44,694,845)
	61,672,536	43,279,123
Prepaid expenses	**9,008,664**	2,077,360
Advance to suppliers and other receivables	**9,978,790**	12,221,124
	80,659,990	57,577,607

13. Investments in financial assets

	2020	2019
	AED	AED
Non-current		
Sukuk and Wakala	**73,519,784**	73,551,017
Less: Loss allowance (refer to note 22(a))	**(372,525)**	(201,729)
	73,147,259	73,349,288
Current		
Sukuk and Wakala	**97,669,208**	119,839,600
Less: Loss allowance (refer to note 22(a))	**(159,300)**	(328,684)
	97,509,908	119,510,916

These are investments in listed corporate. The corporate bonds are held by the Corporation 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. Hence the corporate bonds are classified as at amortized cost. The interest from these investments are ranging between 3% - 5% with a maturity period within 1 - 5 years.

14. Right-of-use assets

	2020 AED	2019 AED
Cost		
At 1 January	**17,105,720**	17,105,720
Amortisation		
At 1 January	**3,731,971**	-
Charge for the year	**3,742,196**	3,731,971
At 31 December	**7,474,167**	3,731,971
Net book value at 31 December	**9,631,553**	13,373,749

	2020 AED	2019 AED
Amount recognised in consolidated statement of profit or loss		
Depreciation of right-of-use assets	**3,742,196**	3,731,971
Interest on lease liabilities (included in finance cost)	**533,612**	646,212
Amount recognised in consolidated statement of cash flows		
Lease payments made during the year (included under financing activities)	**3,681,851**	3,068,208

15. Cash and bank balances

	2020 AED	2019 AED
Cash in hand	**130,857**	509,127
Cash at banks	**85,811,503**	210,488,764
	85,942,360	210,997,891
Less: loss allowance (refer to note 22(a))	**(17,489)**	(64,408)
	85,924,871	210,933,483

16. Share Capital

	2020 AED	2019 AED
Authorised capital in accordance with Law No. (5) of 1994 Paid-up by the Government of Dubai	**200,000,000**	200,000,000

Law No. 20 of 2007, which relates to the formation of Dubai Taxi Corporation, does not specify the number of shares and the value of each share of the capital. In the prior year, the Corporation have issued shares amounting to AED 100 million to Road Transport Authority (Government of Dubai), these shares are paid in cash.

17. Statutory and general reserves

In accordance with the provisions of Law No. 20 of 2007 decreed by H.H. the Ruler of Dubai, 10% of the yearly net profit of the Corporation will be transferred to statutory and general reserve each year until each reserve reaches a maximum of 50% of the paid-up capital.

18. Employees' end of service benefits

	2020 AED	2019 AED
As at 1 January	**22,811,549**	24,030,443
Charge for the year	**4,538,189**	2,859,334
Paid during the year	**(3,536,270)**	(4,078,228)
As at 31 December	**23,813,468**	22,811,549

In addition to the above, the Corporation contributes 15% of the 'contribution calculation salary' in case of those employees who are UAE nationals. These employees are also required to contribute 5% of the 'contribution calculation salary' to the scheme. The Corporation's contribution is recognised as an expense in the statement of profit or loss as incurred.

19. Trade and other payables

	2020 AED	2019 AED
Trade payables	**173,168,612**	169,847,961
Staff Payable	**67,747,777**	57,520,042
Accrued expenses	**18,185,933**	15,402,593
Leave Salary Provision	**25,687,937**	22,060,679
Other payables	**21,340,068**	17,713,301
As at 31 December	**306,130,327**	282,544,576

Information about Corporation's exposure to liquidity risk is included in note 22(b).

20. Lease liability

	2020 AED	2019 AED
As at 1 January	**15,148,005**	17,570,001
Interest expense	**533,612**	646,212
Payments made to lessor	**(3,681,851)**	(3,068,208)
As at 31 December	**11,999,766**	15,148,005
Non-current portion	**7,581,547**	11,466,155
Current portion	**4,418,219**	3,681,850
	11,999,766	15,148,005

21. Related party transactions and balances

The Corporation enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24 *Related Parties Disclosure*. Related parties comprise companies under common ownership and/or common management control and key management personnel. The management decides on the terms and conditions of transactions and of services received/rendered from/to related parties as well as other charges.

During the year, the Corporation entered into the following significant transactions with related parties in the ordinary course of business, carried out on terms and conditions, agreed between the parties:

	2020	2019
	AED	AED
Corporation under common control:		
Plate and license fees (refer to note (i) below)	**221,174,523**	307,335,863
Salik charges	**31,846,448**	65,528,388
Traffic fine	**10,201,795**	15,463,020
Rent income	**7,200,000**	7,200,000

(i) Plate and license fees pertains to the monthly amount charged by RTA (ranging between AED 1,200 to AED 5,000 per taxi) depending upon the nature of operating taxi.

Compensation of key management personnel

The remuneration of directors and other members of key management during the year were as follows:

	2020	2019
	AED	AED
Remuneration and other benefits	**7,524,721**	7,821,940

Related party balances include the following:

	2020	2019
	AED	AED
Due from a related party		
Due from an agency of the Parent		
Public Transport Agency	**203,400**	203,400
Less: allowance for doubtful debts	**(203,400)**	(203,400)
	-	-

	2020	2019
	AED	AED
Due to a related party		
Parent Company:		
Roads & Transport Authority*	**662,028,480**	854,280,812

* These balances are unsecured and interest free and are repayable on demand.

22. Financial risk management

Overview

The Corporation has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

This note presents information about the Corporation's exposure to each of the above risks, the Corporation's objectives, policies and processes for measuring and managing risk, and the Corporation's management of capital. Furthermore, quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility and oversight for the Corporation's risk management framework and monitoring the Corporation's risk management policies. The Corporation's risk management policies are established to identify and analyse the risks faced by the Corporation, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions. The Corporation, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations. The Corporation's risk management strategy has not changed due to the COVID-19 coronavirus pandemic.

(a) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Corporation's trade and other receivables, amounts due from related parties, investment in financial assets and cash at banks.In order to minimise credit risk, the management has developed and maintained a credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the management uses other publicly available financial information and the Corporation's own trading records to rate its major customers and other debtors. The Corporation's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. In response to COVID-19 pandemic, the management has also been performing more frequent reviews of long term receivables and has accordingly decided to write off trade receivables due over 365 days.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2020	2019
	AED	AED
Trade and other receivables (excluding prepayments and advances)	**61,672,536**	43,279,123
Cash at banks	**85,794,014**	210,424,255
Investments in financial assets	**170,657,167**	192,860,204
	318,123,717	446,563,582

22. Financial risk management (continued)

(a) Credit risk (continued)

Trade and other receivables

The Corporation's revenue generated through its fleet of taxies is cash revenue. Trade receivables represent mainly receivables from staff, school bus revenues, advertising revenue and claims from insurance companies.

The Corporation always measures the loss allowance for trade and staff receivables at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on trade and staff receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Corporation has recognised a loss allowance of 100% against all trade and staff receivables over 365 days past due because historical experience has indicated that these receivables are generally not recoverable.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Corporation writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

The following table details the risk profile of trade receivables based on the Corporation's provision matrix. As the Corporation's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Corporation's different customer base.

	2020			2019		
	ECL	**Gross carrying amount at default**	**Life time ECL**	ECL	Gross carrying amount at default	Lifetime ECL
	%	**AED**	**AED**	%	AED	AED
Current	**15%**	**2,387,192**	**360,412**	-	-	-
0 to 30	**27%**	**1,465,080**	**401,793**	16%	13,310,300	2,166,404
31 to 60	**53%**	**4,018,558**	**2,120,383**	17%	3,444,697	598,977
61 to 90	**26%**	**1,614,464**	**422,094**	16%	1,486,945	242,064
91 to 180	**64%**	**3,727,624**	**2,371,529**	40%	6,395,784	2,547,032
181 to 365	**75%**	**11,579,296**	**8,687,739**	87%	2,311,119	2,007,089
Above 365	**92%**	**22,596,531**	**20,849,423**	100%	6,000,357	6,000,357
		47,388,745	**35,213,373**		32,949,202	13,561,923

22. Financial risk management (continued)

(a) Credit risk (continued)

Trade and other receivables (continued)

The following table shows the movement in lifetime ECL that has been recognised for trade and other receivables in accordance with the simplified approach set out in IFRS 9.

	2020	2019
	AED	AED
As at 1 January	**44,694,845**	31,208,693
Impairment allowance for the year*	**36,197,378**	13,486,152
Write off	**(20,197,050)**	-
As at 31 December	**60,695,173**	44,694,845

* This includes provision for the staff receivables in relation to terminated and active employees. During the year Corporation has provided for AED 14,342,556. This is in line with Corporation's policy of providing 100% allowance for receivables from terminated employees and ECL model for active employees.

Cash at banks

The Corporation limits its exposure to credit risk by placing balances with local banks. Given the profile of its bankers, management does not expect any counter party to fail to meet its obligations. The bank balances are held with banks of repute, all of which are rated A3 to Baa1, based on ratings published by Moody's Investors Service.

Impairment of cash at banks has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Corporation considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, management of the Corporation estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL.

Details of provision for impairment as per IFRS 9 are as follows:

	2020	2019
	AED	AED
As at 1 January	**64,408**	60,242
Impairment allowance for the year	**-**	4,166
Reversal of allowance during the year	**(46,919)**	-
As at 31 December	**17,489**	64,408

22. Financial risk management (continued)

(a) Credit risk (continued)

Investment in financial assets

For the purposes of impairment assessment, the Sukuk and Wakala are considered to have low credit risk as the counterparties to these investments have a minimum B- credit rating. Accordingly, for the purpose of impairment assessment for these financial assets, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the expected credit losses for these assets, the management of the Corporation have taken into account the historical default experience, the financial position of the counterparties, as well as the future prospects of the industries in which the issuers operate obtained from economic expert reports, financial analyst reports and considering various external sources of actual and forecast economic information, as appropriate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

Details of provision for impairment as per IFRS 9 are as follows:

	2020	2019
	AED	AED
As at 1 January	**530,413**	133,310
Impairment allowance for the year	**1,412**	397,103
As at 31 December	**531,825**	530,413

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. Ultimate responsibility for liquidity risk management rests with the board of directors, which has built a liquidity risk management framework for the management of the Corporation's short, medium and long-term funding and liquidity management requirements. The Corporation manages liquidity risk by maintaining reserves and by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. COVID19 has not impacted the Group's ability to maintain the normal payment cycle.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

22. Financial risk management (continued)

(b) Liquidity risk

	Carrying value AED	Contractual cash flows AED	Less than 1 year AED
At 31 December 2020			
Non-derivative financial liabilities:			
Due to a related party	**662,028,480**	**(662,028,480)**	**(662,028,480)**
Trade and other payables	**306,130,327**	**(306,130,327)**	**(306,130,327)**
	968,158,807	**(968,158,807)**	**(1,936,317,614)**
At 31 December 2019			
Non-derivative financial liabilities:			
Due to a related party	854,280,812	(854,280,812)	(854,280812)
Trade and other payables	282,544,576	(282,544,576)	(282,544,576)
	1,136,825,388	(1,136,825,388)	(1,136,825,388)

As at 31 December 2020 and 31 December 2019, there were no derivative financial instruments carried by the Corporation. Further, the Corporation has no undrawn borrowing facilities as of 31 December 2020 and 2019.

(c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Corporation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. There has been no change to the Corporation's exposure to market risks or the manner in which it manages and measures the risk

Currency risk

The Corporation does not have any significant foreign currency exposure, as majority of its transactions are denominated in AED.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Corporation is exposed to interest rate risk in respect of its fixed deposits.

22. Financial risk management (continued)

(c) Market risk (continued)

Interest rate risk (continued)

At the reporting date, the interest rate profile of the Corporation's interest bearing financial instruments is:

	2020	2019
	AED	AED
Fixed rate instruments		
Financial asset		
Sukuk and Wakala deposits (refer to note 13)	**170,657,167**	192,860,204

Sensitivity analysis for fixed rate instruments

Since the interest rate on these financial investments is fixed, any change in the interest rate will not have any impact on the profit or loss of the Company.

(d) Capital management

The Corporation's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to the shareholders. The Corporation manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

(e) Fair value hierarchy

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At 31 December 2020 and 31 December 2019, there are no financial assets and liabilities measured at fair value.

23. Commitments and contingent liabilities

(a) Capital commitments

The Corporation's capital commitments at the reporting date amounted to AED 77,855,915 (2019: AED 1,814,000).

24. Significant accounting estimates and judgements

In the application of the Corporation's accounting policies, which are described in Note 3 to these financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The significant judgements and estimates made by management, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

Key judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Corporation's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

Key sources of estimation

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment losses on property and equipment

The Corporation reviews its property and equipment to assess, if there is an indication of impairment. In determining whether impairment losses should be reported in the income statement, the Corporation makes judgments as to whether there is any observable data indicating that there is a reduction in the carrying value of property and equipment. Accordingly, an allowance for impairment is made where there is an identified loss, event or condition which, based on previous experience, is evidence of a reduction in the carrying value of property and equipment.

Useful lives of property and equipment

The Corporation's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Impairment of intangible assets

The Corporation's management tests annually whether there is an indication that intangible assets have suffered impairment in accordance with accounting policies stated in note 3. The recoverable amount of an asset is determined based on value-in-use method. This method uses estimated cash flow projections over the estimated useful life of the asset discounted using market rates.

Management performs impairment testing on an annual basis by estimating expected future cash flows and discount rates for calculating present value of such cash flows used to compute value-in-use.

24. Significant accounting estimates and judgements (continued)

Key sources of estimation (continued)

Impairment of trade and other receivables

The Corporation reviews its receivables to assess impairment at least on an annual basis. The Corporation's credit risk is primarily attributable to its trade receivables. In determining whether impairment losses should be recognised in profit and loss, the Corporation makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for impairment is made in accordance with the 'expected credit loss' (ECL) model. This requires considerable judgement about how the changes in economic factors affect ECLs, which are determined on a probability-weighted basis.

Such estimations are based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results

25. Comparative figures

Certain comparative figures have been regrouped/reclassified, wherever necessary, to conform to the presentation adopted in these financial statements to ensure more appropriate presentation which is consistent with best practice within the Corporation. Such reclassifications do not affect previously reported results.

Annex 2 – Articles of Association

قرار المجلس التنفيذي رقم (٩٣) لسنة ٢٠٢٣
باعتماد
النِّظام الأساسي لشركة تاكسي دبي (ش.م.ع)

نحن حمدان بن محمد بن راشد آل مكتوم ولي عهد دبي رئيس المجلس التنفيذي

بعد الاطلاع على القانون الاتحادي رقم (٤) لسنة ٢٠٠٠ بشأن هيئة وسُوق الإمارات للأوراق الماليّة والسِّلع وتعديلاته،
وعلى المرسوم بقانون اتحادي رقم (٣٢) لسنة ٢٠٢١ بشأن الشّركات التجاريّة،
وعلى قرار مجلس الوزراء رقم (١٢) لسنة ٢٠٠٠ بشأن النِّظام الخاص بإدراج الأوراق الماليّة والسِّلع وتعديلاته،
وعلى القانون رقم (٣) لسنة ٢٠٠٣ بشأن إنشاء مجلس تنفيذي لإمارة دبي،
وعلى القانون رقم (١٧) لسنة ٢٠٠٥ بإنشاء هيئة الطُّرق والمُواصلات وتعديلاته،
وعلى القانون رقم (٢١) لسنة ٢٠٢٣ بشأن شركة تاكسي دبي،
وعلى المرسوم رقم (٣) لسنة ٢٠٢١ بشأن إدراج أسهُم الشّركات المُساهِمة بأسواق الأوراق الماليّة في إمارة دبي،
وعلى القرار رقم (٣) لسنة ٢٠٢٢ بشأن تمثيل حُكومة دبي في الشّركات المملوكة لها،
وعلى قرار المجلس التنفيذي رقم (٩٢) لسنة ٢٠٢٣ بتشكيل مجلس إدارة شركة تاكسي دبي (ش.م.ع)،

قررنا ما يلي:

اعتماد النِّظام الأساسي
المادة (١)

يُعتمد بمُوجب هذا القرار **"النِّظام الأساسي لشركة تاكسي دبي (ش.م.ع)"** المُلحق، بما يتضمّنُه من قواعد وأحكام.

السّريان والنّشر
المادة (٢)

يُعمل بهذا القرار من تاريخ صُدوره، ويُنشر في الجريدة الرسميّة.

حمدان بن محمد بن راشد آل مكتوم
ولي عهد دبي
رئيس المجلس التنفيذي

صدر في دبي بتاريخ: ٠٩ نوفمبر ٢٠٢٣
الموافـــــــــق: ٢٥ ربيع الآخر ١٤٤٥هـ

النِّظام الأساسي
لشركة تاكسي دبي (ش.م.ع)

المُقدِّمة:

بعد الاطلاع على القانون رقم (٢١) لسنة ٢٠٢٣ بشأن شركة تاكسي دبي، باعتبارها شركة مُساهِمة عامّة، مملوكة لحُكومة دبي، تتمتّع بالشخصيّة الاعتباريّة، المستقلة مالياً وإدارياً، والأهليّة القانونيّة اللازمة لمُمارسة أنشِطتها وتحقيق أغراضها، المنصوص عليها في ذلك القانون، وهذا النِّظام،
وعلى قرار رئيس مجلس إدارة هيئة الأوراق الماليّة والسِّلع رقم (٣/ر.م) لسنة ٢٠٢٠ بشأن اعتماد دليل حوْكمة الشّركات المُساهِمة العامّة وتعديلاته،

نُصدر النِّظام الأساسي لشركة تاكسي دبي (ش.م.ع)، وذلك على النّحو التالي:

التعريفات
المادة (١)

تكون للكلمات والعبارات التالية، حيثُما وردت في هذا النِّظام، المعاني المُبيّنة إزاء كُلٍّ منها، ما لم يدل سياق النّص على غير ذلك:

الدّولة	:	دولة الإمارات العربيّة المُتّحِدَة.
الإمارة	:	إمارة دبي.
الحُكومة	:	حُكومة دبي.
القانون	:	القانون رقم (٢١) لسنة ٢٠٢٣ بشأن شركة تاكسي دبي.
الهيئة	:	هيئة الأوراق الماليّة والسِّلع.
المجلس التنفيذي	:	المجلس التنفيذي للإمارة.
السُّلطة المُختصّة	:	السُّلطة المعنيّة بترخيص الأنشِطة الاقتصاديّة في الإمارة.
المُؤسِّس	:	الحُكومة، بوصفها المالك الوحيد للشّركة، قبل طرح أسهمها للاكتتاب العام.
السّوق المالي	:	أي من الأسواق الماليّة التي يتم إدراج أسهُم الشّركة فيها.
قانون الشّركات	:	المرسوم بقانون اتحادي رقم (٣٢) لسنة ٢٠٢١ بشأن الشّركات التجاريّة، أو أي تشريع آخر يحل محله.
المُساهِم الحُكومي	:	دائرة الماليّة، بوصفها الجهة الحُكوميّة التي تُمثِّل ملكيّة الحُكومة في الشّركة.
المُساهِم	:	الشّخص الطبيعي أو الاعتباري المالِك لأي من أسهُم الشّركة، في حال بيع المؤسس نسبة من أسهمه وطرحها في اكتتاب عام.
الشّركة	:	شركة تاكسي دبي (ش.م.ع).
قواعد الحوْكمة	:	مجموعة الضّوابط والإجراءات الصّادرة عن الهيئة، التي تُحقِّق الانضباط المُؤسّسي في جميع شُؤون الشّركة، بما في ذلك مسؤوليّات وواجبات الرّئيس والأعضاء والإدارة التنفيذيّة، وحُقوق المُساهِمين.
الشّركة التّابعة	:	أي مُؤسّسة أو شركة تمتلِك الشّركة أغلبيّة أسهُمِها بشكل مُباشِر أو غير مُباشِر.
القرار الخاص	:	القرار الصّادر بأغلبيّة أصوات المُساهِمين الذين يملِكون ثلاثة أرباع الأسهُم المُمَثّلة في الجمعيّة العُموميّة على الأقل.

الجمعية العمومية	:	الجمعية العمومية للشركة، وفيها يعقد المساهمون في الشركة اجتماعاً، يتم تحديد أجندته ومكانه وموعده وكيفية الدعوة إليه وفقاً لما هو منصوص عليه في هذا النظام وقانون الشركات والقرارات الصادرة بموجبه.
مجلس الإدارة	:	مجلس إدارة الشّركة.
الرّئيس	:	رئيس مجلس الإدارة.
العُضو	:	عُضو مجلس الإدارة.
الرّئيس التنفيذي	:	الرّئيس التنفيذي للشّركة.
الإدارة التنفيذيّة	:	الإدارة التنفيذيّة للشّركة، التي تتكوّن من الرّئيس التنفيذي ومُساعِديه والإداريين والماليين والفنّيين العامِلين في الشّركة.
المُقرِّر	:	مُقرِّر مجلس الإدارة أو أي من اللجان التّابعة له.
مُدقِّق الحِسابات	:	مُدقِّق حِسابات الشّركة المُعيّن من الجمعيّة العُموميّة.
التّصويت التّراكُمي	:	عمليّة التصويت التي يكون فيها لِكُل مُساهِم عدد من الأصوات يُساوي عدد الأسهُم التي يملكها، بحيث يقوم بالتصويت بها لمُرشّح واحد لعُضويّة مجلس الإدارة أو توزيعها بين من يختارُهم من المُرشّحين، على ألا يتجاوز عدد الأصوات التي يمنحها للمُرشّحين الذين اختارهُم عدد الأصوات التي بحوزتِه.
قواعد الإدراج	:	قواعد ومُتطلّبات الإدراج الواردة في قانون الشّركات والقرارات الصّادرة بمُوجبه، وكذلك القرارات الصّادرة عن الهيئة، وما هو معمول به لدى السّوق المالي.
الطّرف ذو العلاقة	:	أي شخص أو جهة أو كيان يتم تحديدُه من الهيئة كطرف ذي علاقة، وفقاً للقرارات الصّادرة عنها في هذا الشأن.

الباب الأوّل
أحكام عامّة

اسم الشّركة
المادة (٢)

يكون اسم الشّركة **"شركة تاكسي دبي (ش.م.ع)"**.

مقر الشّركة
المادة (٣)

يكون مقر الشّركة في الإمارة، ويجوز لمجلس الإدارة أن يُنشِئ فُروعاً ومكاتب لها داخل الدولة وخارجها.

مُدّة الشّركة
المادة (٤)

مُدّة الشركة (٩٩) تِسعٌ وتِسعون سنة ميلاديّة، قابلة للتمديد تلقائيّاً لمُدَد مُماثِلة، ما لم تُقرِّر الجمعيّة العُموميّة بمُوجب القرار الخاص حل الشّركة قبل انتهاء تلك المُدّة أو تعديلها.

أغراض الشّركة واختصاصاتها
المادة (٥)

أ- بالإضافة إلى أغراض الشركة المقررة لها بموجب القانون، تكون أغراض الشّركة على النّحو التالي:
١- القيام بأعمال الإنقاذ على الطرق وقطر المركبات العائدة لها.
٢- ممارسة نشاط بيع الإطارات والبطاريات.
٣- ممارسة نشاط تعليم قيادة المركبات وفحص السائقين.
٤- الاستثمار في مجال توكيلات المركبات وقطع الغيار والمزادات على المركبات.
٥- أي أعمال أو أنشِطة أخرى تتعلّق بتحقيق أغراضها، ولا تتعارض مع أحكام القانون وقانون الشّركات والقرارات الصّادرة بمُوجبِهما وهذا النِّظام والتشريعات السّارية في الإمارة.

ب- لغايات تحقيق الأغراض المُشار إليها في الفقرة (أ) من هذه المادة، يكون للشّركة مزاولة الاختصاصات المقررة لها في القانون، بالإضافة إلى أي أعمال أو أنشِطة أخرى تتعلّق بتحقيق أغراضها، ولا تتعارض مع أحكام القانون وقانون الشّركات والقرارات الصّادرة بمُوجبِهما وهذا النِّظام والتشريعات السّارية في الإمارة.

الباب الثّاني
رأس مال الشّركة

تحديد رأس المال والأسهُم
المادة (٦)

أ- يُحدّد رأسمال الشّركة المُصدر بمبلغ (١٠٠,٠٠٠,٠٠٠) مئة مليون درهم، مُقسّم إلى (٢,٥٠٠,٠٠٠,٠٠٠) مليارين وخمسُمِئة مليون سهم، وتكون القيمة الاسميّة لِكُل سهم (٤) فلس.

ب- تكون جميع أسهُم الشّركة اسميّة ومُتساوية في الفئة والحُقوق التي تمنحها من جميع الجوانب، ما لم تُقرّر الجمعيّة العُموميّة بمُوجب القرار الخاص إصدار فئات مُختلِفة من الأسهُم.

ملكيّة الحُكومة
المادة (٧)

يجب ألا تقِل نسبة ملكيّة الحُكومة في الشّركة بأي حالٍ من الأحوال عن (٦٠٪) ستين بالمئة من رأسمال الشّركة.

الطّرح للاكتتاب العام
المادة (٨)

مع مُراعاة حُكم المادة (٧) من هذا النِّظام، يتم طرح أسهُم الشّركة للاكتتاب العام، وفق النِّسب التي يُحدِّدها المجلس التنفيذي في هذا الشأن.

دفع القيمة الاسميّة للأسهُم
المادة (٩)

تُدفع ما نِسبتُه (١٠٠٪) مئة بالمئة من كامل القيمة الاسميّة للأسهُم عند الاكتتاب.

تحمُّل أو زيادة الالتزامات
المادة (١٠)

لا يتحمّل المُساهِمون أي التزامات تُطلب من الشّركة أو أي خسائِر تلحق بها، إلا في حدود المبلغ غير المدفوع عمّا يملِكونه من أسهُم، ولا يجوز زيادة التزامات المُساهِمين في الشّركة على هذا القدر إلا بمُوافقتِهم الجماعيّة.

آثار تملُّك أسهُم الشّركة
المادة (١١)

يترتّب على ملكيّة السّهم، قبول المُساهِم بالنِّظام الأساسي للشّركة وقرارات الجمعيّة العُموميّة، ولا يجوز للمُساهِم أن يطلُب استرداد ما دفعه للشّركة كحِصّة في رأس المال.

تجزئة ملكيّة السهم
المادة (١٢)

لا يجوز تجزئة ملكيّة السّهم، ويترتّب على ذلك عدم جواز أن يملك السّهم الواحد أكثر من شخص.

حُقوق المُساهِم
المادة (١٣)

كُل سهم يُخوِّل مالكه الحق في حِصّة مُعادِلة لحصّة غيره دون تمييز، ويكون للمُساهِم الحق فيما يلي:

١- ملكيّة موجودات الشّركة عند تصفِيتها، بما يُعادِل قيمة الأسهُم التي يملِكها.
٢- أرباح الشّركة، بما يُعادِل قيمة الأسهُم التي يملِكها.
٣- حُضور الجمعيّة العُموميّة.
٤- التصويت على قرارات الجمعيّة العُموميّة.

إدراج الأسهُم والتصرُّف فيها
المادة (١٤)

أ- تقوم الشّركة بإدراج أسهُمِها في أي من الأسواق الماليّة المُرخّصة في الإمارة، ويجوز لمجلس الإدارة إدراج أسهُم الشّركة في الأسواق الماليّة الموجودة خارج الإمارة أو خارج الدّولة، على أن يتم الالتزام في كُل ما يتعلّق بإصدار وتسجيل أسهُم الشّركة وتداولها ونقل ملكيّتها وترتيب الحُقوق عليها، بالقواعد المنصوص عليها في قانون الشّركات والقانون الاتحادي رقم (٤) لسنة ٢٠٠٠ وقرار مجلس الوزراء رقم (١٢) لسنة ٢٠٠٠ المُشار إليهما والقرارات الصّادرة بمُوجبِها وهذا النِّظام، وما هو معمول به لدى السّوق المالي المعني والتشريعات السّارية في الإمارة.

ب- يجوز التصرُّف بأسهُم الشّركة، سواءً ببيعِها أو التنازُل عنها أو رهنها أو غير ذلك من التصرُّفات القانونيّة الأخرى، وذلك بما يتّفق مع أحكام هذا النِّظام، على أن يتم تسجيل تلك التصرُّفات في سجل خاص يتم إنشاؤه لدى الشّركة، يُسمّى **"سجل الأسهُم"**، وعند إدراج أسهُم الشّركة في السّوق المالي، يتم تسجيل جميع التصرُّفات التي تتِم على هذه الأسهُم، بما في ذلك المقاصّة والتسويات، وفقاً للقواعد المعمول بها لدى السّوق المالي.

ج- في حال وفاة المُساهِم، يكون ورثته أو المُوصى له، هو الشّخص الوحيد الذي له الحق في أسهُم المُتوفّى، وفي الأرباح والامتيازات الأخرى التي كان للمُتوفّى حقٌّ فيها، كما يكون له بعد تسجيله في الشّركة وفقاً لأحكام هذا النِّظام، حُقوق المساهم، التي كان يتمتّع بها المُتوفّى فيما يخُص تلك الأسهُم، ولا تُعفى تركة المُساهِم المُتوفّى من أيّ التزام تجاه الشّركة أو غيرها فيما يتعلّق بأي سهم كان يملِكُه وقت الوفاة.

د- يجب على أي شخص يُصبح له الحق في أي أسهُم في الشّركة نتيجة وفاة أو تصفِية أو إفلاس أي مساهم أو صُدور حجز قضائي لصالِحه من المحكمة المُختصّة، أن يقوم خلال (٣٠) ثلاثين يوماً بما يلي:

١- تقديم بيّنة خطّية على حقّه في الأسهُم إلى الشّركة.

٢- أن يختار التسجيل كمُساهِم، أو أن يُسمّي شخصاً آخر ليتم تسجيله كمُساهِم فيما يتعلّق بالسّهم الذي آل إليه بالإرث أو التصفِية أو الإفلاس أو الحجز القضائي، وذلك وفقاً لأحكام قانون الشّركات والقرارات الصّادرة بمُوجبه.

النِّظام الإلكتروني للأسهُم
المادة (١٥)

تُنشِئ الشّركة، عند إتمام إدراج أسهُمِها في السّوق المالي، وبدلاً عن سجل الأسهُم ونظام نقل الملكيّة المعمول بهما لديها قبل الإدراج، نظاماً إلكترونياً لتسجيل الأسهُم ونقل ملكيّتها، بما يتوافق مع النِّظام المعمول به في السّوق المالي، وتُعتبر البيانات الواردة في النِّظام الإلكتروني نهائيّة ومُلزِمة، لا يجوز الطّعن فيها أو طلب نقلها أو تغييرها إلا بمُقتضى التشريعات والأنظِمة والإجراءات المعمول بها لدى السّوق المالي.

الحجز على مُمتلكات الشّركة
المادة (١٦)

لا يجوز لورثة المُساهِم أو لغيرهم من خلفِه أو دائِنيه بأي حالٍ من الأحوال، أن يطلُبوا الحجز على مُمتلكات الشّركة أو قِسمتها أو بيعِها، أو أن يتدخّلوا بأيّ طريقةٍ كانت في إدارتها، ويجب عليهم للاستفادة من حُقوقهم الاستناد إلى قوائم جرْد الشّركة وحساباتها الختاميّة عن آخر سنة ماليّة للشّركة، وعلى القرارات الصّادرة عن الجمعيّة العُموميّة في هذا الشأن.

الأرباح المُستحقّة عن السّهم
المادة (١٧)

تقوم الشّركة بدفع حِصَص الأرباح المُستحقّة عن كُل سهم للمالك الأخير الذي قُيِّد اسمُه في سجل الأسهُم بالشّركة، وذلك في التاريخ الذي تُحدِّدُه الجمعيّة العُموميّة لدفع الأرباح، ويكون لهذا المالك أو وكيله الخاص أو مُمثِّله القانوني الحق في استلام المبالغ المُستحقّة عن ذلك السّهم، سواءً كانت حِصَصاً في الأرباح، أو نصيباً في موجودات الشّركة في حال تصفِيتها.

زيادة وتخفيض رأسمال الشّركة
المادة (١٨)

أ- مع مُراعاة أحكام قانون الشّركات والقرارات الصّادرة بمُوجبِه، وبعد الحُصول على مُوافقة الهيئة، يجوز زيادة رأسمال الشّركة بإصدار أسهُم جديدة بذات القيمة الاسميّة للأسهُم الأصليّة، أو بإضافة علاوة إصدار إلى القيمة الاسميّة، أو منح خصم إصدار على القيمة الاسمية للسهم، كما يجوز تخفيض رأسمال الشّركة بعد الحُصول على مُوافقة الهيئة، وفقاً لما هو منصوص عليه في قانون الشّركات والقرارات الصّادرة بمُوجبِه.

ب- يجب أن تتم أي زيادة في رأسمال الشّركة أو تخفيضِه بمُوجب القرار الخاص، بناءً على اقتراح مجلس الإدارة، وذلك بعد الاطلاع على تقرير مُدقِّق الحِسابات، على أن يتم في حالة زيادة رأس المال، تحديد مقدار الزّيادة وسعر إصدار الأسهُم الجديدة، وأن يتم في حالة تخفيض رأس المال تحديد مقدار التخفيض وكيفيّة تنفيذه.

ج- مع مراعاة أحكام قانون الشّركات، وبعد الحُصول على مُوافقة الهيئة وصُدور قرار عن الجمعيّة العُموميّة، يجوز زيادة رأسمال الشّركة دون تطبيق حُقوق الأولويّة للمُساهِمين القائِمين فيها، في أي من الحالات التّالية:

١- إدخال مُساهِم إستراتيجي في الشّركة.
٢- تحويل ديون الشّركة إلى رأسمال.
٣- تحويل السّندات أو الصُّكوك الصّادرة عن الشّركة إلى أسهُم.
٤- الاستحواذ على شركة قائمة وإصدار أسهُم جديدة في الشّركة لصالح الشُّركاء أو المُساهِمين في الشّركة المُستحوَذ عليها.

الباب الثّالث
سندات القرض والصُّكوك

إصدار السّندات والصُّكوك
المادة (١٩)

أ- مع مُراعاة أحكام قانون الشّركات والقرارات الصّادرة بمُوجبِه، يجوز للجمعيّة العُموميّة، بناءً على توصِية مجلس الإدارة، أن تُقرِّر بمُوجب القرار الخاص إصدار أي نوع من سندات القرض، أو الصُّكوك الإسلاميّة، أو أي سندات ماليّة أخرى بقِيَم مُتساوية لِكُل إصدار، سواءً كانت قابِلة للتداول أو التحويل إلى أسهُم في الشّركة من عدمه، على أن يُبيِّن القرار الخاص قيمة هذه السّندات والصُّكوك والسّندات الماليّة الأخرى وشُروط إصدارها، ومدى قابليّتها للتداول أو التحويل إلى أسهُم، ويجوز للجمعيّة العُموميّة أن تُفوّض مجلس الإدارة صلاحيّة تحديد موعد إصدار تلك السّندات والصُّكوك، وفقاً لما هو مُعتمد لدى الهيئة في هذا الشأن.

ب- أي سند أو صك تُصدِرُه الشّركة يبقى اسمياً، وذلك إلى حين اكتمال سداد قيمته، ولا يجوز إصدار السّندات أو الصُّكوك لحامِلها، ويُمنح أصحاب السّندات أو الصُّكوك التي تَصدُر بمُناسبة قرض واحد حُقوقاً مُتساوية، ويقع باطِلاً كُل شرط يُخالِف ذلك.

الباب الرابع
مجلس الإدارة

تعيين وانتخاب مجلس الإدارة
المادة (٢٠)

أ- مع مُراعاة أحكام المادة (١٢) من القانون، يتولّى إدارة الشّركة مجلس إدارة، يتألّف من الرّئيس ونائب الرّئيس وعدد من الأعضاء من ذوي الخِبرة والاختصاص، لا يقِل عددُهم عن (٧) سبعة أعضاء، بمن فيهم الرئيس ونائب الرئيس، يتم تعيينهم أو انتخابهم من الجمعيّة العُموميّة بالتصويت السِّري التّراكُمي.

ب- يتم تعيين أو انتخاب مجلس الإدارة بما يتّفق مع حُقوق ملكيّة الأسهُم في الشّركة، وذلك على النّحو التالي:

١- يحق للمُساهِم الحُكومي تعيين عدد من الأعضاء في مجلس الإدارة يُعادِل حصّته في رأسمال الشّركة.

٢- يتم انتخاب الأعضاء من غير المُساهِم الحُكومي عن طريق التصويت السِّري التّراكُمي، وفقاً لقانون الشّركات والقرارات الصّادرة بمُوجبه، كما يجوز أن يكون الأعضاء من غير المُساهِمين.

٣- تلتزم الشّركة بقواعد الحوْكمة بشأن الترشُّح لعُضويّة مجلس الإدارة، ويجب على المُرشّح لعُضويّة مجلس الإدارة أن يُقدِّم الوثائق والبيانات التالية:

أ. السّيرة الذاتيّة، مُوضّحاً فيها المُؤهّلات العلميّة والخبرات العمليّة، مع تحديد صِفة العُضويّة التي سيترشّح لها.

ب. إقرار كتابي بالتزامِه بأحكام القانون وقانون الشّركات والقرارات الصّادرة بمُوجبهما وهذا النِّظام، وأنّه سوف يبذُل عناية الشّخص الحريص طيلة فترة عُضويّته في مجلس الإدارة.

ج. كشف بأسماء الشّركات والمُؤسّسات التي يُزاول العمل فيها وقت الترشُّح، أو يشغل عُضويّة مجالس إداراتها، وأيّ عمل يقوم به بصُورة مُباشِرة أو غير مُباشِرة، قد يُشكِّل مُنافسة للشّركة.

د. في حال كان المُرشّح للعُضويّة في مجلس الإدارة شخصاً اعتبارياً، فإنّه يجب إرفاق مُستند كتابي صادر عن هذا الشّخص، يتضمّن اسم مُمثِّله المُرشّح لعُضويّة مجلس الإدارة.

ه. كشف بالشّركات التجاريّة التي يُساهِم أو يُشارك في ملكيّتها، وعدد الأسهُم أو الحِصَص التي يملِكها.

العُضويّة في مجلس الإدارة
المادة (٢١)

أ- تكون مُدّة العُضويّة في مجلس الإدارة (٣) ثلاث سنوات، على أن يتم إعادة تشكيل مجلس الإدارة عند انتهاء هذه المُدّة، سواءً بتعيين أو انتخاب أعضاء جُدُد أو بإعادة تعيين أو انتخاب الأعضاء الذين انتهت مُدّة عُضويّتِهم.

ب- في حال شُغور منصب أي من الأعضاء، يجوز لمجلس الإدارة تعيين عُضو جديد خلال (٣٠) ثلاثين يوماً من تاريخ شُغور العُضويّة، على أن يُعرض هذا التعيين على الجمعيّة العُموميّة في أول اجتماع لها لاعتماد القرار أو تعيين عُضو بديل، على أن يُكمِل العُضو الجديد مُدّة عُضويّة سلفه، وفي حال عدم تعيين العُضو الجديد خلال تلك المُدّة، فإنّه يجب على مجلس الإدارة فتح

باب الترشُّح لانتخاب عُضو للمنصب الشّاغر في مجلس الإدارة في أوّل اجتماع للجمعيّة العُموميّة.

ج- إذا بلغت العضوية الشّاغرة ما نسبته (٢٥٪) خمس وعشرين بالمئة أو أكثر من عدد الأعضاء، فإنه يجب على مجلس الإدارة دعوة الجمعيّة العُموميّة للاجتماع خلال (٣٠) ثلاثين يوماً على الأكثر من تاريخ تحقق تلك النسبة لانتخاب أعضاء جدد، وفي جميع الأحوال يُكمِل العُضو الجديد مُدّة عضوية سلفه.

انتخاب الرّئيس
المادة (٢٢)

أ- عند انتهاء ولاية مجلس الإدارة الأوّل، المُشكّل بمُوجب قرار المجلس التنفيذي رقم (٩٢) لسنة ٢٠٢٣ المُشار إليه، ينتخِب مجلس الإدارة الجديد وبالتصويت السِّري من بين أعضائِه الرّئيس، وكذلك نائب الرّئيس الذي يقوم مقام الرّئيس في حال غيابه أو شُغور منصِبه.

ب- يتولّى الرّئيس مُهمّة الإشراف على مجلس الإدارة، وضمان قيامِه بمُمارسة الاختصاصات المُقرّرة له بمُوجب القانون وهذا النظام وقانون الشّركات والقرارات الصّادرة بمُوجبِها.

ج- يُعيّن مجلس الإدارة مُقرّراً له، وفقاً للضّوابط المُعتمدة لدى الهيئة في هذا الشأن، تُناط به مُهمّة إعداد جدول أعمال مجلس الإدارة، وتوجيه الدّعوة للأعضاء لحُضور اجتماعاته، وتدوين محاضر جلساته، وقراراته وتوصِياته، ومُتابعة تنفيذها، وحفظها وأرشفتها، وأي مهام أخرى يتم تكليفُه بها من الرّئيس أو مجلس الإدارة.

د- يجب أن تتوفّر في المُقرّر الشُّروط والمُتطلّبات المُبيّنة في قواعد الحوْكمة، وأن يكون تابعاً لمجلس الإدارة بشكل مُباشِر، ولا يجوز عزله إلا بقرار من مجلس الإدارة.

هـ- يجوز لمجلس الإدارة أن يُشكِّل من بين أعضائِه لجنة أو أكثر، يعهد إليها بعدد من المهام والصلاحيّات المنُوطة به، بما يتّفق مع أحكام القانون وقواعد الحوْكمة.

اختصاصات مجلس الإدارة
المادة (٢٣)

أ- يتولّى مجلس الإدارة مُهمّة الإشراف العام على الشّركة، وعلى قيامِها بجميع الأعمال والأنشطة الكفيلة بتحقيق أغراضها والتصرُّف بالنِّيابة عنها، وذلك في حدود الاختصاصات المنوطة به بمُوجب القانون وقانون الشّركات والقرارات الصّادرة بمُوجبِهما وهذا النِّظام وقرارات الجمعيّة العُموميّة، ويكون لمجلس الإدارة على وجه الخُصوص القيام بالمهام والصلاحيّات التالية:

١- عقد القُروض لآجال تزيد على (٣) ثلاث سنوات.

٢- بيع أو رهن عقارات وأصول الشّركة وأموالها المنقولة وغير المنقولة، على أن يتولّى مجلس الإدارة إعداد الضّوابط والقواعد المُرتبطة بعقد القُروض وبيع ورهن عقارات وأصول وأموال الشّركة، وعرضها على الجمعيّة العُموميّة لاعتمادها.

٣- المُوافقة على إبراء ذمّة مديني الشّركة من التزاماتِهم، وإجراء الصُّلح والاتفاق على التحكيم ومشارطات التحكيم في العقود والمنازعات التي تكون الشركة طرفاً فيها، وتطبيق القوانين الأجنبيّة على أي من اتفاقيّاتها، وتأسيس الشّركات والشّركات التابعة بشكل كُلّي أو جُزئي، أو الاستثمار فيها وبيعها وحلّها وتصفيتها.

٤- اعتماد النِّظام الدّاخلي لمجلس الإدارة وجميع الأمور المُتعلّقة به، بما في ذلك تفويض الصلاحيات وتوزيع المسؤوليّات بين أعضائه.

٥- اعتماد اللوائح الماليّة والإداريّة والفنّية للشّركة، بما في ذلك منظومة تفويض الصلاحيّات، وكذلك اللوائح المُنظِّمة لمُشترياتها وإدارة أصولها، بالإضافة إلى اللوائح المُنظِّمة لمواردها البشريّة.

٦- تعيين وعزل الرّئيس التنفيذي.
٧- تحديد مهام وصلاحيّات الإدارة التنفيذيّة.
٨- مُراجعة وتقييم أداء الإدارة التنفيذيّة، ومدى قيامها بتنفيذ الخطط والإستراتيجيّات والسِّياسات المُعتمدة.
٩- اعتماد أسس منح الحوافز والمُكافآت والمزايا الخاصّة بأعضاء مجلس الإدارة والإدارة التنفيذيّة.
١٠- اعتماد مشروع الميزانيّة السنوية والحسابات الختاميّة.
١١- أي مهام أو صلاحيّات أخرى تتّفق مع أغراض الشّركة، تكون لازمة لتحقيق مصالِحها، ولا تتعارض مع القانون والتشريعات السّارية في الإمارة.

ب- يجوز لمجلس الإدارة تفويض أي من صلاحيّاته المنصوص عليها في الفقرة (أ) من هذه المادة، للرئيس أو لأيٍ من أعضائه أو للجان المُشكّلة من قِبَلِه أو للرّئيس التنفيذي، على أن يكون هذا التفويض خطّياً ومُحدّداً ولا يتعارض مع أحكام القانون وقانون الشّركات والقرارات الصّادرة بمُوجبِهما وقواعد الحوكمة.

اختصاصات الرّئيس التنفيذي
المادة (٢٤)

أ- مع مُراعاة أحكام الفقرتين (ج) و(د) من المادة (١٢) من القانون، يتولّى الرّئيس التنفيذي المهام والصلاحيّات التالية:
١- تمثيل الشّركة أمام جميع الجهات، سواءً داخل الإمارة أو خارجها، بما في ذلك الجهات القضائيّة والجهات الحُكوميّة وغير الحُكوميّة.
٢- تنفيذ جميع القرارات الصّادرة عن الجمعيّة العُموميّة ومجلس الإدارة.
٣- تسيير الشُّؤون اليوميّة للإدارة التنفيذيّة، وإدارة عمليّات الشّركة، والتحقُّق من قيامها بالمهام المنوطة بها بمُوجب القانون وقانون الشّركات والقرارات الصّادرة بمُوجبِهما وهذا النِّظام والتشريعات السّارية في الإمارة واللوائح المعمول بها في الشّركة.
٤- إبرام العُقود والاتفاقيّات ومُذكّرات التفاهُم، والتوقيع على المُستندات، مهما كانت طبيعتها ونوعها، في حدود الصلاحيّات المنُوطة به بمُوجب هذا النِّظام ومنظومة تفويض الصلاحيات التي يعتمدها مجلس الإدارة.
٥- إصدار السِّياسات والقرارات واللوائح الداخليّة المُتعلِّقة بشؤون الشّركة والشّركات المملوكة لها والشركات التّابعة، باستثناء اللوائح التي يختص مجلس الإدارة باعتمادها وفقاً للبند (٥) من الفقرة (أ) من المادة (٢٣) من هذا النِّظام.
٦- القيام بجميع الأعمال الماليّة والمصرفيّة، واتخاذ القرارات المُتعلِّقة بأيٍّ منها، وفقاً للصلاحيّات المنُوطة به بمُوجب اللوائح المُعتمدة لدى الشّركة ومنظومة تفويض الصلاحيات.
٧- القيام بجميع الاختصاصات المنُوطة به بمُوجب التشريعات المعمول بها لدى الشّركة ولوائحها الداخليّة والتشريعات السّارية في الإمارة.
٨- الإشراف على الإدارة التنفيذيّة، وجميع الأمور المُتعلِّقة بالموارد البشريّة، بما في ذلك المُوافقة على تعيين المُوظّفين، وتحديد رواتبهم ومُكافآتهم ونقلِهم وعزلِهم وجميع الأمور المُتعلِّقة بهم، وفقاً للصلاحيّات المنصوص عليها في لائحة الموارد البشريّة المُعتمدة لدى الشّركة في هذا الشأن.
٩- التوصِية إلى مجلس الإدارة بتسمِية مُمثِّلي الشّركة في مجالس إدارة الشّركات المملوكة لها أو الشركات التّابعة، على أن يصدُر باعتماد تعيينِهم في مجالس إدارة هذه الشّركات قرار من مجلس الإدارة.

١٠- تشكيل اللجان وفرق العمل الدّائمة والمُؤقّتة، وتحديد اختصاصاتها، ومُكافأة أعضائها، بما يتماشى مع الأنظِمة المُعتمدة لدى الشّركة وقانون الشّركات والقرارات الصّادرة بمُوجبه وقواعد الحوْكمة.
١١- توكيل الغير في تمثيل الشّركة في أي مسألة تتعلّق بتحقيق مصالِحها والدِّفاع عن حُقوقها.
١٢- إبرام عُقود الصُّلح واتفاقيات التسوية بالنِّيابة عن الشّركة، وتطبيق القوانين الأجنبيّة على أي من العُقود أو الاتفاقيّات التي تُبرمها الشّركة والشّركات المملوكة لها والشركات التابعة، ورفع الدّعاوى القضائيّة، وتوكيل المُحامين، وإجراء التسويات والمُخالصات القضائيّة والقانونيّة، بما يتوافق مع قرارات مجلس الإدارة ويُحقِّق مصالح الشّركة.
١٣- أي مهام أو صلاحيّات أخرى يتم تكليفُه أو تفويضُه بها من الجمعيّة العُموميّة أو الرّئيس أو مجلس الإدارة.

ب- يُمارس الرّئيس التنفيذي المهام والصلاحيّات المنُوطة به بمُوجب الفقرة (أ) من هذه المادة وفقاً لمنظومة تفويض الصلاحيّات التي يعتمِدها مجلس الإدارة في هذا الشأن.

ج- يجوز للرّئيس التنفيذي تفويض أي من الصلاحيّات المنوطة به بمُوجب الفقرة (أ) من هذه المادة إلى أي من مُوظّفي الشّركة، على أن يكون هذا التفويض خطّياً ومُحدّداً ومُتوافِقاً مع منظومة تفويض الصلاحيّات التي يعتمِدها مجلس الإدارة، ولا يتعارض مع أحكام القانون وقانون الشّركات والقرارات الصّادرة بمُوجبِهما وقواعد الحوكمة، وبما يتوافق مع مُتطلّبات العمل، ويخدم مصلحة الشّركة والشّركات المملوكة لها والشركات التابعة.

اجتماعات مجلس الإدارة
المادة (٢٥)

يجتمِع مجلس الإدارة بدعوة من الرّئيس، أو نائب الرّئيس في حال غيابه، بمُعدّل (٤) أربعة اجتماعات في السّنة على الأقل، أو كُلّما دعت الحاجة إلى ذلك، في المكان والزّمان اللذيْن يُحدِّدهُما، ويجوز أن تُعقد اجتماعات مجلس الإدارة عن طريق وسائل الاتِّصال المسموعة أو المرئيّة، ويتم توجيه الدّعوة قبل أسبوع على الأقل من الموعد المُحدّد لعقد الاجتماع، مُرفقاً بها جدول الأعمال المُعتمد، ويجوز للعُضو طلب إضافة أي موضوع لمُناقشتِه خلال الاجتماع، وذلك بعد الحُصول على مُوافقة رئيس الاجتماع على الطّلب.

صِحّة اجتماعات وقرارات مجلس الإدارة
المادة (٢٦)

أ- يكون اجتماع مجلس الإدارة أو أي من اللجان التّابعة له صحيحاً بحُضور أغلبيّة الأعضاء، ويكون الحُضور شخصيّاً بالوجود الفعلي أو من خلال التقنيّة الصوتيّة أو تقنيّة الصّوت والفيديو أو أي وسيلة تواصُل مرئيّة أخرى يعتمِدها مجلس الإدارة أو اللجنة التّابعة له.

ب- يجوز للعُضو أن يُنيب عنه بشكل خطّي عُضواً آخر لحُضور اجتماع مجلس الإدارة أو اللجنة التّابعة له، والتصويت على قراراته، وفي هذه الحالة يُحسب لهذا العُضو صوت واحد من مجموع أصوات الأعضاء الحاضِرين، ولا يجوز أن يحمِل العُضو الواحد أكثر من إنابة واحدة في أي اجتماع، كما لا يجوز له التصويت بالمُراسلة.

ج- تصدُر قرارات مجلس الإدارة أو اللجنة التّابعة له بأغلبيّة أصوات الأعضاء الحاضِرين أو المُمثِّلين عنهُم، وفي حال تساوي الأصوات يُرجّح الجانب الذي صوّت معه رئيس الاجتماع.

محاضر اجتماعات مجلس الإدارة
المادة (٢٧)

أ- تُدوّن جميع المواضيع والمسائِل التي تم بحثها ومُناقشتها، والقرارات التي تم اتخاذها، في محاضر اجتماعات مجلس الإدارة أو اللجنة التّابعة له، على أن تُدوّن أي تحفُّظات يُبديها أي من الأعضاء أو الآراء المُخالِفة في تلك المحاضر.

ب- يقوم الأعضاء الحاضِرون والمُقرّر، بالتوقيع على محاضر اجتماعات مجلس الإدارة أو اللجنة التّابعة له، سواءً كان التوقيع خطّياً أو إلكترونيّاً، على أن يتم توزيع نُسَخ من هذه المحاضر على الأعضاء بعد اعتمادها للاحتفاظ بها.

ج- تُحفظ محاضر اجتماعات مجلس الإدارة واللجنة التّابعة له لدى المُقرّر، وفي حال امتناع أي من الأعضاء عن التوقيع على محضر الاجتماع، فإنّه يُثبت اعتراضه في المحضر وتُذكر أسباب الاعتراض في حال إبدائها.

المُوافقة على القرارات بالتمرير
المادة (٢٨)

أ- دون الإخلال بالنِّصاب القانوني المطلوب لصحة اجتماع مجلس الإدارة، يجوز لمجلس الإدارة إصدار بعض قراراته بالتمرير، على أن يُراعى في ذلك ما يلي:

١- مُوافقة الأعضاء بالأغلبيّة على وجود حالة طارئة تستدعي إصدار القرار أو التوصية في المسائل المُستعجلة للشّركة بالتمرير.

٢- أن يكون القرار المطلوب تمريره على الأعضاء مكتوباً، ومُرفقاً به جميع المُستندات والوثائق ذات الصِّلة.

ب- في الحالات التي تكون فيها أسهُم الشّركة مملوكة بالكامل للمُساهِم الحُكومي، وقبل الانتهاء من طرح أسهُم الشّركة للاكتتاب العام، يُعتبر قرار مجلس الإدارة الخطّي والمُوقّع عليه أو المُوافق عليه من قبل أغلبيّة الأعضاء نافِذاً وصحيحاً وبمثابة قرار قد تم اعتمادُه في اجتماع مجلس إدارة تمّت الدّعوة إليه وانعقد أصولاً.

النُّسخ المُصدّقة من محاضر الاجتماعات
المادة (٢٩)

يُخَوّل كُل من الرّئيس والرّئيس التنفيذي والمُقرِّر والمُستشار القانوني للشّركة، مُنفرِدين أو مُجتمِعين، بتقديم نُسَخ مُصدّق عليها لمحاضر اجتماعات مجلس الإدارة أو اللجنة التّابعة له، والتوقيع على هذه النُّسخ، والإشارة إلى أنّها نُسخة طبق الأصل من محضر الاجتماع الأصلي، مع تاريخ التصديق عليها، ويجوز لأيّ طرف يتعامل مع الشّركة الاحتجاج بأي من النُّسخ المُصدّق عليها أمام الغير، باعتبارها نُسخة طبق الأصل عن المُستند الأصلي.

تضارُب المصالح
المادة (٣٠)

أ- على الرّئيس والأعضاء تجنُّب أي تضارُب في المصالح قد يقع بسبب عُضويّتِهم في مجلس الإدارة أو أي من اللجان التّابعة له، وأن يتجنّبوا أي عمل قد تُثار بشأنِه أي شُكوك بتضارُب المصالح، والإفصاح عن وجود أي من حالات تضارُب المصالح أو وجود أي شُبهة بشأنِها، وعليهِم الامتناع بشكل خاص عمّا يلي:

١- الاشتراك في أي نقاش أو التصويت أو التأثير بأي صُورة من الصُور على أي قرار أو توصِية أو إجراء قد يكون له أو لزوجِه أو لأي من أقاربه حتى الدّرجة الرّابعة مصلحة مُباشِرة أو غير مُباشِرة فيه.
٢- استغلال عُضويّته في مجلس الإدارة أو اللجنة التّابعة له، أو نشر أي معلومات حصل عليها بحُكم هذه العُضويّة، لتحقيق أهداف مُعيّنة أو الحُصول على خدمة أو مُعاملة خاصّة.
٣- الاشتراك في أي عمليّة أو إجراء أو قرار من شأنه التأثير على تأدية مهامِه بموضوعيّة واستقلاليّة وحِياديّة.
٤- أي من حالات تضارُب المصالح المنصوص عليها في قانون الشّركات والقرارات الصّادرة بمُوجبه والتشريعات السّارية في الإمارة.

ب- تُعتبر باطِلة، القرارات الصّادرة والإجراءات المتخذة بالمُخالفة لأحكام الفقرة (أ) من هذه المادة.

الإفصاح عن تضارُب المصالح
المادة (٣١)

أ- يتم الإفصاح عن تضارُب المصالح من العُضو المعني في محضر اجتماع مجلس الإدارة أو اللجنة التّابعة له، وعلى المُقرّر تسجيل هذا الإفصاح في سِجل خاص، يتم تحديثُه من قِبله بشكلٍ دوري، وإطلاع الرّئيس والأعضاء عليه.

ب- يحق لمجلس الإدارة البحث في أي تضارُب للمصالح قد يتحقّق لدى العُضو، على أن يُتَّخذ القرار في هذه الحالة بأغلبيّة أصوات الأعضاء الحاضِرين، ولا يجوز للعُضو المعني بتضارُب المصالح الاشتراك في التصويت على هذا القرار.

ج- في حال تخلُّف العُضو أو امتناعه عن الإفصاح لمجلس الإدارة عن تضارُب المصالح لديه في صفقة أو تعامُل تكون الشّركة أحد أطرافها، فإنّه يحق للشّركة أو لأيّ من مُساهِميها التقدُّم لمجلس الإدارة أو السُّلطة المُختصّة أو المحكمة المُختصّة لإبطال تلك الصّفقة أو التعامُل، وإلزام العُضو المُخالِف بأداء أي ربح أو فائدة أو منفعة كانت قد تحقّقت له نتيجة هذه الصّفقة أو التعامُل، وردّها إلى الشّركة.

انتهاء العُضويّة في مجلس الإدارة
المادة (٣٢)

تنتهي العُضويّة في مجلس الإدارة، في حال تحقُّق أي من الأسباب التالية:
١- الوفاة، أو الإصابة بأي من عوارض الأهليّة، أو العجز عن أداء المهام.
٢- الإدانة بأي جريمة مُخِلّة بالشّرف أو الأمانة.
٣- الاستقالة، بمُوجب إشعار خطّي يُوجّه إلى مجلس الإدارة.
٤- صُدور قرار من الجمعيّة العُموميّة بالعزل.
٥- التغيب عن حضور (٣) ثلاث جلسات مُتّصِلة أو (٥) خمس جلسات مُتقطِّعة لاجتماعات مجلس الإدارة، خلال مُدّة ولاية مجلس الإدارة، دون عُذر يقبله الرّئيس.

المسؤوليّة الشخصيّة للعُضو
المادة (٣٣)

مع مُراعاة أحكام المادة (٣٤) من هذا النِّظام، لا يكون العُضو مسؤولاً بشكل شخصي عن أي من التزامات الشّركة النّاتجة عن قيامِه بواجِباته كعُضو، شريطة ألا يتجاوز أو يُخالِف العُضو حدود اختصاصه.

مسؤوليّة مجلس الإدارة والشّركة
المادة (٣٤)

أ- يكون كُل من مجلس الإدارة والإدارة التنفيذيّة مسؤولين تجاه الشّركة والمُساهِم والغير عن جميع أعمال الغش وإساءة استعمال السُّلطة، وأي مُخالفة لأحكام التشريعات السّارية وهذا النِّظام، ويقع باطِلاً كُل شرط يقضي بخلاف ذلك.

ب- تكون مسؤوليّة الأعضاء في مجلس الإدارة المُشار إليها في الفقرة (أ) من هذه المادة تضامُنيّة، إذا كانت ناتجة عن أي قرار صدر عن مجلس الإدارة بالإجماع، أما إذا كان هذا القرار صادِراً بالأغلبيّة، فلا يُسأل عنه الأعضاء الذين عارضوا القرار أو تحفّظوا عليه، متى كانوا قد أثبتوا اعتراضهم أو تحفُّظهم كتابيّاً في محضر الاجتماع، وإذا تغيّب أحد الأعضاء عن الاجتماع الذي صدر فيه القرار، فلا تنتفي مسؤوليّته إلا إذا ثبتَ عدم عِلمِه بالقرار أو عِلمِه به مع عدم استطاعتِه الاعتراض عليه، وتقع المسؤوليّة المنصوص عليها في الفقرة (أ) من هذه المادة على الإدارة التنفيذيّة إذا كانت المُخالفة بسبب قرار صادر عنها.

ج- باستثناء المسؤوليّة الجنائيّة، تكون الشّركة مسؤولة، في حدود موجوداتها عن تعويض العُضو أو أي من أعضاء الإدارة التنفيذيّة، عن أي مسؤوليّة يتحمّلها، نتيجة القيام بواجبات عُضويّته أو بسببِها، شريطة أن يكون العُضو قد قام بهذا الفعل بحُسن نيّة، واعتقاده أن ما قام به لا يتعارض مع مصالح الشّركة، شريطة مُراعاة عدم صرف أي تعويض لهذا العُضو نتيجة أي مُطالبة أو مسألة تَثبُت مسؤوليّته عنها تجاه الشّركة بمُقتضى حُكم نِهائي صادر عن المحكمة المُختصّة، وفي جميع الأحوال، يجب على الشّركة توفير التغطية التأمينيّة اللازمة عن أي مسؤوليّة لمجلس الإدارة والإدارة التنفيذيّة.

دعوى المسؤوليّة
المادة (٣٥)

مع مُراعاة ما ورد في المادة (٣٣) من هذا النِّظام، لا يترتّب على أي قرار يصدُر عن الجمعيّة العُموميّة سُقوط دعوى المسؤوليّة المدنيّة ضد الأعضاء، وإذا كان الفعل المُوجب للمسؤوليّة قد عُرِض على الجمعيّة العُموميّة بتقرير من مجلس الإدارة أو مُدقِّق الحِسابات وصادقت عليه، فإن دعوى المسؤوليّة تسقُط بمُضِيّ سنة من تاريخ انعقاد الجمعيّة العُموميّة، ومع ذلك، إذا كان الفعل المنسوب إلى الأعضاء يُشكِّل جريمة جزائيّة، فلا تسقُط دعوى المسؤوليّة إلا بسُقوط الدّعوى الجزائيّة.

تقديم القُروض
المادة (٣٦)

أ- لا يجوز للشّركة تقديم قُروض لأي من الأعضاء، أو عقد كفالات أو تقديم أي ضمانات تتعلّق بقُروض ممنوحة لأيٍّ منهُم، ويُعتبر قرضاً مُقدّماً للعُضو كُل قرض مُقدّم إلى زوجِه أو أبنائِه أو أي قريب له حتى الدّرجة الثّانية.

ب- لا يجوز تقديم قرض إلى شركة يملك فيها العُضو أو زوجِه أو أبنائِه أو أي من أقاربه حتى الدّرجة الثّانية أكثر من (٢٠٪) عشرين بالمِئة من رأسمالها.

صفقات وتعامُلات الأطراف ذوي العلاقة
المادة (٣٧)

أ- يُحظر على الأطراف ذوي العلاقة أن يستغل أي مِنهُم ما اتصل به من معلومات بحُكم عُضويّته في مجلس الإدارة أو وظيفته في الشّركة لتحقيق مصلحة له أو للغير، سواءً كانت نتيجة التعامُل في الأوراق الماليّة للشّركة أو غيرها من المُعاملات، كما لا يجوز للأطراف ذوي العلاقة أن يكون لهُم مصلحة مُباشِرة أو غير مُباشِرة مع أي طرف يقوم بعمليّات يُراد بها إحداث تأثير في أسعار الأوراق الماليّة الخاصّة بالشّركة.

ب- يجوز للشركة بمُوافقة مجلس الإدارة عقد أي صفقة لا تتجاوز قيمتها نسبة (٥٪) خمسة بالمِئة من رأسمالها مع طرف ذي علاقة، كما يتعيّن مُوافقة الجمعيّة العُموميّة للشّركة فيما زاد على تلك النِّسبة بعد تقييم تلك الصّفقة، وفقاً للضّوابط والشُّروط الصّادرة عن الهيئة في هذا الشأن.

ج- لا يجوز للعُضو بغير مُوافقة من الجمعيّة العُموميّة أن يشترك في أي عمل من شأنِه مُنافسة الشّركة أو أن يُتاجِر لحسابِه أو لحساب غيره في أحد فُروع النّشاط الذي تُزاولِه الشّركة، ولا يجوز له أن يُفشي أي معلومات أو بيانات تخُص الشّركة، وإلا جاز للشّركة أن تُطالِبه بالتعويض أو بالأرباح التي حقّقها نتيجةً لذلك.

د- يتعيّن على الطرف ذي العلاقة قبل إبرام صفقة مع الشّركة، الإفصاح لمجلس الإدارة عن طبيعة الصّفقة وشُروطها وجميع المعلومات الجوهريّة عن حصّته أو مُساهمتِه في الشّركتيْن طرفي الصّفقة ومدى مصلحتِه أو منفعتِه فيها.

هـ- يجب على الرّئيس في حال إبرام الشّركة لصفقات مع الأطراف ذات العلاقة، مُوافاة الهيئة ببيان يحتوي على البيانات والمعلومات عن الطّرف ذي العلاقة، وتفاصيل الصّفقة، وطبيعة ومدى الفائدة للطّرف ذي العلاقة في الصّفقة، وأي بيانات أو معلومات أو مُستندات تطلُبها الهيئة، مع تأكيد خطّي أن شُروط الصّفقة مع الطرف ذي العلاقة عادلة ومعقولة وفي صالح مُساهِمي الشّركة.

و- دون الإخلال بما ورد في هذه المادة، تخضع الصّفقات مع الأطراف ذوي العلاقة للسِّياسة الداخليّة التي يعتمِدها مجلس الإدارة، ويتعيّن على مُدقِّق الحِسابات أن يشمل في تقريره السّنوي بياناً بجميع حالات تضارُب المصالح والتعامُلات الماليّة التي تمّت بين الشركة وأي من الأطراف ذوي العلاقة، والإجراءات التي اتُّخِذَت بشأنها.

ز- لا تُطبّق أحكام هذه المادة والمواد (٣٠)، (٣١)، و(٥٠) من هذا النِّظام على الصّفقات والتعامُلات التي تُبرِمها أو تُجريها الشّركة مع المُؤسِّس، أو أي شركة مملوكة أو تحت سيطرة المُؤسِّس، أو مع الحُكومة الاتحاديّة أو المحلّية بشكل مُباشِر أو غير مباشر، أو أي كيان مملوك بشكل مُباشِر أو غير مُباشِر للحُكومة أو الحُكومة الاتحاديّة أو الشّركات التابعة أو الشقيقة أو الحليفة لها، أو أي تعامُلات يُمكِن الطّعن فيها على أساس تضارُب المصالح النّاشِئة عن تعيين المُؤسّس للعُضو، ويتم استثناء تلك الصّفقات والتعامُلات من الأحكام ذات الصِّلة في قانون الشّركات والقرارات الصّادرة بمُوجبه وأي قواعد أخرى تتعلّق بمُعاملات الأطراف ذات العلاقة، المُنظّمة بمُوجب القرارات الصّادرة عن الهيئة في هذا الشأن.

مُكافأة أعضاء مجلس الإدارة
المادة (٣٨)

أ- تتكوّن مُكافأة الأعضاء من نِسبة مِئويّة من الرّبح الصّافي، على ألا تتجاوز هذه المُكافأة (١٪) واحد بالمِئة من الأرباح الصّافية للسّنة الماليّة المعنيّة بعد خصم الاستهلاك والاحتياطيّات، ويتعيّن مُراعاة مهام الرّئيس عند تحديد مقدار هذه المُكافأة، كما يجوز للشّركة تعويض أي عُضو عن مصاريفه.

ب- يجوز لمجلس الإدارة، بعد الحُصول على مُوافقة الجمعيّة العُموميّة، أن يصرف للعُضو مبلغاً مقطوعاً لا يتجاوز (٢٠٠,٠٠٠) مِئتي ألف درهم في نِهاية السّنة الماليّة، في أي من الحالتيْن التّاليتيْن:
١- عدم تحقيق الشّركة للأرباح.
٢- إذا حقّقت الشّركة أرباحاً، وكان نصيب العُضو من هذه الأرباح أقل من (٢٠٠,٠٠٠) مِئتي ألف درهم، وفي هذه الحالة لا يجوز الجمع بين أكثر من مكافأة متعلقة بتحقيق الأرباح.

عزل أعضاء مجلس الإدارة
المادة (٣٩)

دون الإخلال بأحكام المادة (٢٠) من هذا النِّظام، يكون للجمعيّة العُموميّة الحق في عزل كُل أو بعض أعضاء مجلس الإدارة المُنتخبين، وفتح باب الترشُّح وانتخاب أعضاء جُدُد بدلاً منهم وفقاً لقواعد الحوْكمة، ولا يجوز تَرشُّح أو إعادة ترشُّح الأعضاء الذين تم عزلُهم، إلا بعد مُضِيّ (٣) ثلاث سنوات من تاريخ العزل.

الباب الخامس
الجمعيّة العُموميّة

انعقاد الجمعيّة العُموميّة
المادة (٤٠)

تنعقد الجمعيّة العُموميّة أصولاً في الإمارة، بحُضور مُساهِمين يُمثِّلون ما يزيد على (٥٠٪) خمسين بالمِئة من رأسمال الشّركة، فإذا لم يتحقّق هذا النِّصاب في الاجتماع الأوّل، وجب دعوة الجمعيّة العُموميّة إلى اجتماع ثانٍ يُعقد بعد مُضِيّ مُدّة لا تقل عن (٥) خمسة أيّام ولا تُجاوز (١٥) خمسة عشر يوماً من التّاريخ المُحدّد لعقد الاجتماع الأوّل، ويُعتبر الاجتماع الثّاني صحيحاً أيّاً كان عدد المُساهِمين الحاضِرين.

حُضور الجمعيّة العُموميّة
المادة (٤١)

أ- لِكُل مُساهِم الحق في حُضور الجمعيّة العُموميّة، ويكون له عدد من الأصوات يُعادِل عدد أسهُمِه، ولِكُل مُساهِم أن يُنيب عنه غيره في حُضور الجمعيّة العُموميّة من غير الأعضاء أو مُوظّفي الشّركة أو شركات الوساطة في الأوراق الماليّة أو العامِلين بها، ويُشترط لصِحّة النِّيابة أن تكون ثابتة بتوكيل كِتابي خاص وفق الشُّروط التي يُحدِّدها مجلس الإدارة، على ألا يكون الوكيل لعدد من المُساهِمين حائِزاً بهذه الصِّفة على أكثر من (٥٪) خمسة بالمِئة من رأسمال الشّركة، ويُمثِّل ناقِصي الأهليّة وفاقِديها من يُمثِّلهم قانوناً.
ب- يحق للشّخص الاعتباري أن يُفوّض أحد مُمثِّليه أو القائِمين على إدارته أو مُوظّفيه بمُوجب قرار من مجلس إدارته، أو من يقوم مقامه، ليُمثِّله في حُضور الجمعيّة العُموميّة، ويكون للشّخص المُفوَّض الصلاحيّات المُقرّرة بمُوجب هذا التفويض.

الدّعوة لحُضور الجمعيّة العُموميّة
المادة (٤٢)

أ- تُوجّه الدّعوة إلى المُساهِمين لحُضور الجمعيّة العُموميّة بالإعلان في صحيفتيْن يوميّتيْن محليّتيْن، تصدُران باللغة العربيّة والإنجليزيّة، وبرسالة عبر البريد الإلكتروني ورسالة نصّية قصيرة عبر الهاتف أو كُتُب مُسجّلة، قبل الموعد المُحدّد للاجتماع بـ (٢١) واحد وعشرين يوماً على الأقل، وذلك بعد الحُصول على مُوافقة الهيئة، ويجب أن تتضمّن الدّعوة جدول أعمال ذلك الاجتماع، وتُرسل صُورة من أوراق الدّعوة إلى كُل من الهيئة والسُّلطة المُختصّة.
ب- يجوز عقد الجمعيّة العُموميّة واشتراك المُساهِم في مُداولاتِها والتصويت على قراراتِها بواسِطة وسائل التقنيّة الحديثة للحُضور عن بُعد، وفقاً للضّوابط والإجراءات التي تعتمِدها الهيئة في هذا الشأن.

دعوة الجمعيّة العُموميّة للانعقاد
المادة (٤٣)

تنعقد الجمعيّة العُموميّة بدعوة من:
١- مجلس الإدارة، مرّة واحدة على الأقل في السّنة، وخلال الأشهُر الأربعة التّالية لِنهاية السّنة الماليّة.
٢- مجلس الإدارة، كُلّما دعت الحاجة إلى ذلك، أو بناءً على طلب مُدقِّق الحسابات، أو إذا طلب مُساهِم أو أكثر مِمّن يملِكون (١٠٪) عشرة بالمِئة كحد أدنى من رأسمال الشّركة، وفي هذه الحالة يجب على مجلس الإدارة دعوة الجمعيّة العُموميّة للانعقاد خلال (٥) خمسة أيّام من تاريخ تقديم الطّلب إليها، على أن يُعقد الاجتماع خلال مُدّة لا تتجاوز (٣٠) ثلاثين يوماً من تاريخ الدّعوة للاجتماع.
٣- مُدقِّق الحِسابات بشكل مُباشِر، إذا أغفل مجلس الإدارة توجيه الدّعوة للجمعيّة العُموميّة للانعقاد في الأحوال التي يُوجب قانون الشّركات والقرارات الصّادرة بمُوجبه دعوتها فيها، أو خلال (٥) خمسة أيّام من تاريخ تقديم مُدقِّق الحِسابات طلب توجيه الدّعوة لمجلس الإدارة ولم يقُم بذلك.
٤- الهيئة، في أي من الحالات التالية، وبعد مُضِي (٥) خمسة أيّام من تاريخ طلبها من مجلس الإدارة:
أ- إذا مضى (٣٠) ثلاثون يوماً على الموعد المُحدّد لانعقادها، أو بمُضِيّ (٤) أربعة أشهُر على انتهاء السّنة الماليّة، دون أن يقوم مجلس الإدارة بدعوة الجمعيّة العُموميّة للانعقاد.
ب- إذا نقص عدد الأعضاء عن الحد الأدنى لصِحّة انعقاد مجلس الإدارة.
ج- إذا تبيّن لها في أي وقت وقوع مُخالفة لقانون الشّركات والقرارات الصّادرة بمُوجبه أو لهذا النّظام أو وقوع أخطاء جوهريّة في إدارتها.
د- إذا تقاعس مجلس الإدارة عن دعوة الجمعيّة العُموميّة للانعقاد، رغم طلب مُساهِم أو أكثر يُمثِّلون (١٠٪) عشرة بالمِئة من رأسمال الشّركة.

المواضيع المعروضة على الجمعيّة العُموميّة
المادة (٤٤)

تُعرض على الجمعيّة العُموميّة في اجتماعها السّنوي، المواضيع التّالية للبت فيها:
١- تقرير مجلس الإدارة عن نشاط الشّركة ومركزها المالي خلال السّنة، وتقرير مُدقِّق الحِسابات، والتصديق عليهما.
٢- مُناقشة ميزانيّة الشّركة وحساب الأرباح والخسائر والتصديق عليهما.

٣- انتخاب الأعضاء عند الحاجة.
٤- تعيين مُدقِّقي الحِسابات وتحديد أتعابِهم.
٥- النّظر في مُقترحات مجلس الإدارة بشأن توزيع الأرباح، سواءً كانت أرباح نقديّة أو أسهُم مِنحة.
٦- النّظر في مُقترحات مجلس الإدارة بشأن مُكافآت الأعضاء وتحديدِها وفقاً لأحكام هذا النِّظام.
٧- النّظر في إبراء ذمة الأعضاء أو عدم إبراء ذِمَمِهم وعزلهم، ومُساءلتِهم ومُلاحقتِهم قضائيّاً عند الحاجة.
٨- النّظر في إبراء ذمة مُدقِّقي الحِسابات أو عدم إبراء ذِمَمِهم وعزلهم، ومُساءلتِهم ومُلاحقتِهم قضائيّاً عند الحاجة.

التسجيل لحُضور الجمعيّة العُموميّة
المادة (٤٥)

أ- على المُساهِمين الذين يرغبون في حُضور الجمعيّة العُموميّة، تسجيل أسمائِهم في السِّجل الإلكتروني الذي تُعِدُّه الإدارة التنفيذيّة لهذا الغرض، قبل الوقت المُحدّد لانعقاد الجمعيّة العُموميّة بوقتٍ كاف، ويجب أن يتضمّن هذا السِّجل اسم المُساهِم أو من ينوب عنه، وعدد الأسهُم التي يملِكها أو عدد الأسهُم التي يُمثِّلها وأسماء مالِكيها مع تقديم سند الوكالة، ويُعطى المُساهِم أو من ينوب عنه بطاقة لحُضور الاجتماع، يُحدَّد فيها عدد الأصوات التي يُمثِّلها أصالةً أو وكالة، ويصدُر من ذلك السِّجل خُلاصة مطبوعة بعدد الأسهُم التي مُثِّلَت في الاجتماع ونسبة الحُضور، ويتم إرفاقها بمحضر الجمعيّة العُموميّة بعد توقيعها من رئيس الاجتماع ومُقرِّر الجمعيّة العُموميّة ومُدقِّق الحِسابات.
ب- يُقفل باب التسجيل لحُضور الجمعيّة العُموميّة عند إعلان رئيس الاجتماع الوصول إلى النِّصاب القانوني لعقد الاجتماع، أو عدم اكتماله، ولا يجوز بعد ذلك قبول تسجيل أي مُساهِم أو من ينوب عنه لحُضور الاجتماع، كما لا يجوز الاعتداد بصوته أو برأيه في المسائل التي تُطرح في ذلك الاجتماع، وفي حال انسحاب أي من المُساهِمين أو مُمثِّليهم من اجتماع الجمعيّة العُموميّة بعد اكتمال نصاب انعقادها، فإن ذلك الانسحاب لا يُؤثِّر على صِحّة انعقاد الجمعيّة العُموميّة، على أن تصدُر القرارات بالأغلبيّة المُقرّرة في قانون الشّركات للأسهُم المُتبقّية والتي تم تمثيلها في الاجتماع.

إغلاق سجل المُساهِمين
المادة (٤٦)

يُغلَق سِجل المُساهِمين وفقاً للنِّظام الخاص بالتداول والمقاصّة والتسويات ونقل الملكيّة وحفظ الأوراق الماليّة والقواعد المعنيّة السائدة في السّوق المالي.

النِّصاب القانوني للجمعيّة العُموميّة
المادة (٤٧)

أ- تسري أحكام قانون الشّركات والقرارات الصّادرة بمُوجبه على النِّصاب القانوني الواجب توفُّره لصِحّة انعقاد الجمعيّة العُموميّة، وعلى الأغلبيّة اللازمة لاتخاذ القرارات.
ب- في حال بقاء ملكيّة أسهُم الشّركة بالكامل للمُساهِم الحُكومي، وقبل الانتهاء من طرح أسهُمِها للاكتتاب العام، فإن الجمعيّة العُموميّة تنعقد بحُضور المُساهِم الحُكومي بشخص المُفوَّض عنه لحُضور اجتماعِها.

رئاسة الجمعيّة العُموميّة
المادة (٤٨)

أ- يترأس الرّئيس اجتماع الجمعيّة العُموميّة، وعند غيابه يرأس الاجتماع نائب الرّئيس، وفي حال غيابِهما معاً، يرأس الاجتماع العُضو الذي يُعيّنُه مجلس الإدارة لهذه الغاية.
ب- في حال غياب أي من الأشخاص المُشار إليهم في الفقرة (أ) من هذه المادة عن حُضور الاجتماع، تُعيّن الجمعيّة العُموميّة من بين المُساهِمين رئيساً للاجتماع ومُقرّراً له.
ج- تُعيّن الجمعيّة العُموميّة جامِعاً للأصوات.
د- تُدوّن محاضر اجتماعات الجمعيّة العُموميّة وإثبات الحُضور في دفاتر تُحفظ لهذا الغرض، على أن يتم توقيعها من رئيس الاجتماع ومُقرّر الجمعيّة العُموميّة وجامِع الأصوات ومُدقِّق الحِسابات، ويكون كُل منهُم مسؤولاً عن صِحّة البيانات الواردة في محضر الاجتماع.

التصويت في الجمعيّة العُموميّة
المادة (٤٩)

أ- يكون التصويت في الجمعيّة العُموميّة بالطّريقة التي يُحدِّدها رئيس الاجتماع، ما لم تُقرِّر الجمعيّة العُموميّة طريقة أخرى للتصويت، وفي حال تعلّق الأمر بعزل أو مُساءلة الأعضاء، فإن التصويت يكون سِرّياً.
ب- في حال بقاء ملكيّة أسهُم الشّركة بالكامل للمُساهِم الحُكومي، وقبل الانتهاء من طرح أسهُمِها للاكتتاب العام، فإن أي قرار خطّي مُعتمد ومُوقّع عليه من المُساهِم الحُكومي، بصِفته المُمثِّل للجمعيّة العُموميّة، يُعتبر صحيحاً ونافِذاً، كما لو تم اتخاذه في أي جمعيّة عُموميّة مُنعقِدة أصولاً.

الاشتراك في التصويت
المادة (٥٠)

أ- لا يجوز للأعضاء الاشتراك في التصويت على قرارات الجمعيّة العُموميّة الخاصّة بإبراء ذِمّتِهم من المسؤوليّة عن إدارتِهم، أو التي تتعلّق بمنفعة خاصّة لهُم، أو المُتعلِّقة بتضارُب المصالح أو بخلاف قائم بينهُم وبين الشّركة.
ب- لا يجوز لمن له الحق في حُضور الجمعيّة العُموميّة أن يشترك في التصويت، سواءً بصِفته الشخصيّة أو عمّن يُمثِّله في المسائل التي تتعلّق بمنفعة خاصّة أو بخلاف قائم بينه وبين الشّركة.

صلاحيّات الجمعيّة العُموميّة
المادة (٥١)

مع مُراعاة أحكام قانون الشّركات والقرارات الصّادرة بمُوجبه والتشريعات السّارية في الإمارة، للجمعيّة العُموميّة بمُوجب القرار الخاص القيام بما يلي:
١- زيادة أو تخفيض رأسمال الشّركة بأي طريقة.
٢- البيع أو التصرُّف بكُل أو جُزء من أعمال الشّركة أو مشاريعها أو أصولها، بأي وجهٍ من أوجُه التصرُّفات القانونيّة.
٣- تعديل مُدّة الشّركة أو إنهاؤها.
٤- إصدار سندات القروض أو الصُّكوك أو أي أدوات ماليّة أخرى.
٥- تخصيص نِسبة من أرباح الشّركة السنويّة أو الأرباح المُتراكِمة للمسؤوليّة المُجتمعيّة، بعد الحُصول على مُوافقة الهيئة، على أن تلتزم الشّركة في هذه الحالة بالإفصاح على موقِعها الإلكتروني بعد انتهاء السّنة الماليّة عن قيامها بمسؤوليّتها المُجتمعيّة، وعلى مُدقِّق الحسابات

أن يُضمِّن في تقريره والبيانات الماليّة السنويّة للشّركة الجهات المُستفيدة من المُساهمات المُجتمعيّة للشّركة.

٦- تعديل النِّظام الأساسي، على أن يُراعى في هذا التعديل أحكام الفقرة (ب) من المادة (١٠) من القانون، بالإضافة إلى ما يلي:
  أ- ألا تُؤدّي التعديلات إلى زيادة أعباء المُساهِم.
  ب- ألا تُؤدّي التعديلات إلى نقل مركز الشّركة الرّئيس إلى خارج الإمارة.

الحق في التصويت
المادة (٥٢)

مع مُراعاة التشريعات المعمول بها لدى الهيئة والسّوق المالي، يكون مالك السّهم المُسجّل في يوم العمل السّابق لانعقاد الجمعيّة العُموميّة هو صاحب الحق بالتصويت في الجمعيّة العُموميّة.

جدول أعمال الجمعيّة العُموميّة
المادة (٥٣)

أ- مع مُراعاة أحكام القانون وقانون الشّركات والقرارات الصّادرة بمُوجبِهما وهذا النِّظام، تختص الجمعيّة العُموميّة بالنّظر في جميع المسائل المُتعلّقة بالشّركة المُدرجة في جدول الأعمال.

ب- استثناءً من أحكام الفقرة (أ) من هذه المادة، يجوز للجمعيّة العُموميّة المُداولة في الوقائع الخطيرة التي تُكتَشف أثناء الاجتماع، وإذا طلبت الهيئة أو المُساهِم أو عدد من المُساهِمين الذين يُمثِّلون ما نسبته (٥٪) خمسة بالمِئة على الأقل من رأسمال الشّركة، وقبل البدء في مُناقشة جدول أعمال الجمعيّة العُموميّة، إدراج مسائل مُعيّنة في جدول الأعمال، فإنّه يجب على رئيس الاجتماع إجابة ذلك الطّلب وفقاً للشُّروط التي تُحدِّدها الهيئة في هذا الشأن.

الباب السّادس
مُدقِّق الحِسابات

تعيين مُدقِّق الحِسابات
المادة (٥٤)

أ- يكون للشّركة مُدقِّق حِسابات أو أكثر، تُعيّنُه الجمعيّة العُموميّة، بناءً على ترشيح من مجلس الإدارة، لمُدّة سنة واحدة قابلة للتجديد، وتُحدِّد الجمعيّة العُموميّة أتعابه ومُكافآتِه.

ب- يجب أن يكون مُدقِّق الحِسابات مُسجّلاً لدى الهيئة، ومُرخصاً له بمُزاولة مِهنة مُدقِّقي الحِسابات في الدّولة وفقاً للتشريعات السّارية.

ج- يتولى مُدقِّق الحِسابات مهامّه من نهاية اجتماع الجمعيّة العُموميّة التي يتم تعيينُه فيها، إلى نِهاية اجتماع الجمعيّة العُموميّة للسّنة التّالية.

د- لا يجوز أن تزيد مُدّة تعيين مُدقِّق الحِسابات على المُدّة المُحدّدة في قانون الشّركات والقرارات الصّادرة بمُوجبه.

استقلاليّة مُدقِّق الحِسابات
المادة (٥٥)

أ- يجب أن يكون مُدقِّق الحِسابات مُستقِلاً عن الشّركة ومجلس الإدارة، ولا يجوز له أن يكون شريكاً أو وكيلاً للمُؤسِّس أو لأي من الأعضاء أو قريباً له حتى الدّرجة الرّابعة، كما لا يجوز

لمُدقِّق الحِسابات أن يكون مُساهِماً أو شاغِلاً لعُضويّة مجلس الإدارة أو أن يشغل أي منصب فنّي أو إداري أو تشغيلي أو تنفيذي في الشّركة.

ب- على الشّركة أن تتّخِذ خطوات عمليّة للتحقُّق من استقلاليّة مُدقّق الحِسابات، وألا يكون لديه أي من حالات تضارُب المصالح.

اختصاصات مُدقِّق الحِسابات
المادة (٥٦)

أ- يتولّى مُدقِّق الحِسابات جميع المهام والصلاحيّات المنصوص عليها في قانون الشّركات والقرارات الصّادرة بمُوجبه وهذا النِّظام، ويكون له على وجه الخُصوص الحق بالاطلاع، وفي جميع الأوقات، على جميع سِجلات ومُستندات ودفاتر ووثائق الشّركة، وأن يطلُب الإيضاحات التي يراها لازمة لأداء مهامِّه، كما له أن يتحقّق من موجودات الشّركة والتزاماتها، وفي حال لم يتمكّن مُدقّق الحِسابات من مُمارسة هذه الصلاحيّات، فعليه أن يُثبِت ذلك كتابةً في تقرير يُقدَّم إلى مجلس الإدارة، وفي حال عدم تمكين مجلس الإدارة لمُدقِّق الحِسابات من أداء مُهمّته، وجب على مُدقِّق الحِسابات أن يُرسِل صُورة من ذلك التقرير إلى الهيئة والسُّلطة المُختصّة، وأن يعرِضُه على الجمعيّة العُموميّة.

ب- يتولّى مُدقِّق الحِسابات تدقيق حِسابات الشّركة وفحص الميزانيّة، وحساب الأرباح والخسائِر، ومُراجعة صفقات وتعامُلات الشّركة مع الأطراف ذات العلاقة، والتأكُّد من تطبيق أحكام قانون الشّركات والقرارات الصّادرة بمُوجبه وهذا النِّظام، وعليه تقديم تقرير بنتائج هذا الفحص والتدقيق إلى الجمعيّة العُموميّة، وإرسال صُورة منه إلى الهيئة والسُّلطة المُختصّة، كما يجب عليه عند إعداد تقريره التأكُّد مِمّا يلي:
١- مدى صِحّة السِّجلات المُحاسبيّة التي تحتفظ بها الشّركة.
٢- مدى تطابُق حسابات الشّركة مع السِّجلات المُحاسبيّة.

ج- تلتزم الشّركات المملوكة للشركة والشركات التّابعة ومُدقِّقو حِساباتها بتقديم أي معلومات أو توضيحات يطلُبها مُدقِّق الحِسابات لأغراض التدقيق.

تقرير مُدقِّق الحِسابات
المادة (٥٧)

أ- يُقدِّم مُدقِّق الحِسابات إلى الجمعيّة العُموميّة تقريراً يشتمِل على البيانات المنصوص عليها في المادة (٢٥٢) من قانون الشّركات، وعليه أن يحضُر اجتماع الجمعيّة العُموميّة لتلاوة تقريره على المُساهِمين، مُوضّحاً فيه أي مُعوِّقات أو تدخُّلات من مجلس الإدارة تكون قد واجهته أثناء تأدِية أعمالِه.

ب- يجب أن يتّسِم تقرير مُدقِّق الحِسابات بالاستقلاليّة والحياديّة، وأن يُدلي برأيه في كُل ما يتعلّق بعمله، وخاصّةً في ميزانيّة الشّركة، ومُلاحظاته على حساباتِها ومركزها المالي، وأي مُخالفات تتعلّق بها.

ج- على مُدقِّق الحِسابات أن يُشير في تقريره، وفي الميزانيّة العُموميّة للشّركة، إلى المُساهمات الخيريّة والمُجتمعيّة التي قامت بها الشّركة خلال السّنة الماليّة، إن وجِدَت، وأن يُحدِّد الجهات المُستفيدة من هذه المُساهمات.

د- يكون مُدقِّق الحِسابات مسؤولاً عن صِحة البيانات الواردة في تقريره بوصفِه وكيلاً عن مجموع المُساهِمين، وللمُساهِم أثناء انعقاد الجمعيّة العُموميّة أن يُناقِش تقرير مُدقِّق الحِسابات وأن يطلُب أي إيضاحات عمّا ورد فيه.

الباب السّابع
ماليّة الشّركة

دفاتر الشّركة وسنتها الماليّة
المادة (٥٨)

أ- على مجلس الإدارة أن يحتفِظ بدفاتر حسابات مُنتظمة حسب الأصول، لإعطاء صُورة صحيحة وعادِلة عن وضع أعمال الشّركة ولتفسير تعامُلاتِها، وتُحفظ هذه الدّفاتر طبقاً للمبادئ المُحاسبيّة المُتعارف عليها دوليّاً، ولا يحِق للمُساهِم فحص هذه الدّفاتر إلا بمُوجب تفويض صادر عن مجلس الإدارة في هذا الشّأن.

ب- تبدأ السّنة الماليّة للشّركة في اليوم الأوّل من شهر يناير، وتنتهي في اليوم الحادي والثلاثين من شهر ديسمبر من كُل سنة.

البيانات الماليّة السنويّة
المادة (٥٩)

أ- يجب أن يتم تدقيق الميزانيّة العُموميّة عن السّنة الماليّة قبل الاجتماع السّنوي للجمعيّة العُموميّة بشهر على الأقل، وعلى مجلس الإدارة إعداد تقرير عن نشاط الشّركة ومركزها المالي في ختام السّنة الماليّة، والطريقة التي يقترحها لتوزيع الأرباح الصّافية، وتُرسل نُسخة من البيانات الماليّة السنويّة وحساب الأرباح والخسائِر، مع نُسخة من تقرير مُدقِّق الحِسابات وتقرير مجلس الإدارة وتقرير الحوْكمة إلى الهيئة، مع إرفاق مُسوّدة من دعوة الجمعيّة العُموميّة للانعقاد للمُوافقة على نشرها في الصُّحف اليوميّة، قبل موعد انعقاد الجمعيّة العُموميّة بـ (٢١) واحد وعشرين يوماً.

ب- يتم نشر البيانات الماليّة السنويّة للشّركة وفقاً للضّوابط التي تُحدِّدها الهيئة في هذا الشأن، ويتم إيداع نُسخة منها لدى كُل من الهيئة والسُّلطة المُختصّة.

الاقتطاع من الأرباح السنويّة
المادة (٦٠)

يجوز لمجلس الإدارة أن يقتطِع من الأرباح السنويّة غير الصّافية، النِّسبة التي يراها مُناسِبة، كبدل لاستهلاك موجودات الشّركة أو التعويض عن انخفاض قيمتها، ويتم التصرُّف بهذه الأموال للغرض المُخصّص لها فقط بناءً على قرار يصدُر عن مجلس الإدارة في هذا الشأن، دون أن يكون له الحق في توزيعها على المُساهِمين.

توزيع الأرباح السنويّة
المادة (٦١)

يتم توزيع الأرباح السنويّة الصّافية للشّركة بعد خصم جميع المصروفات العُموميّة والتّكاليف الأخرى، وفقاً لما يلي:

١- يتم اقتطاع ما نِسبتُه (١٠٪) عشرة بالمِئة من صافي الأرباح، تُخصّص لحساب الاحتياطي القانوني، ويُوقف هذا الاقتطاع متى بلغ مجموع الاحتياطي قدراً يُوازي (٥٠٪) خمسين بالمِئة من رأسمال الشّركة، وفي حال نقص الاحتياطي عن ذلك، فإنّه يتعيّن العودة إلى ذلك الاقتطاع.

٢- تخصيص نِسبة لا تزيد على (١٪) واحد بالمِئة من الرّبح الصّافي للسّنة الماليّة المُنتهية كمُكافأة للأعضاء، وذلك بعد خصم جميع الاستهلاكات والاحتياطيّات، وتُخصم من هذه المُكافأة الغرامات التي تكون قد وُقِّعَت على الشّركة من الهيئة أو السُّلطة المُختصّة، بسبب مُخالفة

مجلس الإدارة للقانون أو قانون الشّركات والقرارات الصّادرة بمُوجبهما أو هذا النّظام أو أي من التشريعات السّارية في الإمارة خلال السّنة الماليّة المُنتهية، وللجمعيّة العُموميّة عدم خصم تلك الغرامات أو بعضها إذا تبيّن لها أن تلك الغرامات ليست ناتِجة عن تقصير أو إهمال أو خطأ من مجلس الإدارة.

٣- توزيع الباقي من صافي الأرباح على المُساهِمين أو أن يتم ترحيلُه إلى السّنة الماليّة المُقبِلة، بناءً على اقتراح من مجلس الإدارة، أو أن يُخصّص لإنشاء احتياطي اتفاقي، وفقاً لما تُقرِّره الجمعيّة العُموميّة في هذا الشأن.

التصرُّف في الحساب الاحتياطي
المادة (٦٢)

يتم التصرُّف في الحساب الاحتياطي بقرار من مجلس الإدارة في الأوجُه التي تُحقِّق مصالح الشّركة، ولا يجوز توزيع الاحتياطي القانوني على المُساهِمين، ومع ذلك يجوز استعمال ما زاد منه على نصف رأس المال المدفوع لتأمين توزيع أرباح لا تزيد على (١٠٪) عشرة بالمِئة من رأس المال المدفوع على المُساهِمين، وذلك في السّنوات التي لا تسمح بتوزيع هذه النِّسبة.

سِياسة توزيع الأرباح
المادة (٦٣)

أ- يتم دفع حِصَص الأرباح إلى المُساهِمين وفقاً لنظام التداول والمقاصّة والتسويات في نقل ملكيّة وحفظ الأوراق الماليّة، وكذلك القواعد واجبة التطبيق في السّوق المالي الذي تم فيه إدراج أسهُم الشّركة.

ب- يجوز للشّركة توزيع أرباح رُبع سنويّة أو نِصف سنويّة على المُساهِمين من الأرباح التشغيليّة أو الأرباح المُتراكِمة للشّركة، ويكون مجلس الإدارة مُفوّضاً باعتماد واتخاذ وتنفيذ القرارات المُتعلّقة بتوزيع الأرباح، وفقاً لسِياسة توزيع الأرباح المُعتمدة من الجمعيّة العُموميّة.

الباب الثّامن
حل الشّركة وتصفِيتها

حالات حل الشّركة
المادة (٦٤)

تُحَل الشّركة بقرار يصدُر عن رئيس المجلس التنفيذي، في أي من الحالات التّالية:

١- انتهاء المُدّة المُحدّدة للشّركة، وفقاً لما هو منصوص عليه في هذا النّظام.
٢- انتهاء الغرض الذي أسِّسَت الشّركة لأجله.
٣- صُدور القرار الخاص من الجمعيّة العُموميّة بإنهاء مُدّة الشّركة.
٤- اندماج الشّركة في شركة أخرى.
٥- هلاك جميع أموال الشّركة أو مُعظمها بحيث يتعذّر استثمار الباقي استثماراً مُجدِياً وفقاً لما تُقرّره الجمعيّة العُموميّة بموجب القرار الخاص.

الخسائِر المُتراكِمة
المادة (٦٥)

إذا بلغت الخسائِر المُتراكِمة للشّركة ما يُساوي قيمة نِصف رأسمالها المُصدّر، وجب على مجلس الإدارة خلال (٣٠) ثلاثين يوماً من تاريخ الإفصاح للهيئة عن القوائم الماليّة الدوريّة أو السنويّة، دعوة الجمعيّة العُموميّة للانعقاد، لاتخاذ ما يلزم بشأن حل الشّركة قبل الأجل المُحدّد لها أو استمرارها في مُباشرة نشاطها.

تصفِية الشّركة
المادة (٦٦)

عند انتهاء مُدّة الشّركة أو حلّها قبل الأجل المُسمّى، تُحدِّد الجمعيّة العُموميّة، بناءً على طلب مجلس الإدارة، طريقة التصفِية، وتُعيِّن مُصفِّياً أو أكثر، وتُحدِّد مهامّهم، وعلى مجلس الإدارة من تاريخ تعيين المُصفّي التوقُّف عن أداء أي مهام منوطة به، في حين تستمِر الجمعيّة العُموميّة في مُزاولة المهام والصلاحيّات المنوطة بها طيلة مُدّة التصفِية وإلى حين انتهاء إجراءات التصفِية.

الباب التاسع
الأحكام الختاميّة

الأحكام واجبة التطبيق
المادة (٦٧)

أ- تُستثنى الشّركة طيلة مُدّة بقاء ملكيّة أسهُمِها بالكامل للمُساهِم الحُكومي، وقبل طرح أسهُمِها للاكتتاب العام، من تطبيق الأحكام المنصوص عليها في المواد (١٤)، (١٥)، (٢٠)، (٢٢)، (٢٥)، (٣٠)، (٥/٣٢)، (٣٧)، (٤٠) إلى (٤٦)، (٤٨)، (٥٠)، (٥٢)، (٥٣)، و(٦٨) من هذا النِّظام.

ب- تُستثنى الشّركة طيلة مُدّة بقاء ملكيّة أسهُمِها بالكامل للمُساهِم الحُكومي، وقبل طرح أسهُمِها للاكتتاب العام، من تطبيق الأحكام المنصوص عليها في المواد (٦)، (٧)، (٨)، (١١) إلى (٢٠)، (٢٢)، (٢٤)، (٣/٢٦)، (٣٠)، (٣١)، (٣٢)، (٣٦)، (٣٧)، (١٠٥) إلى (١٦٠)، (١٦٢)، (١٦٤) إلى (٢٤١)، (٢٤٣)، (٢٤٤)، (٢٤٥)، (٢٤٧)، (٢٤٨)، (٢٥١)، (٢٥٢)، (٢٥٣)، (٢/٢٥٤)، (٢٦٨) إلى (٢٧٣)، (٢٧٥) إلى (٣٠١)، (٣٠٦)، (٣٠٩)، (٣١١)، (٣١٤) إلى (٣٣٤)، (٣٤٠) إلى (٣٤٨)، (٣٥٠) إلى (٣٥٩)، و(٣٦١) إلى (٣٦٣) من قانون الشّركات.

ج- تُطبّق أحكام قانون الشّركات والقرارات الصّادرة بمُوجبه وهذا النِّظام على الشّركة فور الانتهاء من طرح أسهُمِها للاكتتاب العام وتسجيلها لدى الهيئة، على أن تُستثنى الشّركة في هذه الحالة من الأحكام المنصوص عليها في المواد (٢/١١٧)، (١٤٩)، و(١٥٢) من قانون الشّركات، ويتم استثناء الشّركة من تطبيق أحكام هذه المواد بمُوجب قرار يصدُر عن مجلس الوزراء في هذا الشأن.

حوْكمة الشّركات
المادة (٦٨)

مع مُراعاة أحكام هذا النِّظام، تُطبّق على الشّركة جميع القرارات المُنظِّمة لحوْكمة الشّركات المُعتمدة لدى الهيئة، وتُعتبر هذه القرارات جُزءاً لا يتجزّأ من هذا النِّظام ومُكمِّلة له.

إيداع النِّظام الأساسي
المادة (٦٩)

يُودع هذا النظام ويُنشر طبقاً لقانون الشّركات.

Annex 3 – Receiving Bank's Branches

ENBD - Participating Branches

#	Branch name	Area	Branch Timing	Subscription Timing	Branch Location	Call Center
1	Group Head Office Branch	Dubai	Monday to Thursday (8:00 AM - 3:00 PM) Friday (7:30 AM - 12:15 PM)	Monday to Thursday (8:00 AM - 2:00 PM) Friday (7:30 AM - 11:15 PM)	Ground Floor, Emirates NBD Group Head Office, Baniyas Road, Deira, Dubai	800 ENBD IPO (3623 476)
2	Jumeirah Branch	Dubai	Monday to Thursday (8:00 AM - 2:00 PM) Friday (7:30 AM - 12:15 PM) Saturday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM) Friday (7:30 AM - 11:15 PM) Saturday (8:00 AM - 1:00 PM)	Emirates NBD Building, Al Wasl Rd Intersection, Umm Suquiem 3, Jumeirah, Dubai	800 ENBD IPO (3623 476)
3	Abu Dhabi Main Branch	Abu Dhabi	Monday to Thursday (8:00 AM - 3:00 PM) Friday (7:30 AM - 12:15 PM)	Monday to Thursday (8:00 AM - 2:00 PM) Friday (7:30 AM - 11:15 PM)	Ground Floor, Al Neem Building, Shaikh Khalifa street , Abu Dhabi	800 ENBD IPO (3623 476)
4	Al Muroor Branch	Abu Dhabi	Monday to Thursday (8:00 AM - 2:00 PM) Friday (7:30 AM - 12:15 PM) Saturday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM) Friday (7:30 AM - 11:15 PM) Saturday (8:00 AM - 1:00 PM)	New Airport Road, Muroor, Abu Dhabi	800 ENBD IPO (3623 476)
5	Al Ain Main Branch	Al Ain	Monday to Thursday (8:00 AM - 2:00 PM) Friday (7:30 AM - 12:15 PM) Saturday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM) Friday (7:30 AM - 11:15 PM) Saturday (8:00 AM - 1:00 PM)	Sheikh Khalifa Bin Zayed St, (in front of Burjeel Hospital), Al Ain	800 ENBD IPO (3623 476)
6	Sharjah Main Branch	Sharjah	Monday to Thursday (8:00 AM - 2:00 PM) Friday (7:30 AM - 11:30 AM) Saturday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM) Friday (7:30 AM - 10:30 PM) Saturday (8:00 AM - 1:00 PM)	Ground Floor, Emirates NBD Building, Immigration Road, Al Qassimia Area, Sharjah	800 ENBD IPO (3623 476)
7	Ajman Branch	Ajman	Monday to Thursday (8:00 AM - 2:00 PM) Friday (7:30 AM - 12:15 PM) Saturday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM) Friday (7:30 AM - 11:15 PM) Saturday (8:00 AM - 1:00 PM)	Emirates NBD Building, Sheikh Rashid Bin Humaid St, Al Sawan, Ajman	800 ENBD IPO (3623 476)

Emirates Islamic Bank - Participating Branches

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address	Call Centre contact
1	Healthcare City Branch	Dubai	Monday to Thursday (8am - 4pm) Friday (8 - 12.30pm & 2pm - 4pm)	Monday to Thursday (8am - 1pm) Friday (8am - 11.30am)	Building 16, Dubai Health Care City	(04)3160066
2	Nad Al Hamar	Deira	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Bel Remaitha Club Building,Show Rooms # S-8 & S-9,Nad Al Hamar Area, Al Rubat street	(04)3160066
3	Halwan Branch	Sharjah & NE Region	Monday to Saturday (8am - 8pm) Friday (8am - 11.30am	Monday to Saturday (8am - 1pm) Friday (8am - 10.30am)	Sheikh Esam Saqr Al Qasimi Building, Wasit Street, Samnan Area, Halwaan, Sharjah	(04)3160066
4	Ajman Kalifa Bin Zayed	Ajman	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Sara Plaza 2 Building, Al Jurf 2 Area, Sheikh Khalifa Bin Zayed Road, Ajman	(04)3160066
5	Ras Al Khaimah Branch	Ras Al Khaimah	Monday to Saturday (8am - 8pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Emirates Islamic Tower, Ground Floor, Al Muntaser Road - Al Nakheel Area	(04)3160066
6	Fujairah Branch	Fujairah	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Building of Emirates Islamic Bank, Sheikh Hamad Bin Abdulla Street, Muraishid Area, Fujairah	(04)3160066
7	Main Branch Abu Dhabi	Abu Dhabi	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Wave Tower, Corniche Area, Abu Dhabi	(04)3160066
8	Al Ain Branch	Al Ain	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Saeed Al Tawair Al Ameri Building, Othman Bin Affan Street, Al Marbaa Area, Al Ain	(04)3160066

FAB - Participating Branches

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Call Center
1	Sheikh Rashid Road Branch	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Airport Street – Ramy Hotel Building – Abu Dhabi	97126161800
			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)		
2	Jabel Ali	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Near Gate No.5, Adjacent to Dubai Chamber Office	97126161800
			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	97126161800
			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	Oud Al Touba Branch	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Oud Al Touba Area, National housing loans bulding, Ali Bin Abi Talieb street, Al Ain.	97126161800
			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)		
5	Dubai Health Care City Branch	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Opp Wafi Center, Building 47 Dubai Healthcare City - Office	97126161800
			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)		

Ajman Bank - Participating Branches

Call Center	Branch Location	Subscription Timing	Branch Timing	Area	Branch name	#
800 22	Al Ettehad Street, Next to Etisalat Building, Mushairef – Ajman	Monday to Thursday & Saturday (8:00 AM -7:00 PM) Friday (08:00 AM - 12:00 PM & 03:00 PM - 07:00 PM)	Monday to Thursday & Saturday (8:00 AM -7:00 PM) Friday (08:00 AM - 12:00 PM & 03:00 PM - 07:00 PM)	Ajman	Main Branch	1
800 22	Subway – Ajman Bank Building, near Sheikh Khalifa Bin Zayed ST – Alain	Monday to Thursday & Saturday (8:00 AM -2:00 PM) Friday (07:00 AM - 12:00 PM)	Monday to Thursday & Saturday (8:00 AM -2:00 PM) Friday (07:00 AM - 12:00 PM)	Al Ain	Al Ain Branch	2
800 22	Ground Floor, Zahrat El Madaen Tower, Corniche street, next to starbucks – Al Sharjah	Monday to Thursday & Saturday (8:00 AM -2:00 PM) Friday (07:00 AM - 12:00 PM)	Monday to Thursday & Saturday (8:00 AM -2:00 PM) Friday (07:00 AM - 12:00 PM)	Sharjah	Buhaira Branch	3
800 22	Inside Dalma Mall, 1st Floor – Al Wazn ST-Abu Dhabi	Monday to Thursday & Saturday (9:00 AM -9:00 PM) Friday (03:00 PM - 08:00 PM)	Monday to Thursday & Saturday (9:00 AM -9:00 PM) Friday (03:00 PM - 08:00 PM)	Abu Dhabi	Dalma Mall Branch (TCA)	4
800 22	23 Rawd ST – Al Khalidiyah- W9- Abu Dhabi	Monday to Thursday & Saturday (8:00 AM -2:00 PM) Friday (07:00 AM - 12:00 PM)	Monday to Thursday & Saturday (8:00 AM -2:00 PM) Friday (07:00 AM - 12:00 PM)	Abu Dhabi	Khalidiya Branch	5
800 22	Next to Health first pharmacy – E11 – Al Nadiyah – Ras Al Khaimah	Monday to Thursday & Saturday (8:00 AM -2:00 PM) Friday (07:00 AM - 12:00 PM)	Monday to Thursday & Saturday (8:00 AM -2:00 PM) Friday (07:00 AM - 12:00 PM)	Ras Alkhaima	RAK Branch	6
800 22	Marfa Tower – Ground floor – Baniyas road – Deira	Monday to Thursday & Saturday (8:00 AM -2:00 PM) Friday (07:00 AM - 12:00 PM)	Monday to Thursday & Saturday (8:00 AM -2:00 PM) Friday (07:00 AM - 12:00 PM)	Dubai	Deira Branch	7

800 22	Ground Floor, Eiffel Boulevard Limited Building, Sheikh Zayed Road , Dubai	Monday to Thursday & Saturday (8:00 AM -8:00 PM) Friday (08:00 AM - 12:00 PM & 03:00 PM - 07:00 PM)	Monday to Thursday & Saturday (8:00 AM -8:00 PM) Friday (08:00 AM - 12:00 PM & 03:00 PM - 07:00 PM)	Dubai	Sheikh Zayed Road Branch	8

ADIB - 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 Bateen Branch	Normal Branch	33	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	10:00 AM to 2:00 PM 04:00 PM to 09:00 PM	04:00 PM to 09:00 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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	08:00 am to 07:00 pm	08:00 AM to 11:00 AM	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	08:00 am to 07:00 pm	08:00 AM to 11:00 AM	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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	11:00 AM to 04:00 PM	05:00 PM to 09:00 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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Sheikh Zayed Street, Opposite Dibba Police Station - Fujairah
17	Kalba Branch	Normal Branch	49	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	King Faisal Street opposite Umm Al Quwain Mall
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	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Al Mussala Area opposite Etisalat building

CBD - Participating Branches

#	Branch name	Area	Branch Timing	Subscription Timing	Branch Location	Call Center
1	Main Branch	Deira, Dubai	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	Al Ittihad Road, Port Saeed Area, Dubai	+9714 2121156
			07:30 AM - 12:30 PM (Friday)	08:00 AM - 11:00 AM (Friday)		
2	Jumeirah Branch	Jumeirah	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	Jumeirah Road, Dubai	+9714 2121156
			07:30 AM - 12:30 PM (Friday)	08:00 AM - 11:00 AM (Friday)		
3	Bur Dubai Branch	Bur Dubai, Dubai	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	Al Mankhool Road, Bur Dubai, Dubai	+9714 2121156
			07:30 AM - 12:30 PM (Friday)	08:00 AM - 11:00 AM (Friday)		
4	Sheikh Zayed Road Branch	Sh. Zayed Rd., Dubai	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	Sheikh Zayed Road, Dubai	+9714 2121156
			07:30 AM - 12:30 PM (Friday)	08:00 AM - 11:00 AM (Friday)		
5	Zayed the First branch	Abu Dhabi	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	Zayed The First Road, Abu Dhabi	+9714 2121156
			07:30 AM - 12:30 PM (Friday)	08:00 AM - 11:00 AM (Friday)		
6	Sharjah Branch	Sharjah	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	King Abdulaziz Road, Sharjah	+9714 2121156
			07:30 AM - 12:30 PM (Friday)	08:00 AM - 11:00 AM (Friday)		

Annex 4 – Company's organization Chart