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

TECOM Group PJSC (Under Incorporation) (the "Company or "TECOM")

(under incorporation in the Emirate of Dubai, United Arab Emirates, as a Public Joint Stock Company)

Dated: 9 June 2022

This is the prospectus (the "**Prospectus**") for the sale of 625,000,000 (six hundred and twenty five million) ordinary shares with a nominal value of AED 0.1 (10 fils) (ten fils) each representing 12.5% (twelve point five per cent) of the issued share capital of the Company (the "**Offer Shares**") in a public subscription in the United Arab Emirates (the "**UAE**") only, by one of the Company's shareholders, DHAM (the "**Selling Shareholder**"). The Selling Shareholder reserves the right to amend the Offering (as defined below) and the tranche sizes 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 Securities and Commodities Authority of the UAE (the "**SCA**"). 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 **16 June 2022** (the "**Offer Price Range**"). The Offer Shares will be duly and validly issued as at the date of listing (the "**Listing**") of the ordinary shares in the capital of the Company (the "**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. 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.

Offer Period

The Offer Period for the First Tranche, the Second Tranche and the Third Tranche (as described in this Prospectus) starts on 16 June 2022 and is expected to close on 23 June 2022 for the First Tranche and Third Tranche and on 24 June 2022 for the Second Tranche

This is the initial public offering ("**Offering**"), including the offer to the Emirates Investment Authority ("**EIA**"), of 625,000,000 (six hundred and twenty five million) Shares in the capital of the Company, a public joint stock company ("**PJSC**") (under incorporation) in the UAE and in the process of being converted from a limited liability company to a PJSC. The Final Offer Price will be determined through the application of a book building process, whereby a subscription orders ledger will be created through the subscription orders made only by the Professional Investors (as defined herein).

If all of the Offer Shares are subscribed for and allocated, the Offer Shares will represent 12.5% (twelve point five per cent) of the total Shares. The Selling Shareholder reserves the right to amend the Offering and the tranche sizes 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, Second Tranche and the Third Tranche and the completion of the conversion process of the Company from a limited liability company to a PJSC, the Company will list its Shares on the DFM.

Date of the SCA's approval of this Prospectus: **6 June 2022**.

This Prospectus contains data that has been submitted in accordance with the rules for issuance and disclosure issued by the SCA and this Prospectus has been approved by the SCA on 6 June 2022 under reference number755L2022/kh/ta. However, the SCA's approval of this Prospectus does not constitute an endorsement of the feasibility of any investment in the Offer Shares or a recommendation to subscribe for the Offer Shares; the approval only confirms that this Prospectus contains the minimum information required in accordance with the applicable rules issued by the SCA with respect to prospectuses. The SCA is not responsible for the accuracy, completeness or adequacy of the information contained in this Prospectus and the SCA does not bear any responsibility for any damages or losses incurred by any person as a result of relying on this Prospectus or any part of it. The members of the Company's Founders' Committee bear full responsibility regarding the validity of the information and data contained in this Prospectus, and they confirm, to the extent of their knowledge and belief, and subject to due diligence and after conducting reasonable enquiries, that there are no other facts or material information, which were not included in this Prospectus that renders any statement contained therein misleading to the Subscribers or which may influence their decision to invest.

Method of sale of the Offer Shares in a public subscription

The Offer Shares represent 625,000,000 (six hundred and twenty-five million) Shares which will be sold by the Selling Shareholder in a public offering. The Final Offer Price will be determined through the application of a book building process, whereby a subscription orders ledger will be created through the subscription orders made only by the Professional Investors. The Selling Shareholder reserves the right to amend the Offering and the size of the tranches 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 to by the Professional Investors will constitute 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 and the Third Tranche Subscribers must not be more than 40%, of the Offer Shares in aggregate.

If the First Tranche is not subscribed to in full, the remaining Offer Shares will be allocated to the Second Tranche. If the Third Tranche is not subscribed to in full, the remaining Offer Shares will be allocated to the First Tranche. The Receiving Banks shall refund the oversubscription amounts received from the First Tranche and the Third Tranche Subscribers for the Offer Shares and any earned profit on such amounts within 5 (five) working days from the date on which all allocations of Offer Shares to successful First Tranche and Third Tranche Subscribers and Professional Investors are determined.

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

Book Building Mechanism

Book building is a mechanism carried out during the Offering which assists in determining the Final Offer Price.

The book building process comprises the following steps:

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.

The appointed Joint Lead Managers invite certain qualified investors, typically institutional and sophisticated investors and fund managers, to submit bids for the number of shares that they are interested in purchasing and the prices at which they would be willing to pay for such shares. The qualified investors' bids are recorded in a register specifically for recording the subscription orders for the shares being offered.

The book is 'built' by listing and evaluating the aggregated demand for the share offer from the submitted bids. The investment banks analyse the subscription orders register from qualified investors and, based on that analysis, determine with the company and its selling shareholder(s), the final price for the shares, which is termed the final offer price.

Shares are then allocated to the accepted qualified investor bidders, at the discretion of the company and its selling shareholder(s).

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. 9% (nine per cent) of the Offer Shares, amounting to 56,250,000 (fifty six million two hundred and fifty thousand) Shares, are allocated to the First Tranche, which is restricted to the following persons:

- ***Individual Subscribers***

  Natural persons (including natural persons constituting Assessed Professional Investors (as described under the Second Tranche who do not participate in the Second Tranche)) who hold a NIN with the DFM and have a bank account in the UAE (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 is no citizenship or residence requirement in order to qualify as an Individual Subscriber.

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

- ***Other investors***

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

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

  All First Tranche Subscribers must hold a DFM Investor Number ("NIN").

  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, 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 and Third Tranche does not exceed 40% of the Offer Shares in aggregate.

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

  There is no maximum application size for First Tranche Subscribers.

B. Second Tranche

90% (ninety per cent) of the Offer Shares, amounting to 562,500,000 (five hundred sixty two million and five hundred 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 categorised in the following manner:

a. "**Deemed Professional Investors**" which include:

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

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

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

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

v. financial institutions;

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

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

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

ix. a trustee of a trust which has, during the past 12 months, assets of AED 35,000,000 (thirty-five million UAE dirhams) or more;

x. licensed family offices with assets of AED 15,000,000 (fifteen million UAE dirhams) or more;

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

xii. 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 (seventy-five million UAE dirhams) or more (excluding short-term liabilities and long-term liabilities);

   b. has a net annual revenue of AED 150,000,000 (one hundred fifty million UAE dirhams) or more; or

   c. an aggregate total of cash and investments on its balance sheet; or total equity (after deducting paid up share capital), of not less than AED 7,000,000 (seven million UAE dirhams).

b. "**Assessed Professional Investors**" which include:

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

ii. a natural person who is:

   a. approved by the SCA or a similar supervisory authority;

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

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

d. represented by an entity licensed by the SCA;

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

a. the account participant must be an immediate or second degree relative of the main account holder;

b. the account is used to manage the investments of the main account holder and its subscribers; and

c. 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;

i. a special purpose vehicle or trust established for the purpose of managing an investment portfolio of assets for an HNWI; and

ii. an undertaking which satisfies the following requirements:

a. it maintains an aggregate total of cash and investments on its balance sheet or total equity (after deducting paid up share capital) of no less than AED 4,000,000 (four million UAE dirhams);

b. it is assessed to have sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment);

c. 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),

d. a holding or subsidiary company; or

e. 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 in the United States who is a qualified institutional buyer ("**QIB**"), as defined in Rule 144A under the US Securities Act ("**Rule 144A**") and to whom an offer can be made in accordance with Rule 144A; (b) a person outside the United States to whom an offer can be made in reliance on Regulation S under the US Securities Act; (c) 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 (d) 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 "Authorised Persons" or "Recognised Bodies" (as such terms are defined in the FSMR) or persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 18 of the FSMR) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated.

All Professional Investors must hold a NIN with the DFM.

If not all of the Offer Shares in the Second Tranche are fully subscribed, 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 and Third Tranche does not exceed 40% of the Offer Shares in aggregate.

The minimum application size for Professional Investors is AED 5,000,000 (five million UAE dirhams).

There is no maximum application size for Professional Investors.

C. Third Tranche

The Third Tranche offer will be made pursuant to this Prospectus, 1% (one per cent) of the Offer Shares, representing 6,250,000 (six million two hundred and fifty thousand) Shares are allocated to the Third Tranche, which is restricted to the following persons:

Dubai Holding Group Eligible Employees

Natural persons (including natural persons constituting Assessed Professional Investors (as described under the Second Tranche)), who have a bank account and do not participate in the First Tranche nor the Second Tranche and who are Dubai Holding Group Eligible Employees and whose details have been shared by the Company with the Lead Receiving Bank and the DFM on or before 20 June 2022 (except for any person who is resident in the United States within the meaning of the US Securities Act, as amended).

If all of the Offer Shares in the Third Tranche are not fully subscribed for, the unsubscribed Offer Shares will be available to the First Tranche Subscribers or to the Second Tranche Subscribers, or alternatively (in consultation with the SCA) the Selling Shareholder may (i) extend the Closing Date for the First Tranche, the Second Tranche and the Third 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 Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate. All Third Tranche Subscribers must hold a NIN with the DFM.

The minimum application size for subscribers in this 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 this tranche.

D. Emirates Investment Authority (EIA)

31,250,000 (thirty-one million two hundred and fifty thousand) Offer Shares representing 5% (five per cent) of all the Offer Shares are reserved for the EIA, in accordance with the requirements of Article 127 of Federal Law By Decree No. 32 of 2021 on Commercial Companies (as amended from time to time) (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 Professional Investors.

Every Subscriber must hold a NIN with the 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 for Offer Shares in more than one tranche, the Receiving Banks and the Joint Lead Managers may disregard one or both of such applications.

The approval of the SCA 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 SCA in accordance with the provisions of the Companies Law on 6 June 2022.

A copy of the offering document for the Second Tranche (in English only), referred to as the "**Second Tranche Document**", which was not reviewed, endorsed or approved by the SCA, will be available at www.ipo.tecomgroup.ae. No information contained in, or referred to in, the Second Tranche Document, forms part of, or is incorporated into, this Prospectus.

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

This Prospectus was issued on 9 June 2022.

This Prospectus is available on the website of the Company: www.ipo.tecomgroup.ae

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	**First Abu Dhabi Bank PJSC** FAB Building Khalifa Business Park – Al Qurm District P.O. Box 6316 Abu Dhabi United Arab Emirates

Lead Receiving Bank
Emirates NBD Bank PJSC Headquarters Baniyas Road, Deira P.O. Box 777 Dubai United Arab Emirates
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 U.S. law **Allen & Overy LLP** One Bishops Square London E1 6AD United Kingdom	***Legal advisor to the Company as to UAE law*** **Allen & Overy LLP** 5th Floor Al Mamoura Building B Muroor Road P.O. Box 7907 Abu Dhabi, UAE

Legal advisor to the Company as to UAE law **IBRAHIM .N. PARTNERS** 24th Floor Al Sila Tower ADGM Square Tel: (971) 2694 8668 E-mail: Info@inp.legal P.O. Box 5100746 Abu Dhabi, UAE
Legal advisor to the Joint Lead Managers as to English, UAE and U.S. law **Latham & Watkins LLP** Level 16, ICD Brookfield Place Dubai International Financial Centre P.O. Box 506698 Dubai, UAE

Auditors to the Company
As of and for the years ended 31 December 2019, 2020 and 2021 and for the three months ended 31 March 2021 and 2022 **Deloitte & Touche (M.E.)** Emaar Square Building 3 Downtown Dubai P.O. Box 4254 Dubai, UAE

IPO Subscription Auditors
Deloitte & Touche (M.E.) Emaar Square Building 3

Downtown Dubai P.O. Box 4254 Dubai, UAE

Investor Relations contact
Haissam Baydoun Tel: (971) (04) 391 3928 E-mail address: haissam.baydoun@tecomgroup.ae Dubai, United Arab Emirates
This Prospectus is dated 9 June 2022

IMPORTANT NOTICE

(To be read carefully by all Subscribers)

- This Prospectus is intended to provide potential Subscribers with information to assist in deciding whether or not to apply for Offer Shares. Potential Subscribers should read this Prospectus in its entirety, and carefully review, examine and consider all data and information contained in it, before deciding whether or not to apply for Offer Shares (and, in particular, "*Investment Risks*"), as well as the Memorandum of Association and 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 authorised 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 and the Third 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 SCA and informing the public of such revision or addition by publication in two daily newspapers in circulation in the UAE in accordance with the rules issued by the SCA. 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 SCA.

- 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 SCA.

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

- This Prospectus is not intended to constitute a financial promotion, offer, sale or delivery of shares or other securities under the 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 the DFSA, and does not constitute an offer of securities in the ADGM in accordance with the FSRA Market Rules or in the DIFC in accordance with the DIFC Markets Law or the Markets Rules (MKT) Module of the DFSA Rulebook.

- The publication of this Prospectus has been approved by the SCA. The SCA's approval of the publication of this Prospectus shall neither be deemed as an endorsement or approval of the subscription feasibility nor a recommendation of investment, but it means only that the minimum requirements according to the issuance rules and information disclosure applicable to prospectuses and issued by the SCA have been met. The SCA 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 6 June 2022.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Historical financial information

The Company's audited special purpose carve-out financial statements as of and for the years ended 31 December 2019, 2020, and 2021 and reviewed special purpose condensed interim carve-out financial statements as of and for the three months period ended 31 March 2021 and 2022 have been included in this Prospectus. The carve-out financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"), except for the transfer of the operating activities of the divisions as described in note 1 to the carve-out financial statements.

Currency presentation

Unless otherwise indicated, all references in this Prospectus to:

- "**UAE dirham**" or "**AED**" are to the lawful currency of the United Arab Emirates; and
- "**U.S. dollars**" or "**U.S.$**" are to the lawful currency of the United States.

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

Rounding

Certain data in this Prospectus, including financial, statistical and operating information, has been rounded. For example, contracts that are stated to have a ten-year term, are typically for just under ten years and have been rounded. Furthermore, as a result of such rounding, the totals of data presented in this Prospectus 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 per cent.

FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. The forward-looking statements contained in this Prospectus speak only as of the date of this Prospectus. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of the Company and all of which are based on current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as “believe”, “expects”, “may”, “will”, “could”, “should”, “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 Prospectus and include statements regarding intentions, beliefs and current expectations concerning, among other things, results of operations, financial condition, liquidity, prospects, growth, strategies, and dividend policy and the industry in which the Company operates.

These forward-looking statements and other statements contained in this Prospectus regarding matters that are not historical facts as of the date of this Prospectus involve predictions. No assurance can be given that such future results will be achieved.

There is no obligation or undertaking to update the forward-looking statements contained in this Prospectus to reflect any change in beliefs or expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so by (i) the applicable laws of the UAE or (ii) as a result of an important change with respect to a material statement in this Prospectus.

Actual events or results may differ materially as a result of risks and uncertainties that the Company faces. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Please refer to “*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 authorised 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 Memorandum of Association and 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 authorised to give any information or to make any representation or warranty in connection with the Offering or the 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 authorised by the Company, the Selling Shareholder, or the other Offer Participants. By applying for Offer Shares, a Subscriber acknowledges that (i) they have relied only on the information in this Prospectus and (ii) no other information has been authorised by the Company, the Selling Shareholder, any Offer Participants, the Joint Lead Managers, the Joint Bookrunners or any 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 set out on pages 8 and 9 are participating in, receiving subscription funds from, or managing, the public offering of the Offer Shares in the UAE.

Neither the content of the Company's website or any other website, 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 Participant, nor any Advisor 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.

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

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

This Prospectus may be subject to revision, with the prior written approval of the SCA. 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 SCA, to withdraw this Prospectus and cancel the Offering at any time and in their sole discretion. Neither the delivery of this Prospectus nor any sale made under it may, under any circumstances, be taken to imply that there has been no change in the affairs of the Company since the date of this Prospectus or that the information in it is correct as of any subsequent time.

Emirates NBD Capital PSC and First Abu Dhabi Bank PJSC have been appointed as joint lead managers (the "**Joint Lead Managers**"), each of whom is licensed by the SCA on 10/10/2018, and 5/11/2017, respectively and will manage the issuance, marketing and promotion of the Offer Shares in the UAE and coordinate with the Company, the SCA and the other Offer Participants with regard to the offering of the Offer Shares in the UAE. Emirates NBD Bank PJSC has also been appointed as the 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, Second Tranche and Third Tranche.

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

Emirates NBD Capital PSC, First Abu Dhabi Bank PJSC, and a syndicate of 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 Offering and will not regard any other person (whether or not a recipient of this Prospectus) as a client in relation to the Offering.

The Joint Lead Managers and the Joint Bookrunners 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 and the Joint Bookrunners and the Company or the Selling Shareholder do not constitute any conflict of interest between them.

The members of the Founders' Committee (whose names are set out in this Prospectus) assume responsibility for the completeness, accuracy and verification of the contents of this Prospectus. They declare that they have carried out appropriate due diligence investigations and, to the best of their knowledge and belief, the information contained in this Prospectus is, at the date hereof, factually accurate, complete and correct in all material respects and that there is no omission of any information that would make any statement in this Prospectus materially misleading.

In accordance with Article 121 of the Companies Law, each of the Offer Participants shall exercise the care of a prudent person, and each of them or their delegates shall be responsible for the performance of their duties.

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

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

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

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

This Prospectus was approved by the SCA on 6 June 2022.

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 set out in Annex (2).
Board	The board of Directors of the Company.
Closing Date	23 June 2022 for the First Tranche and the Third Tranche and 24 June 2022 for the Second Tranche.
Companies Law	Federal Law by Decree No. 32 of 2021 on Commercial Companies (as amended from time to time).
“Company” or “TECOM”	TECOM Group PJSC (under incorporation in the Emirate of Dubai, United Arab Emirates, as a Public Joint Stock Company), which is being converted from a limited liability company to a public joint stock company in the Emirate of Dubai, UAE, pursuant to the applicable laws of the UAE, and prior to that TECOM Investments LLC.
DDA	Dubai Development Authority in the UAE.
DET	Dubai Economy and Tourism Department in the UAE.
DFM	Dubai Financial Market in the UAE.
DLD	Dubai Land Department in the UAE.
DFSA	Dubai Financial Services Authority in the UAE.
DHAM FZ-LLC	A freezone limited liability company, commercial license No. 97887, issued by the Dubai Development Authority and it owns 1% of the issued share capital of the Company.
DHAM Group	DHAM and its subsidiaries.
DIFC	Dubai International Financial Centre.
Direct Operating Costs	The sum of direct costs, general and administrative expenses, marketing and selling expenses, minus cost recoveries,

	depreciation of property and equipment, depreciation of investment property and amortisation of intangibles.
Directors	The Executive Directors and the Non-Executive Directors.
Dubai Holding	Dubai Holding L.L.C, a limited liability company established in the UAE**.**
Dubai Holding Group	Dubai Holding and its subsidiaries.
Dubai Holding Group Eligible Employees	The relevant eligible individuals employed by the Dubai Holding Group who obtain the prior approval of the Dubai Holding Group to participate in the Third Tranche.
EIA	Emirates Investment Authority in the UAE.
Electronic Applications	Applications via online internet / mobile banking and ATMs as provided by the Receiving Banks to the First Tranche and the Third Tranche Subscribers.
Executive Directors	The executive directors of the Company.
Final Offer Price	The offer price at which all the Subscribers in the First Tranche, the Second Tranche and the Third Tranche will purchase each Offer Share. The Final Offer Price of each Offer Share will be determined following a book building process for the Second Tranche and following consultation between the Joint Lead Managers, the Selling Shareholder and the Company. The Offer Shares of the Professional Investors 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, which will be published in two Arabic local daily newspapers and one English newspaper in the UAE and on the Company's website: www.ipo.tecomgroup.ae.
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 (i) Company's audited special purpose carve-out financial statements including the notes thereto, included in this Prospectus as of and for the years ended 31 December 2019, 2020 and 2021; and (ii) the reviewed special purpose condensed interim carve-out

	financial statements as of and for the three months period ended 31 March 2021 and 2022. The carve-out financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), except for the transfer of operating activities of the divisions as described in Note 1 to the carve-out financial statements.
Financial year	The Company's fiscal year begins on January 1 and ends on December 31 of each year.
First Tranche	The offer 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 or the Third Tranche and who hold a NIN with the DFM and have a bank account in the UAE.
Founders	Each of DHAM LLC and DHAM FZ-LLC.
FSMR	Financial Services and Markets Regulations 2015.
FSRA	ADGM Financial Services Regulatory Authority.
FTS	UAE Central Bank Funds Transfer System method.
GCC	Gulf Cooperation Council countries comprising the United Arab Emirates, Kingdom of Saudi Arabia, Sultanate of Oman, State of Qatar, State of Kuwait and Kingdom of Bahrain.
Governance Rules	The Chairman of the SCA's Board of Directors' Decision No. (3/R.M) of 2020 Concerning Approval of Joint Stock Companies Governance Guide (as amended from time to time).
Group	TECOM and its subsidiaries.
IFRS	International Financial Reporting Standards.
Individual Subscribers	Natural persons who hold a NIN with the DFM and have a bank account in the UAE (including natural persons constituting Assessed Professional Investors who do not participate in the Second Tranche). There is no other citizenship or residence requirement.

iVESTOR Card	A VISA pre-paid smart card issued for Subscribers registered with the DFM and subject to the iVESTOR Card terms and conditions available on the DFM website (https://www.dfm.ae).
JLL	JLL Valuation L.L.C.
Joint Bookrunners	Emirates NBD Capital PSC, First Abu Dhabi Bank PJSC, and a syndicate of international banks.
Joint Lead Managers	Emirates NBD Capital PSC and First Abu Dhabi Bank PJSC.
Lead Receiving Bank	Emirates NBD Bank PJSC.
Listing of the Shares or Listing	Following the closing of the subscription, the allocation to successful Subscribers and the incorporation of the Company following its conversion from a limited liability company to a PJSC with the relevant authorities in the UAE, the Company will apply to list and admit to trading all of its Shares on the DFM. Trading in the Shares on the DFM will be effected through the DFM Share Registry.
Manager's Cheque	Certified bank cheque drawn on a bank licensed and operating in the UAE.
Memorandum of Association	The memorandum of association of the Company, as set out in Annex (2).
Minimum Subscription	The minimum subscription for Offer Shares in the First Tranche and the Third Tranche has been set at AED 5,000 (five thousand UAE dirhams), with any additional investment to be made in increments of at least AED 1,000 (one thousand UAE dirhams). The minimum subscription for Offer Shares in the Second Tranche has been set at AED 5,000,000 (five million UAE dirhams).
NIN	A national investor number that a Subscriber must obtain from the DFM for the purposes of subscription.
Non-Executive Directors	The non-executive directors of the Company.
Offering	The public subscription of 625,000,000 (six hundred and twenty five million) Shares of the total Shares of the Company which are being offered for sale by the Selling Shareholder. The Selling Shareholder reserves the right to amend the Offering and the tranches size at any time prior to the end of the

	subscription period in its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA.
Offering Participants	The entities listed on pages 8 to 10 of this Prospectus.
Offer Period	The subscription period for the First Tranche and the Third Tranche starts on 16 June 2022 and will close on 23 June 2022. The subscription period for the Second Tranche starts on 16 June 2022 and will close on 24 June 2022.
Offer Price Range	The Offer Shares are being offered at an offer price range that will be published on the first day of the Offer Period.
Offer Shares	625,000,000 (six hundred and twenty five million) Shares which will be sold by the Selling Shareholder in a public subscription process. The Selling Shareholder reserves the right to amend the Offering and the tranches size 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.
Professional Investors	"Professional Investors" as defined in the SCA Board of Directors' Chairman Decision No.13/R.M of 2021 (as amended from time to time), which specifically include those investors which can be categorised in the following manner: • "**Deemed Professional Investors**" which include: i. international corporations and organisations whose members are states, central banks or national monetary authorities; ii. governments, government institutions, their investment and non-investment bodies and companies wholly owned by them; iii. central banks or national monetary authorities in any country, state or legal authority; iv. capital market institutions licensed by the SCA or regulated by a supervisory authority equivalent to the SCA; v. financial institutions; vi. regulated financial institutions, local or foreign mutual investment funds, regulated pension fund management companies and regulated pension funds; vii. any entity whose main activity represents investment in financial instruments, asset securitisation or financial transactions;

	viii. any company whose shares are listed or accepted to trade in any market of an IOSCO member country; ix. a trustee of a trust which has, during the past 12 months, assets of AED 35,000,000 or more; x. licensed family offices with assets of AED 15,000,000 or more; xi. 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); xii. a body corporate who fulfils (on the date of its last financial statements) a "large undertaking" test, whereby it fulfils at least two of the following requirements: • holds total assets of AED 75,000,000 or more (excluding short-term liabilities and long-term liabilities); • has a net annual revenue of AED 150,000,000 or more; or • an aggregate total of cash and investments on its balance sheet; or total equity (after deducting paid up share capital), of not less than AED 7,000,000. • "**Assessed Professional Investors**" which include: i. a natural person who owns net assets, excluding the value of their main residence, of not less than AED 4,000,000 (an "**HNWI**"); ii. a natural person who is: • approved by the SCA or a similar supervisory authority; • an employee of a licensed entity or a regulated financial institution who has been employed for the past two years; • assessed to have sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); or • represented by an entity licensed by the SCA; iii. a natural person (the "account participant") with a joint account for investment management with an HNWI (the "main account holder"), provided that each of the following conditions are satisfied:

- the “account participant” must be an immediate or second degree relative of the “main account holder”;

- the account is used to manage the investments of the “main account holder” and their subscribers; and

- 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”;

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

v. an undertaking which satisfies the following requirements:

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

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

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

- a holding or subsidiary company;

- or 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 in the United States who is a QIB and to whom an offer can be made in accordance with Rule 144A; (b) a person outside the United States to whom an offer can be made in reliance on Regulation S; (c) 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 (d) a person

	in the ADGM to whom an offer can be made in accordance with the FSMR and the FSRA Market Rules and made only to persons who are “Authorised Persons” or “Recognised Bodies” (as such terms are defined in the FSMR) or persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 18 of the FSMR) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated.
QIB	A “qualified institutional buyer” as defined in Rule 144A.
Receiving Banks	The group of banks led by the Lead Receiving Bank, comprising that bank and First Abu Dhabi Bank, Mashreq Bank, Emirates Islamic Bank, Abu Dhabi Islamic Bank, Dubai Islamic Bank, Ajman Bank, Commercial Bank of Dubai and Sharjah Islamic Bank 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.
Restructuring	The pre-IPO restructuring exercise that occurred in 2022.
Rule 144A	Rule 144A under the US Securities Act.
SCA	The Securities and Commodities Authority of the UAE.
Second Tranche	The offer of Offer Shares to Professional Investors made under the Second Tranche Document.
Second Tranche Document	The Second Tranche offer document has been drafted in a specific manner to be addressed only to Professional Investors subscribing for Offer Shares in the Second Tranche and in compliance with the laws and regulations of the relevant jurisdictions specified therein and acceptable to such jurisdictions, which has not been reviewed, endorsed or approved by the SCA, and such offer document (including the information contained therein) does not form part of this Prospectus. The offer document for the Second Tranche will be available on the Company’s website: www.ipo.tecomgroup.ae.
“Selling Shareholder” or “DHAM”	DHAM L.L.C, a limited liability company, commercial license No. 915964, issued by the DET and it currently owns 99% of the issued share capital of the Company.
Shareholder	A holder of Shares.

Shares	The ordinary shares of the Company with a nominal value of AED 0.10 (10 fils) each.
SMS	Short Message Service.
Subscriber	A natural or juridical applicant, in either case who applies for subscription in the Offer Shares.
Third Tranche	The offer of the Offer Shares in the UAE to the Third Tranche Subscribers.
Third Tranche Subscribers	Dubai Holding Group Eligible Employees.
UAE	United Arab Emirates.
UAE Central Bank	The Central Bank of the UAE.
United States or U.S.	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 the Offer Shares offered for sale to the public

- **Name of the Company:** TECOM Group PJSC (under incorporation).
- **Commercial license number of the Company**: 577858, issued by the DET.
- **Company head office**: Office No. 1, Umm Suqeim, P.O. Box 66000, Dubai, United Arab Emirates.
- **Share capital**: The share capital of the Company as at the date of Listing has been set at AED 500,000,000 (five hundred million UAE dirhams), divided into 5,000,000,000 (five billion) Shares, with the nominal value of each Share being AED 0.1 (10 fils) (ten fils), all of which are paid in full.
- **Percentage, number and type of the Offer Shares**: 625,000,000 (six hundred and twenty five million) Shares, all of which are ordinary shares and which constitute 12.5% (twelve point five per cent) of the Company's total issued share capital and which are being offered for sale by the Selling Shareholder. All Shares are of the same class and carry equal voting rights and rank pari passu in all other rights and obligations. The Selling Shareholder reserves the right to amend the Offering and the tranches size 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 the same day of opening of the Offer Period on 16 June 2022.
- **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 in the UAE. 9% (nine per cent) of the Offer Shares, representing 56,250,000 (fifty six million two hundred and fifty 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, 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 and Third Tranche does not exceed 40% of the Offer Shares in aggregate.
    - **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 with the DFM. 90% (ninety per cent) of the Offer Shares, representing 562,500,000 (five hundred sixty two million and five hundred thousand) Shares, 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 and Third Tranche does not exceed 40% of the Offer Shares in aggregate.
    - **Third Tranche**: The Third Tranche of the Offering will be open to Third Tranche Subscribers as described on the cover page of this Prospectus and the "*Definitions and Abbreviations*" section of this Prospectus. All Subscribers in the Third Tranche must hold a NIN with DFM and have a bank

account number. The final size of the Third Tranche will be determined by the Selling Shareholder on the date of the Offer Price Announcement. 1% (one per cent) of the Offer Shares, representing 6,250,000 (six million two hundred and fifty thousand) Shares are allocated to the Third Tranche. The Selling Shareholder reserves the right to amend the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate.

- **Public subscription in the Offer Shares is prohibited as follows:**

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

- **Minimum subscription:**

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

- **Maximum subscription**:

  No maximum subscription in Offer Shares has been set.

- **Subscription by the Founders:**

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

- **Lock-up period:**

  Pursuant to an underwriting agreement 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 shall 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.

- **Use of Proceeds:**

  The Company will not receive any proceeds from the Offering. The Offering is being conducted, among other reasons, to allow the Selling Shareholder to sell part of its shareholding in the Company, while providing increased trading liquidity in the Shares and raising the Company's profile within the international investment community.

- **Subscription costs / Offering expenses:**

  All expenses of the Offering (including management and marketing and any discretionary fees) will be borne by the Selling Shareholder.

Further Information on the First Tranche and the Third Tranche

1. Subscription applications

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

Subscribers must complete all of the relevant fields in the subscription application and submit it to any Receiving Bank or through one of the electronic subscription channels as set out below, together with all required documents and the subscription amount during the Offer Period for the First Tranche and the Third 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.

All of the Dubai Holding Group Eligible Employees who are interested in participating in the Third Tranche are required to submit their expression of interest ("**EOI**") along with their corresponding NIN details through the platforms provided by TECOM on or before 20 June 2022. Provided that internal (Dubai Holding Group) approvals are subsequently granted for these EOIs to be considered for subscription, the list of Dubai Holding Group Eligible Employees who will have submitted their EOI by the aforementioned date will be forwarded to the Lead Receiving Bank a day prior to the start of the subscription period and any incremental additions to that list of employees (who will have obtained the prior approval of the Dubai Holding Group to participate in the Third Tranche) will be provided to the Lead Receiving Bank and the DFM on a daily basis until 12:00PM on 20 June 2022. Any EOI received thereafter will not qualify for the Third Tranche allocation. The Lead Receiving Bank will not be responsible for verifying the accuracy or completeness of the Dubai Holding Group Eligible Employees list.

Subject to the above, if any of the Dubai Holding Group Eligible Employees participating in the Third Tranche have not provided his/her EOI prior to the date and time stipulated above, their subscription will be shifted to the First Tranche, and if any of the Dubai Holding Group Eligible Employees participating in the First Tranche have provided his/her EOI prior to the date and time stipulated above, their subscription will be deemed accepted and will form part of the Third Tranche.

Subscription for Offer Shares would deem the Subscriber to have accepted the Memorandum of Association and 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 Memorandum of Association and 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 or her representative.

The Receiving Banks may reject subscription applications submitted by any Subscriber in the First Tranche and the Third 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 Subscriber 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 and the Third Tranche offers;

- 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 the DFM or if the NIN is incorrect;

- the subscription application is found to be duplicated (any acceptance of such duplicate application is solely at the discretion of the Company and the Selling 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, Second Tranche and the Third Tranche), nor is it permitted to apply in either tranche more than once);

- 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, the Second Tranche or the Third Tranche offers;

- insofar as it concerns the Third Tranche, the employee submitting the EOI is not considered eligible based on applicable internal (Dubai Holding Group) procedures;

- 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 SCA or the DFM; or

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

Documents accompanying subscription applications

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

For *individuals*

- NIN details;
- the original and a copy of a valid passport or Emirates ID; and
- in case the signatory is different from the Subscriber:
    - the duly notarised 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 or Emirates ID of the signatory for verification of signature and a copy of the original passport or Emirates ID; and
    - a copy of the passport or Emirates ID of the Subscriber for verification of signature; and
- in case the signatory is a guardian of a minor, the following will be submitted:
    - original and copy of the guardian's passport or Emirates ID for verification of signature;
    - original and copy of the minor's passport; and
    - if the guardian is appointed by the court, original and copy of the guardianship deed attested by the court and other competent authorities (e.g. notary public).

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

- UAE registered corporate bodies:
    - the original and a copy of a trade licence 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 this Prospectus and in the subscription form;
    - NIN details; and
    - the original and a copy of the passport or Emirates ID of the signatory.
- Foreign corporate bodies: the documents will differ according to the nature of the corporate body and its domicile. Accordingly, please consult with the Joint Lead Managers to obtain the list of required documents.

For *individuals* who are Dubai Holding Group Eligible Employees participating in the Third Tranche:

- To submit their EOI along with their corresponding NIN details through the platforms provided;
- To submit an application with one of the Receiving Banks; and
- Passport/Emirates ID.

- 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 and the Third Tranche

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

- Certified bank cheque (Manager's Cheque) drawn on a bank licensed and operating in the UAE, in favour of "TECOM Group 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 Subscriber's bank account must be completed on the subscription application form even if the application amount will be paid by Manager's Cheque.

Prior to Listing, the relevant amount of the proceeds for the acquisition of the Offer Shares will be paid to the Selling Shareholder.

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

- in cash;
- personal cheques (not certified); or
- any other mode of payment other than mentioned above.

Details of the Receiving Banks' participating branches are set out in Annex (3).

Electronic Subscription

DFM E-subscription

The DFM will make its official website (www.dfm.ae) available to Subscribers with a NIN registered on the DFM website (www.dfm.ae) and holding a valid iVESTOR Card for them to submit their electronic subscriptions to the Receiving Banks. The Receiving Banks may also have their own electronic channels (on-line internet banking applications, mobile banking applications, ATMs, etc.) interfaced with the DFM IPO system. By submitting an electronic subscription application 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 Offering account in favour of "TECOM Group PJSC – IPO" 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 earned profit 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 Banks in which the electronic subscription application was submitted.

If any Subscriber does not comply with the terms and conditions contained herein, especially in relation to the provisions relating to electronic subscriptions and/or the requirements for payments using an iVESTOR Card, none of the DFM, the Selling Shareholder, the Company, the Board, the Joint Lead Managers, the Receiving Banks or the iVESTOR Card issuing bank shall, in any way, be liable in respect of any losses or damages suffered, directly or indirectly, arising from: (i) the use of the electronic subscription facility by the customer of the bank or the Subscriber; (ii) the debiting of the customer account of the relevant Receiving Bank; and (iii) the debiting of the iVESTOR Card by the iVESTOR Card issuing bank.

Subscription applications may also be received through the UAE Central Bank Funds Transfer System ("**FTS**"). Any investors using the FTS method will be required to provide their valid NIN together with the value of Offer Shares subscribed for in the special instructions field.

Emirates NBD Bank account holders

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.

Non-Emirates NBD Bank account holders

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 ENBD team through our call center 800-Tecom-IPO (800 83266 476)

For further information, please contact:

- Mahmoud Renaoui, Assistant Manager IPO Centre – Group OPS
- Email: mahmoudr@emiratesnbd.com
- Mobile: 0505858951

Emirates Islamic Bank

Account holders with Emirates Islamic Bank can subscribe via the bank's online internet banking channel as well as through ATMs & Mobile application. Eligible persons can access the ATMs using their debit card, and internet banking accounts with their username and password (as is customary with electronic banking channels). This will be deemed sufficient for the purposes of identification with regard to their subscriptions.

Please note that non-Emirates Islamic Bank customers will not be eligible for subscription through Emirates Islamic Bank's electronic subscription channels. In case of any issues or support, please contact the dedicated Emirates Islamic Bank team through our call center 800-Tecom-IPO (800 83266 476).

For further information, please contact:
- Sunil Goyal, VP – Head of Wealth Products and Propositions
- Mobile: 0503803342

First Abu Dhabi Bank

First Abu Dhabi Bank 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.

If you need any support, please call the First Abu Dhabi Bank Call Centre No. +971 2616 1800.

For further information, please contact:
- Hani Ghanayam, Executive Director
- Email : Hani.salimy.Ghanayem@bankfab.com
- Mobile: 0508185290

Abu Dhabi Islamic Bank

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

Abu Dhabi Islamic Bank account holders will access Abu Dhabi Islamic Bank'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.

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

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

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

In case of any issues or support, please contact the dedicated EI team through our call +971 2 652 0878.

For further information, please contact:
- Peter Kruse, Director – ECM & Advisory
- Email: peter.kruse@adib.com
- Mobile: 0544370073

Or alternatively:
- Jamal Abu Daken, Head of Custody Services & Corporate Actions
- Email: jamald@adib.com

- Mobile: 0505666995

Mashreq Bank

Mashreq Bank's Digital Journey will offer the functionality to existing customers to digitally capture the IPO subscription requests, generate NINs with DFM & open brokerage account with Mashreq Securities.

This journey will be initiated in the Mashreq Digital Channel through mobile banking platforms.

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

In case of any issues or support, please contact the dedicated EI team through our call 0097144244444

For further information, please contact:

- Aladdin Al Deesi, RBG – Executive Vice President, Chief of Staff & Operation & Head of Distribution
- Email: AladdinD@mashreq.com
- Mobile: 0504507489

Dubai Islamic Bank

For further information, please contact:

- Faiz Syed, Head of Investment Product
- Email: Faiz.Syed@dib.ae
- Mobile: 0554154953

or contact our call center on 0097146092222.

Ajman Bank

Ajman Bank account holders will be able to subscribe for the IPO via Online Banking.

For further information, please contact:

- Muhammed Ayiaz, Senior Officer
- Email: m.riaz@ajmanbank.ae
- Mobile:0504767123

or alternatively

- Mr. Radi
- Email: m.radi@ajmanbank.ae
- Mobile: 0501235395

In case of any issues or support, please contact the dedicated EI team through our call 80022

Commercial Bank of Dubai

The IPO will be open to all CBD account holders. Account-holders can login top 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 4 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.

In case of any issues or support, please contact the dedicated EI team through our call 0097142121895

For further information, please contact:

- Deepak Mehra – Head of investments
- Email: deepak@cbd.ae

- Mobile: 0507143909

Sharjah Islamic Bank

For further information, please contact:

- Amin K Al Sahlawi, VP – Head of Retail Support & Control
- Email: amin.sahlawi@sib.ae
- Mobile: 0509366699

In case of any issues or support, please contact the dedicated EI team through our call 009716-5999999

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

- Subscription amounts paid by way of cheque must be submitted by 1:00 p.m. on 21 June 2022.
- Subscription amounts paid by way of PGS, FTS and SWIFT must be submitted by 1:00 p.m. on 22 June 2022.
- Subscription applications received through ATM, Internet Banking, Mobile Application & Website must be made before 1:00 p.m. on 23 June 2022.

Subscription amounts

Subscribers in the First Tranche and the Third 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 and the Third 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 the Final Offer Price.

The Offer Shares will be sold in an initial public offering 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 Professional Investors. Professional Investors will be invited to bid for Offer Shares within the Offer Price Range using price sensitive orders (by indicating application amounts that vary in size depending on price). The Joint Lead Managers will use the information indicating the extent of the demand at various price levels provided by such Professional Investors 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 Offer Shares of the Professional Investors shall 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 with the DFM and bank account details will not be eligible for subscription and will not be allocated any Offer Shares.

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

The Receiving Bank through which the subscription is made will issue to the Subscriber an acknowledgement of receipt which the Subscriber has to keep until the Subscriber receives the allotment notice. One copy of the subscription application after being submitted, signed and stamped by the Receiving Bank shall be considered as an acknowledgement for receipt of the subscription application. This receipt shall include the data of the Subscriber, address, amount paid, details of the payment method and the 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 16 June 2022 for the First Tranche, the Second Tranche and the Third Tranche and closes on 23 June 2022 for the First Tranche and the Third Tranche and on 24 June 2022 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 the Regulations for Issuing and Offering of Public Joint Stock Companies issued by the SCA pursuant to Resolution No. (11/R.M. of 2016) (as amended from time to time), the Selling Shareholder will allocate the Offer Shares according to the allotment policy specified below.

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 resulting thereon.

Notice of Allocation

Successful Subscribers in the First Tranche and the Third Tranche will be notified by SMS of the number of Offer Shares allocated to them. This will be followed by a notice setting out each Subscriber's allocation of Offer Shares, which will be sent by registered mail or e-mail provided in the subscription form, as applicable, to each Subscriber.

Method of refunding surplus amounts to Subscribers

By no later than 1 July 2022 (being within 5 (five) working days of the Closing Date of the Second Tranche), the Offer Shares shall be allocated to Subscribers and, within 5 (five) working days of such allocation, the surplus subscription amounts and any earned profit resulting thereon, shall be refunded to Subscribers in the First Tranche in the First Tranche and the Third Tranche who were not allocated Offer Shares, and the subscription amounts and any earned profit resulting thereon shall be refunded to the Subscribers in the First Tranche and the Third Tranche whose applications have been rejected for any of the above reasons. The surplus amounts and any earned profit thereon will be returned to the same Subscriber's account through which the payment of the original application amount was made. In the case of subscription amounts which have been paid 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 such Subscriber's 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.

Enquiries and complaints

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

Listing and trading of Shares

Subsequent to the allocation of Offer Shares and the finalization of the incorporation of the Company, the Company will list all of its Shares on the DFM in accordance with the applicable listing and trading rules in effect on the date of Listing. 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 the section of this Prospectus headed "*Investment Risks*" and must be considered before deciding to subscribe in the Offer Shares.

Emirates Investment Authority

The EIA shall be entitled to subscribe for 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 to the Subscribers of the other tranches of the Offering. 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 then its reserved portion shall be available for subscription by Professional Investors.

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 appropriate authorities and publishing such change(s) during the Offering period in daily newspapers.

Event	Date
Offering commencement date	16 June 2022
Closing Date of the First Tranche and the Third Tranche	23 June 2022

Closing Date of the Second Tranche	24 June 2022
Announcement of the Final Offer Price	27 June 2022
Allocation of the First Tranche and the Third Tranche	29 June 2022
SMS notification of final allocations of the First Tranche and the Third Tranche	29 June 2022
Convening of the Constitutive General Assembly at 9:00 a.m. *If the Offer Shares are not fully subscribed and the subscription period is extended, the date of the Constitutive General Assembly will be changed and this will be announced in two daily newspapers issued in the Arabic language*	30 June 2022
Commencement of refunds related to the surplus subscription monies, and any earned profit resulting thereon, to the First Tranche and the Third Tranche Subscribers as well as commencement of dispatch of registered mail relating to allotment of Offer Shares	1 July 2022
Expected date of Listing of the Shares on the DFM	5 July 2022

5. Conversion of the Company

All Subscribers should note that notice for the convening of the constitutive general assembly of the Company (the "**Constitutive General Assembly**") is served through this Prospectus. For these purposes, please see the Fourth Section of this Prospectus ("*Notice of Constitutive General Assembly*") The Constitutive General Assembly meeting will take place at 9:00 a.m. on 30 June 2022 electronically without physical attendance of the shareholders.

All Subscribers to whom Offer Shares have been allocated are invited pursuant to the notice to attend the Constitutive General Assembly on the date set out in the notice (please see the notice set out in the Fourth Section of this Prospectus ("*Notice of Constitutive General Assembly*") on production of a valid official identification document (including passport, Emirates ID card or authenticated proxy form).

Any successful Subscriber attending and voting at that meeting shall have a number of votes equivalent to the number of Offer Shares that are allocated to that Subscriber, following allocation.

6. Tranches

The Offering is divided, as follows:

The First Tranche:

Size:	56,250,000 (fifty six million two hundred and fifty thousand) Shares representing 9% (nine per cent) 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 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 and Third Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.
Eligibility:	First Tranche Subscribers (as described in the section of this Prospectus headed "*Definitions and Abbreviations*").
Minimum application size:	AED 5,000 (five thousand UAE dirhams), with any additional application in increments of at least AED 1,000 (one thousand UAE dirhams).
Maximum application size:	There is no maximum application size.
Allocation policy:	In case of over-subscription in the First Tranche, 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. Offer Shares will be allocated in accordance with the aforementioned allotment policy, based on the Final Offer Price. Each Subscriber will have a guaranteed minimum allocation of 1,000 (one thousand) Shares.
Unsubscribed Offer Shares:	If not all of the Offer Shares allocated to the First Tranche are fully subscribed, such unsubscribed Offer Shares shall be made available for subscription by Professional Investors or, alternatively (in consultation with the SCA) the Selling Shareholder may extend the Closing Date for the First Tranche, the Second Tranche and the Third Tranche or close the Offering at the level of applications received.

The Second Tranche:

Size:	562,500,000 (five hundred sixty two million and five hundred thousand) Shares representing 90% (ninety per cent) 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 and Third Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.
Eligibility:	Professional Investors (as described in the section of this Prospectus headed "*Definitions and Abbreviations*").
Minimum application size:	The minimum application size is AED 5,000,000 (five million UAE dirhams).
Maximum application size:	There is no maximum application size.
Allocation policy:	Allocations within the Second Tranche will be determined by the Company and the Selling 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 Offer Shares or that they are allocated a number of Offer Shares lower than the number of Offer Shares mentioned in their subscription application.
Discretionary allocation:	The Company and the Selling Shareholder reserve the right to allocate Offer Shares in the Second Tranche in any way they deem necessary. It is therefore possible that Subscribers who have submitted applications in this tranche may not be allocated any Offer Shares or that they are allocated a number of Offer Shares lower than the number of Offer Shares mentioned in their subscription application.
Unsubscribed Offer Shares:	If not all of the Offer Shares allocated to the Second Tranche are fully subscribed, the Offer will be withdrawn

The Third Tranche:

Size:	1% (one per cent) of the Offer Shares representing 6,250,000 (six million two hundred and fifty thousand) Shares. The Selling Shareholder reserves the right to amend the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.

Eligibility:	Third Tranche Subscribers as described on the cover page of this Prospectus and 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 Third Tranche, Offer Shares will be allocated to Third 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 Third 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 will have a guaranteed minimum allocation of 1,000 (one thousand) Shares.
Unsubscribed Offer Shares:	If not all of the Offer Shares allocated to the Third Tranche are fully subscribed, such unsubscribed Offer Shares shall be made available to the First Tranche Subscribers, or alternatively (in consultation with the SCA) the Selling Shareholder may extend the Closing Date for the First Tranche, the Second Tranche and the Third Tranche, or close the Offering at the level of applications received.

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. 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.

Emirates Investment Authority

31,250,000 (thirty one million two hundred and fifty thousand) Offer Shares representing 5% of all Offer Shares, are reserved for the EIA, in accordance with the requirements of Article 127 of 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 Professional Investors for application.

Important notes

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

Upon the Listing of the Shares on the DFM, the Shares will be registered in an electronic system of the DFM. 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 SCA, the Company reserves the right to alter the percentage of the Offer Shares which is to be made available to the First Tranche, Second Tranche or the Third Tranche.

Second Section: Key details of the Company

1. Overview of the Company

Name of the Company	TECOM Group PJSC (under incorporation)
Primary objects of the Company:	The primary objects that the Company is established for shall be in compliance with the provisions of the laws and regulations in force in the UAE and, pursuant to its Memorandum and Articles of Association set out in Annex (2), are the following: • invest in, incorporate, and manage commercial, industrial, technological, media, entertainment, academic and agricultural projects; • buy, sell, rent, manage and advise on commercial and residential real estate including (without limitation) performing the services of a real estate agent and providing real estate management services; • establish, manage, promote, market and conduct the business of hospitality and leisure services including, without limitation, hotels, commercial offices, retail premises, shopping malls, resorts, restaurants, motels, flats, residential houses, sports and recreational clubs and catering services, catering and hospitality services, recruitment services, educational services, and the lease, maintenance, improvement administration and management services related to all the same; • organize and manage exhibitions, conferences and seminars, auctions; • provide managerial and other executive, supervisory and consultancy services for or in relation to any company in which the Company is interested; • real estate development; • buying and selling real estate; • self-owned property management services; • real estate consultancies; • leasing property brokerage agents; • facilities management services; • real estate buying and selling brokerage; • real estate management supervision services; and • leasing and management of other people’s property.

Head office:	Office No. 1, Umm Suqeim, P.O. Box 66000, Dubai, United Arab Emirates
Details of trade register and date of engaging in the activity:	License No. 577858. The Company was incorporated in the Emirate of Dubai, United Arab Emirates, on 14 February 2006 as a limited liability company under the trade license number 577858 issued by the Dubai Department of Economic Development and is in the process of being converted from a limited liability company to a PJSC
Term of the Company:	100 years commencing from the date the Company is registered in the commercial register, to be automatically renewed thereafter unless terminated
Financial year:	1 January to 31 December
Independent Auditors:	Deloitte & Touche (M.E.) (Deloitte) of Emaar Square Building 3, Downtown Dubai, P.O. Box 4254, Dubai, UAE have: (i) audited the Company's special purpose carve-out financial statements as of and for the years ended 31 December 2019, 2020 and 2021; and (ii) reported on the Company's reviewed interim special purpose condensed interim carve-out financial statements as of and for the three months period ended 31 March 2021 and 2022, as stated in their reports included at Annex (1).

Major banks dealing with the Company:	Nature of Relationship
ENBD	Current Account/Fixed Deposit/Finance facility
DIB	Current Account/Fixed Deposit/Finance facility
FAB	Borrowing
ADCB	Current Account/Fixed Deposit

Details of the Board that will be established by, and be effective from, the date of Listing:

The Board is expected to consist of the 7 (seven) Board Members below upon Listing:

Name	**Year of Birth**	**Nationality**	**Capacity**
Malek Al Malek	1979	UAE	***Chairman***
Ahmed Al Qassim (*)	1982	UAE	***Vice Chairman***
Amit Kaushal	1983	British	***Director***

Omar Karim	1986	Australian	***Director***
Fatma Hussain	1978	UAE	***Director***
Aisha Abdulla Miran (*)	1980	UAE	***Director***
Arif Ahli (*)	1968	UAE	***Director***

Notes:

1. (*) denotes that the Director is considered “independent” under the Governance Rules.
2. All Directors are non-executive. Malek Al Malek and Fatma Hussain hold executive roles at the DHAM Group and Amit Kaushal and Omar Karim hold executive roles at Dubai Holding. For their other positions, please see their relevant biographies below.

Some of the members of the Board hold memberships on the boards of other public joint stock companies in the UAE, as follows:

Name	**Membership on the boards of directors of other public joint stock companies in the UAE**
Malek Al Malek	Chairman of the Board of Emirates Integrated Telecommunications Company PJSC (“du”)
Fatma Hussain	Member of the Board of Aramex PJSC

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

None of the members of the Board or the executive management and their first-degree relatives own any shares in the Company or its subsidiaries.

Directors’ remuneration

As the Board will only be formed upon Listing, the Board members have not and will not receive remuneration from the Company before then.

Details of the Company’s investments in its subsidiaries

Please refer to Annex (4) for an overview of the Company’s investments in its subsidiaries.

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

Overview

Since our inception, we have worked to develop strategic, sector-focused business districts across Dubai. These ecosystems have attracted leading global and regional corporations, entrepreneurs and specialised talent for more than two decades, contributing to the emirate's economic diversification, competitiveness and global positioning.

Our business districts and other commercial assets enjoy strategic locations across the city and are divided into four main categories: offices and workspaces (commercial leasing), industrial properties (industrial leasing), lands for lease (land leasing) and services and others.

To deliver a competitive and attractive environment for businesses and entrepreneurs to thrive and facilitate engagement between the districts' community members, we offer additional services such as start-up incubation and venue management. We also offer corporate and government services, including licensing and visas, through an integrated digital platform, all of which provide a competitive advantage for us and additional sources of revenue.

We also own a land bank which can be leased out directly or developed for rent, providing greater opportunities to attract new tenants and customers or allow existing ones to expand operations.

Our ten business districts host customers from specific economic industry sectors, which we refer to as "clusters". Our activities are focused on the following six clusters: tech, media, education, science, design, and manufacturing. Our business districts also include enabling assets that are designed to attract and retain local and international customers. Our portfolio includes a mix of CBD and non-CBD properties, with Dubai Internet City, Dubai Media City, Dubai Knowledge Park and Dubai Design District being our CBD properties. The remainder of our business districts are categorised as non-CBD.

As at 31 March 2022, our built to lease properties covered a total leasable area of 21.1 million square feet, consisting of 9.6 million square feet of commercial (built to lease and built to suit offices and retail) properties and 11.5 million square feet of industrial properties. Our land properties covered a total of 164.8 million square feet of land, consisting of 124.4 million square feet of land leases and 40.4 million square feet of land bank.

History

We have always focused on enabling several governmental strategies and economic objectives through plans to drive economic diversification and sustainable development. The business districts were established to nurture and empower vital economic sectors which have transformed into comprehensive ecosystems that stimulate innovation and growth, enhancing Dubai's position as a global destination for business and talent, and we accommodated over 7,800 customers across the six specific industry sectors with approximately 101,000 professionals and entrepreneurs as well as approximately 28,000 students as of 31 March 2022.

The first key milestone in our journey started with the announcement for establishing Dubai Internet City, followed by Dubai Media City in 2000 and Dubai Knowledge Park in 2001. Such districts constituted a significant part of the government of Dubai's strategic plan to establish Dubai as the e-commerce, internet and media capital of the Middle East region.

The operation of business districts was under the direction of the Dubai Development Authority until 2003, when the land, buildings and assets within the DDA free zone were assigned to us by the Dubai Development Authority. Thus, in 2003, we started to operate business districts with the obligation to develop the land as part of the assignment. Since then we have continued to build business districts with the aim of supporting Dubai's transition towards a knowledge-based economy.

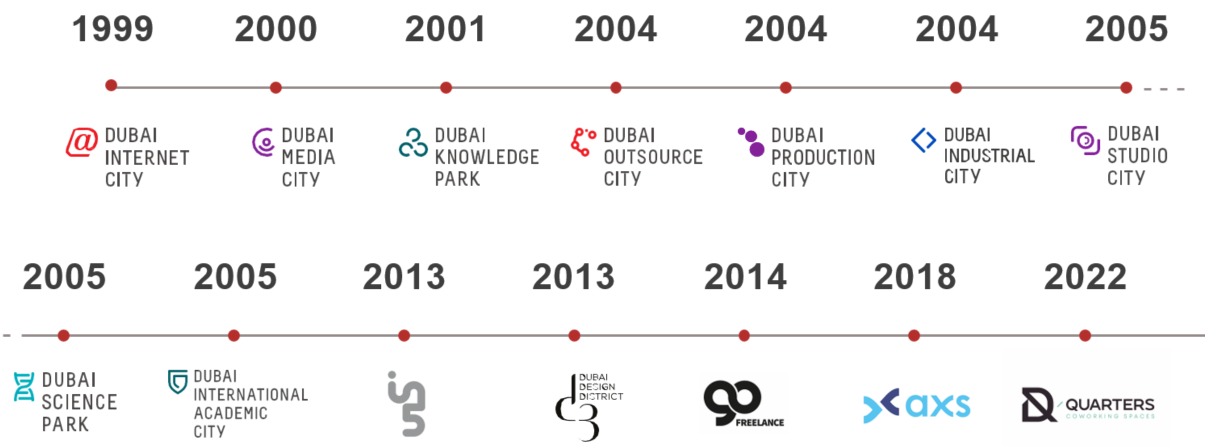
Driven by market demand and as part of our forward-looking strategy, we established seven additional business districts:

- In 2004: Dubai Outsource City, Dubai Production City, and Dubai Industrial City.
- In 2005: Dubai Studio City, Dubai Science Park, and Dubai International Academic City.
- In 2013: Dubai Design District.

Our ten business districts have been purposely designed to create industry-specific and vibrant ecosystems for the tech, media, education, science, design and manufacturing sectors. Additionally: (i) in 2013, we launched in5, our enabling platform for start-ups and entrepreneurs, which offers three innovation centers across three industries: tech, media and design, (ii) in 2014, we launched axs, a business and government services platform which aims to facilitate access to multiple services under one umbrella ("one-stop shop" services) to tenants, other customers, companies, employees and other individuals within our business districts, including via a digital platform and through its customer care centres, (iii) in 2018, we launched GoFreelance, a service that supports freelance talent through a competitive package that provides them with opportunities to apply for projects and develop the network of their relationships, and (iv) in 2022, we launched D/Quarters, a future-focused co-working space for freelancers, entrepreneurs, SMEs and global corporations with flexible, scalable workspace solutions.

We undertook a pre-IPO restructuring exercise in 2022, whereby (i) Dubai Industrial City LLC was transferred into the Group by another entity in the DHAM Group, and (ii) certain entities, investments, land banks, infrastructure costs, associated government grants, land sale advances and amounts relating to capital work in progress were transferred from our Group to certain other entities in the DHAM Group and the Dubai Holding Group (the "**Restructuring**"). While the transfers occurred at various times, 1 January 2022 was the effective date for all legal entity, land and investment beneficial ownership transfers.

The following timeline, which also includes the platforms in5 and axs, illustrates the development of our business districts described above.



Competitive Strengths

Central player in Dubai's business hub proposition strongly positioned to benefit from Dubai's broader commercial real estate market recovery and macroeconomic tailwinds

For more than two decades, our strategically located and differentiated portfolio has been an integral part of Dubai's economic diversification and global competitiveness. Our sector-focused business districts, supported by long term strategic tenants, have developed and advanced key sectors and provided a robust governance framework and infrastructure which should enable us to capitalise on Dubai's unique positioning, favourable macroeconomic tailwinds and supportive real estate fundamentals.

Dubai is uniquely situated as a global trade, transit and tourism hub, with approximately two thirds of the world population accessible within an eight-hour flight radius. Dubai is amongst the busiest logistics and business hubs in the world, with Dubai International Airport ranking as the busiest airport in the world in 2021 (Source: OAG) and Jebel Ali Port ranking as the world's third largest container port outside China based on average container capacity handled during 2015 to 2020 (Source: World Shipping Council). Dubai is also a destination of choice for corporates to establish regional headquarters, with 196 out of the Fortune 500 companies having an office in Dubai (Source: Menon Economics & DNV 2021). Dubai has attained recognition as a leader in several indices, including quality of life rankings (Source: BAV Group and Wharton School of Business 2021), ease of doing business (Source: World Bank 2021), third best city to work in (Source: InterNations 2021), and the fifth best city in the world as of 2021 (Source: Resonance Consultancy) amongst other notable recognitions such as the number one ranking in 2021 for global Covid-19 pandemic resilience (Source: Bloomberg).

The UAE allows 100% repatriation of income and profits generated in the country and was the highest foreign direct investment recipient in the MENA region in 2020 (Source: UN Conference on Trade and Development)

Dubai has developed its economic capabilities and built its wealth on the back of its role as a prominent trading hub in the Middle East and capitalised on its strategic location and proximity to both the Eastern and Western hemispheres. Given its limited hydrocarbon reserves, Dubai has effectively diversified its economy by gaining significant international market share in tourism, retail, manufacturing and real estate. Consequently, Dubai is one of the most diversified and dynamic economies within the GCC region and has historically been less impacted by economic slowdowns resulting from lower oil and gas revenues compared to other nations (Source: JLL). Furthermore, under the Dubai Strategic Plan 2030, the government of Dubai is pursuing a transition to an international hub for knowledge-based innovation and sustainable industrial activities, contributing to the creation of a significant number of specialised jobs to help further propel economic growth. Other local initiatives aimed at creating a sustainable environment include UAE Centennial 2071, 2030 Dubai Integrated Energy Strategy, UAE Net Zero 2050, and UAE Green Growth Strategy 2015-2030. The UAE government has also introduced a series of initiatives, including visa and business ownership reforms to shape an ecosystem conducive to business stability and long-term residence, further boosting Dubai's international appeal and driving economic growth.

As Dubai gradually returned to normalcy following the Covid-19 pandemic, the economy recovered by exhibiting approximately 5% GDP growth during 2021 (Source: Oxford Economics). Dubai's GDP is expected to grow at an average rate of around 3.7% per annum until 2024 and its population by around 2.8% per annum until 2024, primarily driven by expatriate inflows and increased demand for labour, whereas the broader GCC is expected to grow by 6.5% and 1.2%, respectively (Source: Dubai Statistics Centre, Oxford Economics & Euromonitor). As a result, owners of commercial office space in Dubai, such as us, are expected to witness an uptick in rental rates and occupancy as the supply of new office space in Dubai plateaus (JLL expects Dubai office supply to grow at a compound annual growth rate (CAGR) of around 1% for the period 2021-2024 compared to 2% and 8% witnessed between 2016-2020 and 2010-2015 according to the DLD and JLL, respectively). Dubai's commercial office rental rates are already exhibiting signs of recovery following the Covid-19 pandemic, having grown by over 5% during the fourth quarter of 2021 (Source: the DLD and JLL) as economic activity shows signs of returning to pre-Covid-19 pandemic levels. Furthermore, as at April 2022 year-to-date, the Dubai commercial real estate market offers an attractive value proposition by exhibiting higher prime net yields in comparison to the respective 10-year USD-denominated bond yield amongst global metropolitan cities such as London, Frankfurt, Berlin, Madrid, Paris, Singapore, Hong Kong and Shanghai.

Iconic, high-quality and resilient asset portfolio strategically located across Dubai that offers a business-friendly regulatory regime

We offer customers a high-quality asset base with integrated infrastructure for businesses to conduct their operations, enabling them to grow and expand in Dubai and the wider region. In order to boost competitiveness of the Group districts, our offerings include comprehensive services such as a digital platform to support the clients and an incubator, to enable the success of start-ups, entrepreneurs and freelancers, and provide a competitive edge to our business districts.

We own and operate a complementary portfolio of 10 business districts and communities diversified across asset classes, sectors and communities situated in strategic locations in Dubai. These assets offer relevant connectivity, regulatory, and business enablement benefits across our large customer base. Our specialised community offering spans a range of price points for both CBD and non-CBD properties and offers attractive commercial office spaces, land leases, warehouses, worker accommodation facilities and associated retail which fulfil the infrastructure needs of six essential sectors (technology, media, education, science, design and manufacturing). Nine of our 10 business districts are located in free zones, which allow for 100% foreign ownership. Furthermore, our business districts allow for complete repatriation of profits and a range of industry-specific services. Easily accessed via major highways and close to Dubai's population centres, we believe that the sector-focused design and quality of our business districts, as well as the integrated infrastructure and the vibrant community therein, create an appealing choice and location for customers.

Long-term and diversified international and regional marquee customer base

Our full-service offering has proved a top choice for global and regional blue-chip companies seeking to set up their regional headquarters within Dubai, given the unique benefits of operating their businesses within our specialised communities. Due to this unique positioning, we have achieved high levels of retention.

Over 7,800 customers, including major industry leaders, such as Meta (formerly known as Facebook), Google, BBC, CNN, Unilever, Dior, Firmenich, University of Birmingham and the University of Wollongong constitute our diverse customer base across our six key cluster sectors and cement the UAE's economic diversification and talent development strategies. In 2021, our largest single tenant contributed 2.5% of our total built to lease income, whilst our top 10 built to lease customers in aggregate represented approximately 16.4% of our total built to lease income.

Attractive financial profile and balance sheet underpinned by robust income generating portfolio that has generated high quality, stable revenue and cash flow

Our high-quality offering and diversified international and regional marquee customer base has driven healthy revenue and relatively stable EBITDA margins, with increasing cash conversion in 2021.

- Resilient operating performance: We have delivered robust financial performance and operational resilience through the cycle amid global and regional economic downturns, geopolitical instability and, most recently, the Covid-19 pandemic. We operate a stable yielding real estate portfolio in Dubai largely owing to our:

    - Long-term and diversified customer base. Despite operating in a challenging operating environment during the Covid-19 pandemic, we focused on maintaining our occupancy rates, which remained relatively stable over the past three years, with our built to lease occupancy rates being 77%, 75%, 78% and 81% as at 31 December 2019, 2020, 2021 and as at 31 March 2022, respectively. Furthermore, we managed to maintain stable and resilient performance across our portfolio with average occupancy levels of 81% over the past decade.

    - High-quality service offering resulting in stable EBITDA margins of 67.1%, 68.8% and 66.3% in the years ended 31 December 2019, 2020 and 2021. We managed to maintain those EBITDA margins during the Covid-19 pandemic through swift, focused and effective counteractive operational initiatives implemented by our highly-experienced management team.

- Diversified asset mix and industry exposure, which eliminates significant concentration risk. Our portfolio is backed by stable, long-term land leases, attractive built to lease and built to suit commercial and industrial leases as well as a full range of ancillary services that cater to diverse industries and tenant needs, including companies, entrepreneurs and freelancers.

Robust governance and sustainability framework to be further embedded in the core of the operating model

To support the transition towards a low-carbon economy and in cognisance of a sharper focus on the social and economic impacts of the Covid-19 pandemic as well as changing consumer demands from commercial real estate, we undertook our 2022 Materiality Assessment. The insights from our internal and external stakeholders relating to material ESG issues that impact our business obtained from the 2022 Materiality Assessment were used as the basis for our ESG framework, which aims to further embed ESG considerations within the entirety of our operations.

We have begun to implement the Group-wide adoption of ESG initiatives in line with the United Nation's Sustainable Development Goals national mandates such as the 2030 Dubai Integrated Energy Strategy, National Climate Change Plan of the UAE 2017-2050 and UAE Green Growth Strategy, as well as Dubai's Clean Energy Strategy and Dubai Net Zero Emissions Strategy 2050 to produce 100% of Dubai's energy requirements from clean sources by 2050. We have 22 green building certifications and an existing sustainability policy in place. We have already completed several solar energy projects across a number of business districts, such as Dubai Outsource City, Dubai International Academic City, and Dubai Design District. All have contributed to reducing traditional energy consumption and our carbon footprint.

- Environment: We have acquired six silver and 16 gold LEED certifications across our buildings and are fully aligned with international ISO certifications, such as ISO 14001 Environmental Management Systems and ISO 45001 Occupational Health and Safety Management System.

- Economic: We are an active supporter of start-ups and entrepreneurs across the Dubai ecosystem, having incubated over 550 start-ups through 31 December 2021, 26% of which were founded by women. We also focus on fostering innovation and entrepreneurship through our in5, GoFreelance and Marketplace platforms. These programmes aim to attract and retain global freelance talents, support them in finding work and further develop their careers in Dubai as well as obtain access to exclusive opportunities to bid on projects, network and acquire jobs through the dedicated online marketplace.ae portal.

- Social: We have attained the Dubai Chamber CSR Label for the fourth year in a row and the Advanced CSR Label for the second year in a row, enhancing our reputation for sustainable activities. Since 2019, we have conducted hundreds of community events and initiatives to amplify business visibility, facilitate strategic partnerships and encourage innovation by partnering with internal and external partners, and we are a strong promoter of employee wellbeing initiatives. We have launched a number of gender balance policies and human capital initiatives, in line with the UAE Gender Balance agenda. This includes the implementation of a blind recruitment process, non-discriminative promotions and policies, enhanced maternity leave and a framework to provide greater access to training and development opportunities for female employees.
- Governance: In preparation for Offering, we have implemented a corporate governance framework in line with UAE regulatory requirements, and will appoint three independent directors to the Board (which appointments will be effective from Listing), and have also entered into a Relationship Agreement with the Selling Shareholder which governs certain aspects of the relationship between the Selling

Shareholder and the Company following Listing, as further detailed in "*Related Party Transactions and Material Contracts—Relationship Agreement*"

Dynamic management team with proven track record and supportive shareholder

Our senior management team of seasoned executives have operating experience in the real estate industry, with six out of the seven members of our senior management team having over 10 years of experience in the industry and four of the seven members having over 10 years' experience within our Group. In addition, a significant proportion of our senior management team has long-tenured board membership experience and experience working for publicly listed companies. Our management team has played a key role in the development of Dubai's knowledge-based industry owing to our unique industry expertise and know-how in creating and managing industry ecosystems. At the same time, we deliver continuous growth and customer satisfaction through strategic decision making with respect to sector development and cost control initiatives, timely project delivery and an ability to attract and retain industry leading customers.

With DHAM as our majority shareholder and Dubai Holding as our majority ultimate parent shareholder, we benefit from the support of a committed major shareholder with a reputation for excellence in Dubai as a key driver of economic diversification and enabler of the Dubai government's vision. With operations in 13 countries across 10 sectors, Dubai Holding is a diversified holding company and one of the Emirate's largest investment conglomerates, managing more than AED 125 billion of assets and employing over 20,000 people representing approximately 120 different nationalities. Additionally, Dubai Holding is a strategic and financial-oriented investor that plays a crucial role in diversifying Dubai's economy and driving innovation and economic development. Operating through five business verticals focused on asset management and leasing, residential developments, management of hospitality and entertainment assets as well as a dedicated investment arm, Dubai Holding has extensive experience and know-how in managing complex and ground-breaking real estate projects, including many of Dubai's most iconic assets and landmarks (including master-planned communities such as City Walk and Madinat Jumeirah Living), and its portfolio companies have market-leading positions in the above-mentioned business verticals. TECOM is expected to be Dubai Holding's primary commercial leasing and development vertical, with other entities within the Dubai Holding Group having a small proportion overall of commercial leasing properties.

Strategy

We have outlined a clearly defined growth strategy anchored upon four core pillars with the objective of driving net asset value growth and maximising shareholder returns. We maintain a strong focus on active asset management, accompanied by prudent and active cost, cashflow, capital management, and intend to continue to build upon our track record of actively managing our asset portfolio. Our main focus is on unlocking incremental value from our existing portfolio, pursuing new, selective value-accretive initiatives to help achieve our financial and operational growth aspirations. We also plan to continue to support the development of business ecosystems and strategic sectors in Dubai, while seeking to maximise synergies across our own business district ecosystems and driving new opportunities in high-growth industry segments.

- <u>Capitalise on favourable real estate sector dynamics:</u> According to JLL, the commercial real estate environment in Dubai is currently exhibiting signs of plateauing office supply, with rents bottoming out and rental growth returning following the Covid-19 pandemic. We benefit from well-structured and flexible lease agreements that allow us to re-align rental rates in line with growing market rates.

- <u>Occupancy ramp-up:</u> Our current portfolio of built to lease developments (excluding land leases) had an occupancy rate of around 78% as of 31 December 2021, demonstrating ample headroom for further growth. Illustratively, an occupancy increase of 5% to 10% would translate to approximately 1.5 to 2.1 million square feet of incremental leased area. We pursue a customer-centric approach, with the aim to create tailored value propositions to retain existing customers and attract new ones. Our management is continuously focused on identifying new sources for growth and developing new product solutions in offices and work spaces through value-added services, such as flexible work and co-working spaces, tapping into emerging growth opportunities across our sector coverage and driving improvements within our existing offering. We also aim to continue to expand and challenge our existing commercial business models to protect our occupancy rates. Guided by our multi-faceted strategy, we are confident in our ability to ramp up our occupancy to pre-Covid-19 pandemic levels of approximately 90% (excluding any new projects) by the medium term through specific targeted marketing initiatives, whilst striving to further solidify relationships with existing customers, form new relationships, optimise our industries and customer database and deliver best-in-class customer experience. Furthermore, increased levels of economic activity are expected to present new growth opportunities, which we believe we are well-positioned to capture.

- Diligent built to suit projects, infrastructure development and acquisitions: Throughout our more than 20-year history, we have developed distinctive know-how in developing exclusive built to suit projects for strategic customers according to their specifications. Since 2016, we have delivered built to suit projects for SAP, Samsung, Huawei, MasterCard and the University of Wollongong, University of Birmingham, Firmenich and Himalaya, which remain long-term customers within their communities to this day. These developments are already fully contracted, provide highly visible income streams and reinforce our financial profile. Building on our successful delivery track record, we have a healthy pipeline of additional built to suit projects in place and intend to continue to deliver on our ongoing infrastructure development programme. In the longer-term, we have identified two additional Built to suit projects comprising warehouses and the second phase of the Innovation Hub, both of which are expected to be delivered during 2024 to 2026. We have also recently acquired Visa building, which hosts the regional headquarters of the leading global company.

- Embedded growth potential: We have access to growth potential from our current available land bank of 40.4 million square feet and access to additional land through an exclusive right of first offer with DHAM. All our land is located in master planned business districts where basic infrastructure is substantially complete, with the exception of Dubai Industrial City for which we have planned investments to complete the basic infrastructure. The land bank provides headroom for an expanding land lease segment, as well as selected built to suit or built to lease expansion. For our commercial or industrial leasing segments. For our current investment projects that will be built on land bank land, see "*–Project Development and Management Cycle–Projects in the investment plan*".

Business Model

Financial Segments

We offer a range of properties and services to our customers. We divide our operations into four financial segments: (i) commercial leasing, (ii) industrial leasing, (iii) land leasing and (iv) services and others. The following describes the types of properties, products or services that fall within each of our financial segments:

- ***Commercial leasing*** consists of built to lease and built to suit properties across office and retail spaces. Built to lease properties are our commercial properties and retail spaces which are typically developed for multiple tenants and are leased out to customers, and include office, retail space and business centres (**built to lease**). Built to suit properties typically represent our commercial properties where we were able to identify customers in advance of developing the property in order to build a single-tenant customised property that meet a customer's specifications, which are then leased out to them upon completion (**built to suit**). Within our commercial leasing segment, our properties are classified as CBD or non-CBD properties. As at 31 March 2022, the Gross Leasable Area (**GLA**) of our commercial leasing properties was approximately 9.6 million square feet, which included GLA of approximately 1.4 million square feet of built to suit properties and GLA of approximately 553 thousand square feet of retail space.

- ***Industrial leasing*** consists of warehouses, showrooms and worker accommodation (housing used by corporate tenants to accommodate their workers). As at 31 March 2022, the GLA of our industrial leasing properties was approximately 11.5 million square feet.

- ***Land leasing*** consists of land leases and land available within our business districts that already has or is expected to develop the necessary infrastructure (such as connecting roads, water, electricity and sewage) that allows us to lease the land. As a result, most of our land bank is included within the GLA of our land leasing segment since it has the infrastructure required for land leasing. This land is classified as land bank since it is currently leasable and provides further potential to increase our land leasing revenue. Our strategy was to retain such land in order to be able to lease it to customers to suit their specific needs, such as manufacturing, offices, retail, worker accommodation or academic purposes. As at 31 March 2022, the GLA of our land leasing properties was approximately 163.7 million square feet.

- ***Services and others*** consists of fees from the government and business services that we provide, including those generated from our corporate services, and provide government services, such as residence services, and start-up incubation services, as well as other services such as advertising, property management and venue management.

Clusters and Business districts

Our commercial properties, industrial properties, land leases and services are marketed to customers and managed by us in clusters and business districts. We currently operate ten business districts that host customers from six specific industries. We refer to each industry we serve as a "cluster", which consists of one or more business districts operating in the same industry. We currently operate the following six clusters:

- *Tech Cluster*: Our tech cluster consists of the Dubai Internet City and the Dubai Outsource City business districts.

- *Media Cluster*: Our media cluster consists of the Dubai Media City, the Dubai Studio City and the Dubai Production City business districts.

- *Education Cluster: Our education cluster consists of the Dubai International Academic City and the Dubai Knowledge Park business districts.*

- *Science Cluster: Our science cluster consists of the Dubai Science Park business district.*

- *Design Cluster: Our design cluster consists of the Dubai Design District business district.*

- *Manufacturing Cluster: Our manufacturing cluster consists of the Dubai Industrial City business district.*

For a description of each cluster and each business district, see "—*Business Districts and Other Assets*".

We aim to create business districts that attract companies from all sizes to Dubai in order to contribute to Dubai's economic diversity. We may also in the future assess and pursue opportunities to build new business districts in one of our six existing clusters or to develop new clusters. We implement the development of our business districts in phases in accordance with our business plan and our development strategy, with the aim of increasing revenue on a long-term basis.

We also have land that could be used for our planned investments or for leasing to third parties (land bank) Most of our land bank is leasable land property. However, there is also an additional 1.1 million square feet of land already designated for certain built to suit and built to lease projects. See "—" for a description of our strategic approach to determining new projects to be undertaken.

Properties and Services

We generate revenue from our business districts from four principal sources: (1) commercial leasing (consisting of built to lease rental revenue, including lease revenue from our built to suit properties); (2) industrial leasing (consisting of warehouses, showrooms, and worker accommodation rental revenue); (3) land leasing; and (4) services and other fees. Our services and others fees are primarily generated from services, such as fees generated by providing corporate, visa, licensing and start-up incubation services, as well as other services such as advertising, property management and venue management. We also incur expenses in relation to enabling assets and activities that we provide to our business districts. We see these expenses as an investment in the development and maintenance of the ecosystem of our business districts and an aspect that positively impacts the rental rates we can charge for our properties.

(1) Commercial Leasing

Built to Lease

Throughout our business districts, we develop and operate our built to lease commercial properties to serve a variety of industries and customers. These properties are developed according to a master plan, which is typically phased. Our built to lease commercial properties include office and retail space and business centres. Business centres are fully-furnished flexible working spaces that are generally categorised under built to lease, such as properties with dedicated desk and office space, and services, such as memberships and non-dedicated space including D/Quarters, which is our new co-working space aimed to capture new corporate and individual requirements for flexible leases and modern working environments with a wide range of value-added services (see further below). Our built to lease commercial properties are leased to our customers for their own use in accordance with the master plan and any applicable regulations.

The typical lease term for built to lease commercial properties ranges from one to five years, with the average length being approximately four years. Built to lease properties that are let on a short term contract (less than 3 years), typically do not include a lease payment escalation rate. However, longer term leases, will typically have fixed or market rate linked escalation. If the customer wishes to renew the lease, the fair market rental rate and, if applicable, the rental cap rate set by RERA and the contract will be considered to determine the renewal lease payment. Renewal notice is typically required 90 days in advance. Customers typically also have an early termination right subject to minimum stay, prior written notice and/or exit penalty clauses.

Built to Suit

We develop built to suit properties to enhance the customer's experience by tailoring new properties to a customer's specifications. Our built to suit properties are built to meet our customers' specific design requirements, such as the overall structure, interior and customised building systems.

Our built to suit properties are mainly commercial space for global corporations and local business groups, but sometimes are also for educational institutions. Strategic customers commit to a long-term lease of typically ten years for these properties before they are built with appropriate guarantees. Additional advance payments by post-dated cheques are generally required and provided according to the timetable agreed with the tenant when entering into the agreement to lease, starting at the rent commencement date agreed upon. Our built to suit properties are usually subject to a fixed and pre-agreed lease payment escalation rate. Customers for built to suit properties typically do not have an early termination right. Built to suit leases may include the right for the customer to renew for a further five- or ten-year term. Renewal notice varies for our built to suit properties. Lease renewals are typically tied to fair market rental rates and the rental cap rate set by RERA or by contract, if applicable. For our built to suit properties, direct costs are typically borne by the customer, though certain costs like building security and common area maintenance are paid by TECOM and recovered from customers via service charges. Given the long-term nature of these lease agreements, our built to suit properties have historically provided us with stable and recurring cash flows from rental and services. The net effective rates of our built to suit properties tend to be higher than our built to lease leases due to higher building efficiency, the typical 100% occupancy rate for built to suit properties, relatively lower operating costs and longer-term leases with lower risk of turnover.

(2) Industrial Leasing

We have industrial properties, consisting of warehouses, showrooms and worker accommodation, available to rent, which are built to lease industrial properties which are mainly concentrated in Dubai Industrial City. We offer each of our industrial properties (worker accommodation, warehouses and commercial fairs) in Dubai Industrial City, warehouses and commercial fairs in Dubai Production City, and warehouses only in Dubai Science Park (which warehouses typically include offices) and Dubai Studio City.

The typical lease term for our industrial leasing ranges from one to five years, with the average length being approximately 2.75 years. The renewal terms, notice requirements and termination rights in our industrial leasing agreements are similar to those in our commercial leasing agreements.

(3) Land Leasing

We have land available within our business districts that already has or is expected to develop the necessary infrastructure (such as connecting roads, water, electricity and sewage) that allows us to lease the land. We endeavour to enter into land lease agreements with customers that can support or add value to our existing industry-specific ecosystems and provide an interest in a parcel of land for an extended period of time. The parcels of land are allocated to various permitted activities in accordance with the master plan, including light manufacturing, warehousing, data centres, worker accommodation, educational and outdoor storage and logistics activities.

The lease terms for our land leases typically range from 30 to 50 years, with the majority of our land leases being for 30 years. Our land lease customers are generally responsible for all costs and expenses associated with the leased property, including development costs, capital expenditures and all property operating expenses including maintenance, real estate taxes and insurance. The land returns to us in its original state or with all of the improvements at the end of the term unless renewed. Our land leases generally include a rent escalation provision that provides for contractual rent increases at fixed intervals or time periods, generally every three to five years. This provision is intended to mitigate our exposure to inflation risk and compensate us for any increase in the value of the parcel of land underlying the lease subsequent to the effective date of the lease. The rent escalation provisions in any land leases for ten years or less are subject to the rental cap rate set by RERA. Our land leasing activities have historically generated a stable and recurring revenue stream from rental.

(4) Services and others

We offer a range of value-adding services, and ancillary properties to create unique ecosystems for our business districts, further differentiating us from our competitors and generating additional revenue streams. These include:

- **Advertising assets.** We have installed, and have advertising assets and provisions for, advertising such as unipoles, mini-unipoles and digital screens in our business districts, which are leased to advertising firms and generate revenue.

- **Event Venue Management.** We manage and lease indoor and outdoor venues for events, meetings, conferences, and exhibitions.

- **Property Management & Leasing Agreement.** We sign property management and leasing agreements with investors to manage their leasing operations of premises for a fee. We will enter into contracts in our own name and collect full rent on the owner's behalf. In most cases, we retain 15% of rental income as a management fee according to the property management and leasing agreement and share the remaining 85% with the premises owner.

- **D/Quarters.** Launched in early 2022, D/Quarters is a future-focused co-working space for freelancers, entrepreneurs, SMEs and global corporations with flexible, scalable workspace solutions. Members can benefit from a variety of value-added services, including access to a community of skilled talent, a smart app, high-tech amenities, event spaces, food and beverage, and retailers.

- **Freelancers.** Launched in 2018, our GoFreelance service supports freelance talent through a competitive package that provides them with opportunities to obtain new jobs and grow their network. Freelancers are able to choose from a wide variety of 70 activities across the Media, Tech, Design and Education clusters, which are regularly updated and expanded based on market trends and demand. We have approximately 2,400 freelancers participating in this service.

- **in5.** Launched in 2013, this enabling platform for start-ups and entrepreneurs offers key benefits, which include a robust business set-up framework, training and mentorship, networking, investment opportunities, and prototyping labs, studios and creative workspaces. Today in5 offers three Innovation Centres across three industries: Tech, Media and Design. See "*—Enabling Assets and Activities—in5*" For further information.**axs**. Launched in 2014, this business and government services platform aims to facilitate access to multiple services under one umbrella ("one-stop shop" services) to tenants, customers, companies, employees and other individuals within our business districts. Services provided through axs include more than 200 corporate services, such as registration and licensing, as well as government services related to facilitating visas which include medical (DHA Dubai Health Authority) and Emirates ID Services, customs and postal services. These services are paid for on a service-by-service basis, and are currently being provided to more than 120,000 professionals, entrepreneurs, students and dependents. We believe these services attract customers by providing easy access to most of the key corporate services required by our customers. Axs operates through an interactive 24-hour online portal, as well as through the main customer service center at Dubai Knowledge Park.

Enabling Assets and Activities

Enabling assets are features that add value to the customer experience in our business districts by enhancing the ecosystem. Our media, higher education and science industry-focused business districts have the greatest number of industry-specific real estate enabling assets aimed at attracting industry-specific designed communities, though most of our other business districts also have real estate assets for particular industries. Our enabling assets can be tailored to both built to lease or other uses depending on our customers' needs and requests. For example, we have soundstages and studios at Dubai Studio City, laboratory facilities at Dubai Science Park, conference halls and an auditorium at Dubai Knowledge Park, worker accommodation and warehouses at Dubai Industrial City and galleries and commercial fairs at Dubai Design District. Furthermore, to foster a cohesive community experience, at most of our business districts we have built retail space, fitness facilities, restaurants, car parking, including multi-storey car parking, surface parking, residential developments, hospitality, and other specialised venues as built to lease properties to be operated by the customers that lease such space. Our in5 incubator includes three centres focusing on tech, media and design also have certain industry-specific enabling assets (that can be booked by any customers, not just the in5 start-ups), with in5 design having a design room, fashion lab and protype lab (which has 3D printers), with in5 media having a green room, editing suites, a video recording studio and production studios. In addition, we organise both virtual and in-person events, including industry round tables, panel discussions, networking events and training workshops, and we commission in-depth industry reports providing factual insights into the target sectors of Dubai and regional markets, such as Arab Media Outlook, MENA Design Outlook, Outsourcing and Shared Services: Global, Middle East and UAE industry outlook, and Innovation in Life Sciences: an Emerging Markets Perspective. All these enabling assets and activities are designed to provide our customers with emerging opportunities ,increase awareness among our target customers, add value for them and increase the attractiveness of our business districts. We also sponsor other events to build the brands of our business districts and facilitate the creation of industry-focused ecosystems. These events have included the Outsourcing Outlook Forum, Drones for Good, the Dubai International Project Management Forum, Dubai Design Week, and Step Conference.

In5 – innovation centres for entrepreneurs and start-ups

To promote innovation, develop talent, facilitate business growth in Dubai and create a pipeline of future customers for the Company, we have created in5, an enabling platform for entrepreneurs and start-ups to incubate and grow their businesses in Dubai. Applications are assessed by a panel of committee members, using a five-point scale, with a focus on identifying innovative start-ups. For start-ups approved to join the in5 programme, the offering includes cost-effective business set-up solutions, competitive rental rate pricing, business setup framework (i.e. company license, office space, visas), mentorship, workshops and talks, networking, access to investors, business promotion, talent development, business support and access to specialised necessary facilities and equipment. In5 started as a tech-focused business incubator and has evolved to also include state-of-the-art centres supporting media and design start-ups. Start-ups that joined the in5 programme include Wrapp up, Desert Control, Twig Big, and OnTechnology. In 2021, more than 128 new companies joined in5's programme, bringing its total portfolio to 568 start-ups (of which 341 were active). In5's three centres – in5 Tech, in5 Media, and in5 Design – are purpose-built spaces that feature modern meeting and conference facilities, aimed at providing infrastructure to suit various entrepreneurial requirements, and to create an inspiring and vibrant environment for in5 start-ups, members and the external community. By end of 2021, the total investment secured by in5 independent investors and venture capital funds in start-ups crossed AED 1.4 billion, reaffirming Dubai's leading position as an attractive destination for talent and entrepreneurship. A quarter of start-ups incubated in in5 are led and managed by female entrepreneurs, nearly twice as high as the regional average of women-owned SMEs, according to the World Bank.

Innovation Centres

Certain companies have established innovation centres at their office premises within our business districts (collectively, **Innovation Centres**). These include Innovation Centres by MasterCard, Samsung, Accenture, 3M, Huawei, Oracle, Ingram, Microsoft, SAP, Cisco, and Canon, with several more in the pipeline. Innovation Centres are typically a showcase space for the companies to promote their products or services as a means of branding and marketing.

Land Bank

Our existing land bank was initially granted by the government of Dubai to TECOM and carried an obligation to develop the land. Pursuant to the decree dated 9 May 2022, we now hold the freehold title of the land in our land bank. All of our land is located in master planned business districts where basic infrastructure is substantially complete, meaning it is available to be rented for land leasing, with the exception of Dubai Industrial City for which we have planned investments to complete the basic infrastructure for the land and to transform it to land eligible for land leases or other development projects. The land in our land bank is intended for our development projects and planned investments, which includes land for built to lease and built to suit properties. We also classify land that is available for land leasing, but unoccupied, as part of our land bank and it is included in our GLA for our land leasing segment. . See "—*Project Development and Management Cycle*".. Most of the property in our land bank, with the exception of Dubai Industrial City, is allocated under our current business plan to be used for built to suit or built to lease properties. However, the property in our land bank in Dubai Industrial City is primarily allocated for additional land leasing, and one of our ongoing infrastructure projects aims at developing the basic infrastructure on this land so that it may be used for additional land leases. See "—*Infrastructure*".. Of the 1.1 million square feet of land in our land bank, which is already designated for certain built to suit and built to lease projects, 600 thousand square feet is expected to be completed by 2024, with the remaining targeted for 2028 to 2029. However, the longer-term projects will be subject to further review before they are initiated and are subject to change.

Business Districts and Other Assets

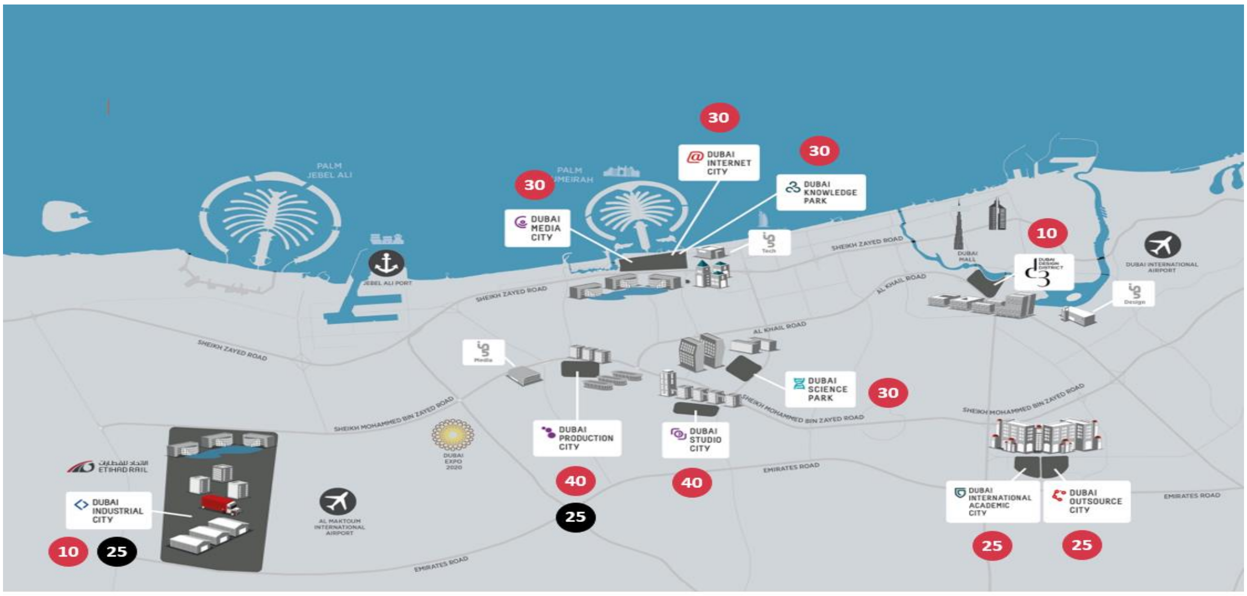
Business Districts

We operate ten business districts, nine of which are in free zones regulated by the Dubai Development Authority – Dubai Internet City, Dubai Outsource City, Dubai Media City, Dubai Studio City, Dubai Production City, Dubai Knowledge Park, Dubai International Academic City, Dubai Science Park and Dubai Design District (a dual-zone community that operates a dual licence system under which companies can operate in Dubai Design District and also operate a branch onshore without a separate licence).

Dubai Industrial City is our only business district which hosts customers from the manufacturing and logistic service sectors. Our ten business districts, which span nearly ten million square feet of commercial space across Dubai as at 31 March 2022, contribute to the growth and diversification of Dubai's economy by building properties that offer a mix of built to lease, built to suit and land lease properties as well as industry-specific enabling assets and activities aimed at creating ecosystems for the tech, media, education, science, design and manufacturing industries. As part of our efforts to create a distinctive ecosystem for each of our business districts, we hosted tech, education, design, media and science industry events during the course of 2021, aimed at boosting the growth of vital economic sectors that drive Dubai's economic diversification. We also focus on entrepreneurship and SMEs to help facilitate the growth of local talent and business development.

As at 31 March 2022, our ten business districts have attracted over 7,800 customers, employing more than 101,000 people from 188 nationalities. Our business districts had an average occupancy rate of 82.8% for commercial properties and 78.7% for industrial properties as at 31 March 2022.

The following map shows the locations of our ten business districts in Dubai.



Distance from Jebel Ali port (in kms) Distance from nearest Dubai airports (in kms)

Tech Cluster

Our tech cluster focuses on the technology sector and consists of the Dubai Internet City and Dubai Outsource City business districts. This cluster has attracted some of the leading global technology firms as customers, such as Amazon, Cisco, Deem, Dell Technologies, Google, Huawei, IBM, Intel, Interglobe Technologies, LinkedIn Meta (formerly known as Facebook), Microsoft, Oracle, , RAYA, SAP, Snapchat, Tata Technologies, and Teleperformance, as well as leading local and regional players. Our tech cluster has a market leading position with strong demand from international and regional technology customers, high occupancy and renewal rates, and a diversified tenant base The tech cluster generated revenue of AED 330 million and AED 95 million and accounted for 19% and 20% of our total revenue for the year ended 31 December 2021 and the three months ended 31 March 2022, respectively, Additionally, the Average Value-Based Customer Retention Rate in the tech cluster over 2019, 2020 and 2021 was 94%. The top ten customers in the tech cluster represented 37% of the total revenue for the cluster (18% of which coming from long-term, secured built to suit leases) as of 31 December 2021. Furthermore, the tech cluster contributed approximately 23% to the total of our In-Place Leases, with 1,132 In-Place Leases as of 31 December 2021.

Dubai Internet City

The Dubai Internet City business district is the largest technology hub in the MENA region with a total gross floor area of 4.1 million square feet of space tailored to the tech cluster. It is located off Sheikh Zayed Road, the main highway of Dubai. Dubai Internet City, the Group’s first business district, was launched in 1999 with the vision of making Dubai a hub for technology innovation and digital transformation. The Dubai Internet City business district is part of a 33 million square feet master plan, which includes the Dubai Media City and Dubai Knowledge Park business districts.

The Dubai Internet City business district has been designed to attract and serve these technology customers by developing properties suited to their needs, including open plan office space and business centres. The physical properties are complemented with activities and events aimed at creating a technology ecosystem. Some of the activities and events we have organised, hosted or sponsored include technology competitions, seminars and networking events such as Step Conference, one of the biggest events for entrepreneurs in technology fields in the middle east), and an event for the UAE Drones for Good and the UAE AI & Robotics for Good annual international awards, Gitex, TiE Global Summit, Dubai Hackathon Programming, and competitions targeting entrepreneurs, including the business activities within the Dubai Internet City business district include artificial intelligence, e-commerce, new media, gaming, the Internet of Things, cloud computing, cybersecurity and telecommunications.

Dubai Internet City hosts over 26,500 professionals and entrepreneurs of more than 150 different nationalities as at 31 March 2022, and includes 12 innovation centres and a 500 seat amphitheatre. Additionally, Dubai Internet City witnessed multiple home-grown success stories, as several companies developed in this business district were sold to foreign multinational brands (such as Careem, that was sold to Uber in 2020, Maktoob, sold to Yahoo in 2009, and Souq, sold to Amazon in 2017). As at 31 March 2022, we had 161 thousand square feet of area under four land lease properties and 2.1 million square feet of area under 29 built to lease properties within Dubai Internet City.

Furthermore, we have completed the initial phase of our innovation hub – a collection of high-end commercial buildings and retail spaces targeting certain industry sectors in a prime location within the Dubai Internet City business district (the **Innovation Hub**). The phase two development of 357,664 square feet of leasable area is scheduled to commence in 2022 and completed by the end of 2024. The remaining phases of development for the Innovation Hub are planned to commence after 2024. We expect the Innovation Hub to add 1.3 million square feet of space for technology, education and new media businesses of all sizes, if completed according to the current plans.

Dubai Outsource City

Dubai Outsource City is a business district dedicated to local and international outsourcing companies and shared service centres with 1.3 million square feet of space serving as a base for outsourcing operations. It is located off Emirates Road, adjacent to our Dubai International Academic City. The Dubai Outsource City business district was launched in 2004. As at 31 March 2022, we had 714 thousand square feet of area under five land lease properties and 386 thousand square feet of area under nine built to lease properties.

The Dubai Outsource City business district provides purpose-built infrastructure, office space for various outsourcing, back office operations, and shared services centres. In 2020, the installation of solar energy carports was estimated to generate sufficient electricity to cover 98% of Dubai Outsource City's energy requirements. In addition, the Dubai Outsource City business district provides value-added services such as venue management, networking opportunities, along with industry awareness events such as the Outsourcing Outlook Forum and social events to engage with the employees working in the community. Some of the business activities of our customers within the Dubai Outsource City business district include the publication of the industry whitepaper "The Outsourcing and Shared Services 2019-2023: Global, Middle East and UAE industry outlook", business process outsourcing such as finance and accounting, human resources, procurement, sales and customer support (including call centre operations), IT outsourcing and multiple shared services centres for leading companies from the financial services and manufacturing sector. Dubai Outsource City is home to over 6,450 professionals and entrepreneurs of 110 different nationalities as at 31 March 2022, and more than 28,000 students available for part-time and temporary jobs in neighbouring affiliate community.

Media Cluster

Our media cluster consists of the Dubai Media City, Dubai Studio City and Dubai Production City business districts. This cluster includes some of the leading media firms as customers such as AFP, BBC, CCTV, Cheil, Choueiri Group, CNN, Dentsu International, Discovery, Econet, Dubai Media Inc., Dynagraph, Hanover, Iflix, Intigral, ITP Publishing Group, JCDecaux, Leo Burnett, MBC, Menacom Group, Moby Group, Motivate, MTV, Oxford OMD, Saudi Research, Space Toon, STARZPLAY, The Economist, The New York Times, Thomson Reuters, TripAdvisor, Uturn, View Mobile and Xerox. The media cluster generated revenue of AED 280 million and AED 71 million and accounted for 16% and 15% of our total revenue for the year ended 31 December 2021 and the three months ended 31 March 2022 respectively. Additionally, the Average Value-Based Customer Retention Rate in the media cluster over 2019, 2020 and 2021 was 90%. The top ten customers represented 15% of the total revenue for the cluster as of 31 December 2021. Furthermore, the media cluster contributed approximately 22% to the total of our In-Place Leases, with 1,121 In-Place Leases as of 31 December 2021.

Dubai Media City

Dubai Media City is a 1.7 million-square-foot business district, which focuses on the advertising, communication, broadcasting and marketing industries. It is located off Sheikh Zayed Road, the main highway of Dubai, next to Dubai Internet City and Dubai Knowledge Park. The Dubai Media City business district was launched in 2001 with the aim to establish Dubai as the region's leading media hub and is now part of the same master plan that encompasses the Dubai Internet City and Dubai Knowledge Park business districts.

The Dubai Media City business district offers a range of large commercial spaces and serviced business centres. Furthermore, the Dubai Media City business district is the only authorised location to be issued a media licence in a free zone in Dubai. Dubai Media City is home to over 24,850 professionals and entrepreneurs of more than 160 different nationalities as at 31 March 2022, and hosts 163 publications and digital platforms and 122 television and radio stations.

As at 31 March 2022, we had 740 thousand square feet of area under 6 land lease properties and 959 thousand square feet of area under 36 built to lease properties.

Dubai Studio City

The Dubai Studio City business district is a 1.2 million square-feet business district focusing on customers across the broadcasting, TV and film production, and entertainment industries and hosts over 2,410 professionals and entrepreneurs of more than 100 different nationalities as at 31 March 2022. It is located off Mohammed Bin Zayed Road. The Dubai Studio City business district was launched in 2005 to provide our customers with an industry-tailored ecosystem that provides facilities and services and is now part of a master plan spanning over 16 million square feet. As at 31 March 2022, we had 527 thousand square feet of area under 25 built to lease properties.

The Dubai Studio City business district offers a mix of built to lease, built to suit and land lease properties as well as industry-specific properties for the broadcasting, media and entertainment industries. It features prebuilt studios, sound stages (including one of the largest sound stages in the world), recording studios, warehouses and office spaces. The Dubai Studio City business district's customers carry out business activities such as broadcasting, publishing, digital content creation, podcasts and music, film and television production.

Dubai Production City

The Dubai Production City business district is a 9.8 million square-foot business district geared towards the needs of the printing, publishing and advanced production industries, and is home to over 6,660 professionals and entrepreneurs of more than 90 different nationalities as at 31 March 2022. It is located off Mohammed Bin Zayed Road and adjacent to some of our other business districts such as the Dubai Studio City and Dubai Science Park business districts. The Dubai Production City business district was launched in 2003 with the vision of establishing a leading hub for the global and local publishing, printing and packaging industries. The Dubai Production City business district has a master plan that spans over 43 million square feet, which includes various commercial, residential, hospitality and retail, as well as industrial spaces such as warehouses, large-scale printing facilities, showrooms and light manufacturing facilities, some of which are designed for our customers' industry sector. As at 31 March 2022, we had 7.4 million square feet of area under 56 land lease properties and 1.8 million square feet of area under nine built to lease properties.

The Dubai Production City business district provides offices as well as prebuilt warehouses and showrooms that are fitted with utility services such as electric, water and building facilities management. Some of the business activities carried out by our customers within the Dubai Production City business district includes publishing, packaging, printing press, signage and exhibition, and media and marketing services.

Education Cluster

Our education cluster consists of the Dubai International Academic City and Dubai Knowledge Park business districts and it caters to education, a priority sector in Dubai's growth strategy. This cluster serves the growing trend towards vocational and educational technology, traditional and new-age vocational training and, executive education, and has attracted, with strong support from the government, leading education providers as customers, such as University of Birmingham, University of Wollongong, Heriot-Watt University, Middlesex University, Murdoch University, SP Jain School of Global Management, The British University in Dubai, The Curtin University, The Society for Human Resource Management Middle East and North Africa, University of Bradford, University of Manchester Business School as well as Amity University, BITS Pilani, CEB, Institute of Management Technology, and Manipal. The education cluster generated revenue of AED 213 million and AED 67 million and accounted for 12% and 14% of our total revenue for the year ended 31 December 2021 and the three months ended 31 March 2022, respectively. Additionally, the Average Value-Based Customer Retention Rate in the education cluster over 2019, 2020 and 2021 was 97%, and the top ten customers represented 55% of the total revenue for the cluster (25% of which came from long-term, secured built to suit leases) as of 31 December 2021. Furthermore, the tech cluster contributed approximately 8% to the total of our In-Place Leases, with 413 In-Place Leases as of 31 December 2021.

Dubai Knowledge Park

The Dubai Knowledge Park business district is a unique hub that serves the human resource management, consultancy, training and personal development education segments with over 2.3 million square feet of area. It is located off Sheikh Zayed Road, next to the Dubai Internet City and Dubai Media City business districts. The Dubai Knowledge Park business district was launched in 2001 with the aim to develop the region's talent pool and to support the establishment of the UAE as a knowledge-based economy. As at 31 March 2022, we had 1.1 million square feet of area under 19 built to lease properties.

Companies and institutes at Dubai Knowledge Park business district offers a selection of programmes in human resource management, consultancy, training and personal development. It features commercial office space, training facilities and business centres. The Dubai Knowledge Park business district also offers a variety of enabling assets and activities such as a 275-seat conference room, conference halls and event venues in which we host numerous industry and community events, conferences, exhibitions and panels annually. Some of such events include Human Resources Summit & Expo, Chartered Institute of Personnel and Development U.K. and I-UP Forum. Our customers have set up their training centres, institutes and human resources agencies to provide training on professional and management development, programming and digital skills, computer, language, fine arts, technical and occupational skills, and human resources consultancy. Dubai Knowledge Park is home to over 3,090 professionals of more than 100 different nationalities as at 31 March 2022, and offers more than 500 higher education programmes.

Dubai International Academic City

The Dubai International Academic City business district is dedicated to higher education and academic institutes. It has an area of 5.5 million square feet and is one of our two business districts designed for higher education. The Dubai International Academic City business district was launched in 2005 and is now part of the same 20 million-square-foot master plan that includes the Dubai Outsource City business district. As at 31 March 2022, we had 3.2 million square feet of area under 6 land lease properties and 1.2 million square feet of area under 15 built to lease properties.

The Dubai International Academic City business district caters to the needs of the region's growing higher education sector. It provides different built to suit, built to lease and land lease options for education, mixed-use, student accommodation, retail and hotels. We further support our customers within the Dubai International Academic City business district with creating an academic ecosystem by organising and/or hosting over 50 industry and community events such as the Gulf Education and Training Exhibition, global education fairs and career fairs, DIAC Open Day and What About YOUth. We also offer events to create a "campus" feel, such as sports events for students enrolled in our customers' educational institutions. The Dubai International Academic City business district is home to 27 academic institutions, over 28,200 students, and over 2,280 professionals of more than 80 different nationalities as at 31 March 2022. Academic institutions located in the Dubai International Academic City business district offer more than 500 undergraduate and postgraduate programmes.

Science Cluster

Our science cluster, which is developed around the Dubai Science Park business district, focuses on the life science, healthcare and sustainability sectors. The science cluster is currently operating at very high occupancy. Averda, Bayer, Boston Scientific, CHR, Hansen, Firmenich, Greenza, Himalaya, Kosmonte Foods, Lukoil, Medtronic Global, Olympus, Pfizer, Phoenix Contact, Platinum, and 3E Advisory are some of the customers in this cluster. The science cluster generated revenue of AED 65 million and AED 23 million and accounted for 4% and 5% of our total revenue from the 31 December 2021 and the three months ended 31 March 2022, respectively. Additionally, the Average Value-Based Customer Retention Rate in the science cluster over 2019, 2020 and 2021 was 89%. The top ten customers represented 29% of the total revenue for the cluster as of 31 December 2021. Furthermore, the science cluster contributed approximately 7% to the total of our In-Place Leases, with 359 In-Place Leases as of 31 December 2021.

Dubai Science Park

The Dubai Science Park business district is one of the regio''s free zone community that serves the life-sciences, energy, healthcare, food and beverage, agricultural technologies and environmental sectors with over 2.5 million square feet of space. It is located off Mohammed Bin Zayed Road, in close proximity to the Dubai Studio City and Dubai Production City business districts. The Dubai Science Park's business district, was established in 2005. Dubai Science Par''s objective is to establish a knowledge-based ecosystem in Dubai by attracting leading players of the biopharmaceutical, medical technology and other knowledge-intensive subsectors of the science industry sector. As of 31 March 2022, we had 985 thousand square feet of area under seven land lease properties and 849 thousand square feet of area under five built to lease properties.

Design Cluster

Our design cluster, which is developed around the Dubai Design District business district, focuses on the different design sectors such as architecture, fashion interior design and arts. This cluster represents an industry-pioneering concept with strong demand reflected in high occupancy levels by rising and established international design brands as customers, including Adidas, Armani Casa, Bene, Chalhoub Group, Chopard, Christopher Guy, Cosentino, Digital Dubai, Dior, Dubai Culture, Dubai Sports Council, Foster + Partners, Haworth, Hugo Boss, Kering, Lasvit, Lego Middle East FZ LLC, Living Divani, Ministry of Culture & Youth, Moncler, Puma, RMJM, Santiago Calatrava, SSH, Tag Heuer, The Supreme Legislation Committee, Vitra, and Zaha Hadid Architects. The design cluster generated revenue of AED 179 million and AED 50 million and accounted for 10% of the cluster revenue for the year ended 31 December 2021 as well as the three months ended 31 March 2022. Additionally, the Average Value-Based Customer

Retention Rate in the design cluster over 2019, 2020 and 2021 was 81%. The top ten customers represented 34% of the total revenue for the cluster as of 31 December 2021. Furthermore, the design cluster contributed approximately 13% to the total of our In-Place Leases, with 661 In-Place Leases as of 31 December 2021.

Dubai Design District

Dubai Design District is a business district that has been developed through careful consultation with the design industry. It provides a creative modern ecosystem for local, regional and international companies operating in, design, architecture and other creative industries. It has the delegated authority to deliver both free zone and mainland licences and provides 2.8 million square feet of space to support the growth of architecture and interior design, the luxury sector, fashion, jewellery design, fragrances, skincare and other creative industries. It is located in a prime business location, between Downtown Dubai and the Dubai Creek residential area, in close proximity to other major landmarks of Dubai. The Dubai Design District business district was created in 2013 with the vision of positioning Dubai as the design and creative capital of the MENA region and nurturing, inspiring and promoting emerging local talent. The Dubai Design District business district has a master plan of 23 million square feet. As at 31 March 2022, we had 309 thousand square feet of area under 2 land lease properties and 1.6 million square feet of area under 11 built to lease properties.

Manufacturing Cluster

Our manufacturing cluster, which is developed around the Dubai Industrial City business district, focuses on the manufacturing and logistics sectors. The customers in this cluster include Unilever, Almarai, ASGC, Barakat Quality Plus, Byrne, BPC Group, Copart, Fabtech, Geoscience Testing Laboratory, Laing O'Rourke, Rasasi as well as Al Faris, Al Ghurair and Al Habtoor Motors, The manufacturing cluster generated revenue of AED 559 million and AED 139 million and accounted for 32% and 29 % of our total revenue for the year ended 31 December 2021 and the three months ended 31 March 2022, respectively. Additionally, the Average Value-Based Customer Retention Rate in the manufacturing cluster over 2019, 2020 and 2021 was 91%. The top ten customers represented 18% of the total revenue for the cluster as of 31 December 2021. Furthermore, the manufacturing cluster contributed approximately 26% to the total of our In-Place Leases, with 1,299 In-Place Leases as of 31 December 2021.

Dubai Industrial City

The Dubai Industrial City business district is a leading industrial and manufacturing hub of the MENA region, with 104.3 million square feet of Gross Floor Area dedicated to the growth and expansion of the UA''s industrial and manufacturing ecosystem. It is strategically located in close proximity to Jebel Ali Port, Al Maktoum International Airport, and two major highways connecting the seven Emirates and Saudi Arabia. Furthermore, Etihad Rail, the developer of the UAE's rail network and Dubai's second-largest industrial centre, signed an initial agreement for the construction of a public freight terminal connecting Dubai Industrial City to the UAE's other major industrial and logistics hubs.

The Dubai Industrial City business district was launched in 2004, which led to the development of warehouse space for industrial and logistics sectors, such as food and beverage, metals, transport, machinery and mechanical equipment, workshops, e-commerce, logistics, and chemicals. Additionally, Etihad Rail and Dubai Industrial City have recently announced an advanced freight terminal spread across 5.5 million square feet, which is intended to further cement the UAE's position as an international trade hub and boost Dubai's global competitiveness in manufacturing, logistics, transport, trade, and investment. As of 31 March 2022, we had 150 million square feet of area under 383 land lease properties and 10.5 million square feet of area under 81 built to lease properties. It has diversified our product offerings through a substantial number of land lease properties, which are less exposed to rental market volatility due to its long-term and fixed rent structure with rent escalation provisions.

New Product Lines and Other Assets

Recently Completed Built to Suit Properties and Other Acquisitions

In 2021 we completed three built to suit projects: University of Birmingham (education cluster), Firmenich (science cluster) and Himalaya (science cluster). We also acquire assets from time to time with our more significant recent acquisitions described below.

Built to Suit

The University of Birmingham, Dubai located in Dubai International Academic City, was completed in December 2021 and has a leasable area of approximately 317 thousand square feet.

Firmenich, located in the Dubai Science Park business district, was completed in September 2021 and has a leasable area of 38 thousand square feet. The inauguration of Firmenich's regional headquarter and development centre in the Dubai Science Park took place in March 2022.

Himalaya, located in the Dubai Science Park business district, was completed in October 2021 and has a leasable area of approximately 51 thousand square feet.

The average term of built to suit leases is between 8 and 10 years, with a renewal option.

The total capital expenditure on these three properties by the end of 2021 reached AED 524 million and have an Expected Average Annual Revenue of approximately AED 86 million based on the signed leases. For the last twelve months ended 31 March 2022, our total portfolio of built to suit properties contributed AED 147 million to our revenue, with the Expected Average Annual Revenue of these properties approximately AED 226 million (including these recently completed built to suit properties).

Acquisitions

In January 2022 we acquired the Visa Building, located in Dubai Internet City, for AED 169 million which has a leasable area, of approximately 89 thousand square feet. The property was acquired with the existing lease, which has a duration of 10 years (starting from 19 September 2021).

In October 2019, we purchased the OSN Building, located in Dubai Media City, for AED 30.4 million, which has leasable area of approximately 22 thousand square feet.

The total value capital expenditure on these two properties by the end of 2021 reached AED 199.4 million and have an Expected Average Annual Revenue of approximately AED 25 million based on the signed leases.

D/Quarters

D/Quarters is a future-focused co-working space that provides companies at multiple stages of development a collaborative community in which to thrive. More than just a space to work, D/Quarters is an agile, scalable solution that accommodates a rapidly-evolving global work culture.

D/Quarters is home to freelancers, entrepreneurs, SMEs and global corporations at every stage of growth, delivering a network of knowledge sharing and collaboration. Members can benefit from a variety of value-added services, including access to a skilled talent pool, a smart app, high-tech amenities, event spaces, food and beverage, and retailers.

GoFreelance

We launched GoFreelance in 2018, which supports approximately 2,400 freelance talents through a competitive package and simple process. The package provides freelancers with a license, issued in the name of a specific individual, which grants access to a shared desk area and provides such individual with a visa. Freelancers are able to choose from a wide variety of approximately 70 commercial business licenced activities approved by the DDA across the Media, Tech, Design and Education sectors. The licenced activities permitted are continuously updated and expanded based on market trends and demand.

Project Development and Management Cycle

In addition to the management of our existing business districts, we develop new projects, whether these projects involve the expansions to our existing business districts, by constructing new buildings and other properties as part of the phased development.

Our project development and management cycle includes four main components: (1) project selection; (2) construction of infrastructure; (3) construction of projects; and (4) property management. As described in further detail below, we rely on service level agreements with DHAM to carry out the work required for the construction of infrastructure and the construction of projects as well as the technical aspects of project selection and planning. See "*—Service Level Agreements with DHAM and Dubai Holding"* for additional information about our service level agreements.

Project Selection

Our project selection follows a strategic approach to evaluate and prioritise projects that are expected to enhance end-user demand within our target industries. We use the term "project" to describe a major new strategically significant development that is aimed at a specific industry or industries. Our strategic approach is based on an assessment of strategic fit, financial potential and strategic risk. The strategic fit of a project is evaluated according to several factors, the importance of which varies by projects. These factors include:

- attractiveness of the addressable end-user market, including the size, growth, industry structure and dynamics of the target industry globally and regionally;

- estimated end-user real estate needs, including space requirements, willingness to pay and required services;

- competitive intensity and market dynamics;

- fit with our existing capabilities, including industry sector knowledge, human resources and technology; and

- synergies with our existing business districts and industry ecosystem.

Project evaluation is conducted in-house jointly between the finance, investment management and strategy teams at TECOM. All planning and execution is in line with our service level agreement with DHAM and its contracted consultants. This covers management and costing for infrastructure and engineering.

In addition, DHAM's contract management services will be used by TECOM for project award and contract payment processing.

Projects that make it through our project selection process must be evaluated by our management committee before we proceed to the construction stage of those projects.

Design, Approval and Construction of Infrastructure

In the past, we were responsible for infrastructure within our business districts, while relevant authorities, such as the RTA, were responsible for any infrastructure beyond our business districts, subject to our cost sharing arrangements with such authorities. Following the Restructuring, infrastructure costs within our business districts will be split. Construction of infrastructure follows the same process of construction of projects – for further details see "—*Construction of Projects*" below. We may make some improvements and modifications to infrastructure to meet any changes in demand or needs of our customers, subject to our service level agreements with DHAM.

Construction of Projects

Our projects are generally financed through our revenue from rental and services, project financing and banking facilities or a combination of such sources.

Our projects are managed by DHAM's Development and Technical Services (DTS team) pursuant to service level agreements. See "—*Service Level Agreements with DHAM and Dubai Holding*" for additional information. The DTS team specialises in master planning, real estate construction and infrastructure development. The construction of our projects typically involves (1) design management, (2) the tendering and contract award process and (3) construction management, which are described below.

Design Management

Once a project is approved and we assess its suitability for TECOM's portfolio, architects, or design consultants, are engaged by the DTS building project management team) the **DHAM building project management team**) to begin the design management process. The DHAM building project management team consists of project managers and consultant architects. The DHAM building project management team reviews the concept design and is responsible for evaluating the technical aspects of a project and managing the project timeline.

Tender or Contract Award Process

The DHAM contracts team through service level agreements, is responsible for managing and administering the procurement process, which includes maintaining a list of approved contractors, agreeing on the list of tenderers, reviewing and approving tender documents and issuing tender invitations once approved.

Construction Management

Once the contract is awarded, the contractor submits shop drawings to the DTS team, the proposed commencement date and the initial draft construction programme. The architect for the project typically supervises the contractor over the lifespan on the project, ensuring the contractor complies with all expectations concerning timelines, quality and project-specific requirements and specifications. The DHAM building project management team, principally through the director of the DHAM building project management team and project managers, oversees a variety of activities during this stage, including monitoring the construction progress, monitoring the architect, keeping the relevant stakeholders informed on the construction progress, supervising the contractor's regular testing of the plant, materials and workmanship related to the construction and testing and commissioning of equipment and systems as they are ready.

Property Management

Property management involves our facility management team (which oversees building operations and maintenance), our leasing team (which oversees leases and renewals), our strategy team (which oversees pricing) and our finance team (which oversees invoicing and collection of lease payments).

Facility Management

Our centralised facility management department is responsible for overseeing the operation and maintenance of the buildings in our business districts. All facility management services, with the exception of utility management, are outsourced, with the facility management team playing an oversight role with respect to enhancement and maintenance of buildings and assets, which include cleaning and security. Outsourcing is managed centrally and outsourced to specialised companies. Security services for all of our business districts are procured through a competitive tender process. Currently, these services are provided by Arkan Security Management Solutions L.L.C. (**Arkan**), a fully owned subsidiary of Ejadah Asset Management Group L.L.C (**Ejadah**, which is ultimately owned indirectly by Dubai Holding). A competitive tender process is also followed for other facility management services at our business districts. Most of these are currently outsourced to Idama, another subsidiary of Ejadah (which provides separate teams for each covered business district), with the exception of a few larger facilities which are outsourced to other parties. See—*"Arrangements with DHAM's Affiliates*" for additional information.

Leasing, Pricing, Payment and Collections and Renewals

Our business districts' management manages our customer lease negotiations, as well as retentions and renewals, at the industry sector level through the business development teams across our industry sectors. The terms and conditions of our lease documentation for our built to lease and land lease properties are generally standard across all of our business districts. Our built to suit properties are subject to more variable terms and conditions.

We review our rental rates every six months for potential adjustments in response to Dubai property market changes and industry fluctuations. Subject to market demand and occupancy changes, we may provide other incentives to certain strategic customers, such as grace periods and special rates for bulk area leasing. As with other comparable developers in Dubai, we generally classify our locations into CBD and non-CBD real estate categories. The CBD category business districts are generally located in prime locations across the central business district of Dubai, which include the DIFC, Dubai Downtown, Dubai Trade Centre District, and Sheikh Zayed Road, and therefore are generally subject to higher average rent rates compared to those categorised as non-CBD. The CBD category includes Dubai Internet City, Dubai Media City, Dubai Knowledge Park and Dubai Design District. The remainder of our business districts are categorised as non-CBD.

For our built to suit properties, facility management and utilities are generally paid by our customers. Except for Dubai Design District, we typically use a rent plus fixed service charge model for our commercial office built to lease properties. In general, our service charge substantially covers our facility management and utility costs. While our standard lease agreement terms permit us to increase the service charge, we typically do not adjust the service charge if our facility management and utility costs remain unchanged over the course of our short-term leases (leases of up to two years). When we adjust our service charge due to increases in the facility management or utility costs, we will generally have it take effect at the time of renewal for short-term leases or on the anniversary date for long-term leases. Certain built to lease properties such as our business centres, warehouses and other similar properties are not typically subject to a separate service charge, and we typically only charge rent for these properties which covers the facility management and utility charges. Customers at the Dubai Design District are also not subject to our customary service charge as customers pay most of their actual utility costs, except for a fixed charge for Empower cooling.

Our leasing process is largely automated. For our standard process, upon collection of the signed lease agreement, our tenants gain access to the area leased. Payments, including current dated cheques and post-dated cheques are collected along with the signed lease agreement from the tenant. Post-dated cheques cover advance payments for a certain portion or the entire duration of the lease, depending on the nature of the lease. In Dubai Industrial City, post-dated cheques for land leases are typically collected in advance for each five-year period of the agreement. The collection of post-dated cheques is typical for built to suit. The amount and frequency of such collection varies with our built to suit properties according to the contract negotiated. We believe post-dated cheques are an effective tool to increase timely collections. Payments made through standing instruction orders, such as wire transfers, are only permitted in limited circumstances. Payment locations are available in all our business districts.

Our finance department is responsible for the billing and collection of rent and other charges from our tenants and we have a collection team to manage delinquent accounts. We have detailed invoicing, collection and recovery processes in place, with prescribed dates to provide notice of payments due. If there is any dispute related to payment, we typically arrange a meeting with the customer to reach a resolution. Overdue cases that cannot be settled are transferred to the legal department. Based on the latest VAT regulations, we collect VAT on top of rent and service charges.

Development Projects and Planned Investments

We have a number of projects that have made it through our project selection process and are either in the development phase or are expected to be in the development phase within the next five years and are currently included among our planned investment projects. These development or planned investment projects are categorised as follows: (1) projects in the investment plan and (2) infrastructure investments, which includes ongoing infrastructure projects as well as planned infrastructure projects.

Projects in the investment plan

Projects in the investment plan are potential developments which have been identified as a strategic fit and are included in our business plan and include both built to lease and built to suit properties. We typically seek to limit our development of new assets to capital expenditure representing 3% to 4% of our existing assets, with the development of new assets excluding any operational asset acquisitions we undertake (such as our acquisition of the Visa building in 2022). As at 31 March 2022, we had projects in the investment plan with targeted completion dates between 2024 and 2028. However, actual investment in these projects will only begin after the completion of a detailed review and feasibility assessment.

Infrastructure investments

We plan to invest in our infrastructure projects over the next five years to enhance certain of our business districts. Infrastructure investments are required primarily to complete modification and enhancement of infrastructure, to meet obligations made in relation to land lease tenants, to build electric substations for planned developments or to enhance our business districts.

Investments required to modify and enhance basic and non-basic infrastructure within the masterplans are primarily in Dubai Industrial City. Additional basic infrastructure development is also needed in Dubai Industrial City in order to convert the property in the land bank into land that is suitable for land leasing. Due to the size of Dubai Industrial City, the investment in basic infrastructure has been phased. The planned infrastructure investments in Dubai Industrial City over the next five years are expected to complete the basic infrastructure networks in the business district and allow all of its land to be leased. With respect to electrical substation infrastructure development, we intend to build substations to meet the expected demand and load requirements to provide our customers and our projects under development and in the investment plan in Dubai Industrial City with an adequate supply of power. Infrastructure enhancements planned include the construction of phased landscaping. We carry out infrastructure investments and enhancements through DHAM under our service level agreements with them. See "*Service Level Agreements with DHAM and Dubai Holding*" for additional information.

Operating Environment

All of our business districts, with the exception of Dubai Industrial City, are located in free zones regulated by the Dubai Development Authority and are subject to the Dubai Development Authority's laws and regulations, as well as any federal or local laws from which we are not exempt. The Dubai Development Authority is the primary regulator of all free zones. The regulations of the Dubai Development Authority, together with the laws of Dubai and the UAE (to the extent applicable), regulate our subsidiaries as well as our customers' businesses that have been incorporated in the DDA free zone. Certain employee affair matters, including employment sponsorship and labour disputes, as well as certain health and safety matters, are also governed by regulations applicable within the DDA free zone.

Key Parties

Free Zone Authority – the Dubai Development Authority

The main regulatory body that governs our business environment is the Dubai Development Authority, which is responsible for providing much of the regulatory and policy framework for the DDA free zone in which all but one of our business districts operate. As a result, the regulatory and policy environment of the Dubai Development Authority impacts our business model.

Our business model seeks to facilitate Dubai's business growth through five key components: (1) maintaining and building business districts and other infrastructure; (2) creating and maintaining industry ecosystems; (3) fostering talent and innovation; (4) providing services; and (5) partnering with regulatory authorities to improve regulatory environment.

Councils and Industry Bodies

As part of our efforts to create ecosystems that support our industry-specific business districts, we have always facilitated the delivery of regulatory needs of our customers to the regulatory bodies. In addition, we have representation on the Dubai Media Council and the Dubai Free Zone Council. Our representation on these councils gives us an opportunity to monitor and influence regulatory, legal and policy changes and to support the success of our business districts and our customers. Furthermore, the Dubai Film and TV Commission was created, along with the Knowledge and Human Development Authority and the Dubai Design and Fashion Council (which was dissolved in 2021), which are or were bodies dedicated to attracting, developing and promoting specific industry sectors in Dubai. We also regularly interact with a number of other regulatory bodies and councils that influence the business and industrial environments applicable to our business districts.

Competition

Our properties compete to attract customers with other commercial and industrial properties located in cities across the region and, in particular, Dubai. In recent years, the UAE witnessed the development of a number of new commercial properties, increasing competitive pressures. Some of our major competitors, such as the ADGM, and twofour54 in Abu Dhabi, and the DIFC, One Central, Jumeirah Lake Towers, and Dubai Silicon Oasis in Dubai offer properties across multiple clusters in which we operate, whereas others, including Khalifa Industrial Zone in Abu Dhabi, Dubai South and Dubai Investments Park, compete with us in only one of our clusters. Most of our competitors are free zone competitors, and with respect to Dubai Industrial City we are facing increasing onshore competition due to the relaxation of onshore ownership rules since 2018 and the CCL which allows 100% foreign ownership onshore in certain industries (for further information, see "*Regulation—DDA free zone*"). Our business model focuses on the design and building of industry-specific communities and the provision of services that are tailored for our customers. However, some of our competitors have been presenting us with new competitive challenges by offering new properties, products or value-added services. See "*Industry Overview*" for additional information about the markets in which we operate.

Marketing and Business Development

We follow an integrated cross-departmental approach to securing customers, combining the efforts of our strategy, marketing and cluster-level business development functions to attract customers matching our customer targets to our business districts. Because we aim to foster a specific industry sector ecosystem at each of our business districts, we primarily seek to attract customers from industries aligned with our existing business districts focused on the following clusters: technology, media, education, science, design and manufacturing.

The following teams at our group level and within our clusters play a primary role in our approach to customer acquisition and retention: (1) our group-wide business and corporate strategy team (**strategy team**); (2) our group-wide marketing and communications team (**marketing team**); and (3) our six cluster-specific business development teams (**cluster-specific teams**), one for each of our existing clusters, which manage business development and client management activities. The diagram below illustrates the approach followed by the various teams to set the direction for customer acquisition, build our brand and market our various industry sectors, develop business and acquire customers, and retain customers:

TECOM's strategy team sets our corporate and business agenda by prioritising customer segments by industry based on research on industry structure, value chain and market dynamics globally and locally. Our strategy teams corporate strategy and business-planning permits TECOM's marketing team to align their marketing efforts with our strategic goals. Our overall approach is designed to achieve effective targeting of the most attractive customers to support our business model.

Customers

We consider our customers our business partners, dedicated to the common aim of realising Dubai's economic aspiration to establish the Dubai Emirate as a global hub for business and commerce. In order to attract customers to our properties, we have tailored our business districts to the end-user experience. We believe this approach creates a competitive advantage that allows us to cultivate long-term relationships with our business partners and attract new business partners to our sector-focused ecosystems. Furthermore, we look beyond the companies as our customers and also consider the needs of the employees or individuals comprising the companies or educational institutions within our business districts with the aim of providing properties and services tailored to their needs as well.

Our customer base is diverse, both in terms of the underlying industry sector they are within and in terms of their size (with customers including global corporations, UAE corporations, SMEs, start-ups and freelancers). For the year ended December 31, 2021, our top ten customers represented 16.4% of our built to lease revenue, with the highest exposure amounting to 2.5%. On a segmental level, for the last twelve months ended 31 March 2022, the top ten customers for commercial leasing, industrial leasing and land leasing contributed 19%, 26% and 15% of our revenue. This diversity mitigates certain risks that arise when there are customer concentrations. Furthermore, from 2011 to 2021, Average Value-Based Customer Retention Rate was 87%, suggesting a significant level of customer satisfaction. Our business districts were home to over 7,800 customers as at 31 March 2022. In the three-year period between 2019 and 2021, our customer businesses in our business districts grew by 19.5%, with the workforce population of our business districts growing by 4.2% to reach approximately 101,000 employees and entrepreneurs, as well as approximately 28,000 students as of 31 March 2022.

We also benefit from a stable customer base from those with long-term leases, largely through our strategic built to suit leases and land lease customers. We have a low annual churn rate, ranging from approximately 7% to 12% across the business districts for the years ended 31 December 2021, 2020 and 2019. We also managed to reduce the average annual churn rate to 7% across all business districts in 2021. As at 31

March 2022, 32% of our revenue came from customers that have been customers for 10 or more years and 31% of our revenue came from customers that have been customers for between 5 to 10 years, which we believe is a testament to the quality of and demand for our offering.

Health and Safety

We are committed to ensuring that health and safety principles are incorporated into our business philosophy to reduce risks in accordance with best industry practices. For instance, we hold an ISO45001:2018 certification for the years 2020 and 2021, and we have been awarded a Five Star Award in 2019, which tests health and safety performance against the latest legislation, recognised standards and best practice techniques, and a Globe & Sword Honour in 2019, awarded to organisations from around the world who have achieved the top grade in their audit by Five Star. To this end, our management committee oversees our health, safety and environment policies and our performance against such policies. The management committee is responsible to establish best practice principles and to oversee Health, Safety and Environment (**HSE**) and Business Continuity Management (**BCM**) Systems through semi-annual review of HSE and BCM reports.

Environment

Our properties are in material compliance with all applicable environmental laws and regulations. Our environmental policy adheres to strict operating guidelines to limit the impact on the land and the surrounding areas in which we operate. For instance, we hold an ISO14001:2015 certification for the years 2020 and 2021, and we have been awarded a Globe & Sword Honour in 2019. The current HSE governance model requires review of our annual and long-term environmental goals, emissions targets and sustainability initiatives, including status reports on efforts to attain those goals. The implementation of our HSE management system is carried out by six HSE committees, representing the six industry-specific clusters, and an operations HSE review team, which oversees the HSE component of our facility management and development projects.

Sustainability Reporting

Our role in the UAE's Low Carbon Future

In November 2021 at the twenty-sixth meeting of the Conference of the Parties in Glasgow (COP26), the United Arab Emirates joined nearly 50 countries and committed to legally binding net zero targets which it aims to achieve by 2050.

As a key player in one of the largest business segments in the UAE, we are committed to supporting the UAE's transition to a low-carbon future. Our carbon reduction strategy focuses on reducing operational carbon and investing in low-carbon energy sources, in alignment with the United Nations Sustainable Development Goal (**UN SDG**) 7 (Affordable and Clean Energy), UN SDG 12 (Responsible Consumption and Production) and UN SDG 13 (Climate Action).

Our carbon reduction plans began with energy audits to establish potential baseline efficiency of selected assets' areas within operational control and where data was readily available. Based on this, in 2022 we have budgeted for retrofitting projects focused on reducing electricity and water consumption, that are expected to result in potential electricity savings of 35,833,180 kilowatt hours (**kWh**) and water savings of 69,967 cubic metres versus our 2019 utility consumption baseline. We also implemented a portfolio-wide utility monitoring and analytics platform to facilitate real-time monitoring of energy and water consumption throughout our portfolio and fault detection of critical equipment.

These initiatives contribute not only towards the UAE's net zero strategy, but also to national environmental mandates such as the 2030 Dubai Integrated Energy Strategy (targeting a 30% reduction in total energy consumption by 2030), the National Climate Change Plan of the UAE 2017-2050 (plan to transition into a climate resilient green economy) and the UAE Green Growth Strategy (adopting modern green technologies and sustainable use of resources).

To diversify our energy sources, we are investing in on-site rooftop solar generation projects and, as of 31 December 2021, we have completed five solar projects with a total capacity of 6.23 megawatts peak (MWP). We currently generate 6.24 gigawatt hours (GWh), 3.5% of our 2021 electricity consumption, and expect to add another 1.54 MWP to our solar energy sources by the end of 2022. These initiatives contribute towards the UAE Green Growth Strategy's mandates on adopting clean energy sources and reducing carbon emissions.

Business Model Governed by a Strong ESG Framework Aligned with the UN Sustainable Development Goals (UN SDGs)

To support the transition towards a low-carbon economy and in cognisance of a sharper focus on the social and economic consequences of the Covid-19 pandemic as well as changing consumer demands from commercial real estate, we undertook the 2022 Materiality Assessment. The insights from our internal and external stakeholders relating to material ESG issues that impact our business obtained from the 2022 Materiality Assessment were used as the basis for our ESG framework, which aims to further embed ESG considerations within the entirety of our operations.

We will work towards developing a business plan that creates synergies between furthering our wider ESG objectives and our financial performance. We will consider aligning our practices with a global standard such as the Global Real Estate Sustainability Benchmark to benchmark ESG performance of commercial real estate.

We intend to further embed ESG throughout the organisation. Our framework assists us with our aim to comply with applicable SCA regulations, policies, and processes to promote strong corporate governance in ESG and publish an annual report as per the SCA ESG reporting guidelines.

Sustainable Business Model Governed by a Strong ESG Framework

Our ESG framework is driven by five core pillars which are informed by the results of our 2022 Materiality Assessment as well as industry analysis, research of best practice reporting frameworks and recommendations from the Global Reporting Initiative and European Public Real Estate Association (EPRA) as well as the UN SDGs and national mandates such as the 2030 Dubai Integrated Energy Strategy, National Climate Change Plan of the UAE 2017-2050 and UAE Green Growth Strategy.

The five core pillars at the heart of our ESG framework are (i) economy; (ii) community; (iii) people; (iv) environment and (v) governance and risk.

- ***Economy pillar*** focuses on our initiatives around incubating innovation by measuring the number of start-ups and events organised to support local entrepreneurs, as well as our progress on creating a sustainable ecosystem to connect established businesses operating within our business districts to the entrepreneurs, SMEs and freelancers operating within. We will continue to adhere to our "voice of customer" tracking system to gather feedback from all customers and set targets.

- ***Community pillar*** focuses on measuring and improving the monetary and in-kind support extended to local non-governmental organisations and community partners as well as international humanitarian organisations. The metrics we will track include volunteering hours, number of volunteers, and funds raised by us. This pillar will be supported by our sector-focused community investment programmes and policies.

- ***People pillar*** focuses on tracking and improving our diversity and inclusion metrics around recruitment, career development of female employees as well as the support provided to female-owned business and our Emiratisation metrics. Training and development metrics, such as training hours, number of training programmes, as well as health and safety metrics, such as injury, fatality rates and corresponding incident rates, will also be reported on as part of this pillar.

- ***Environment pillar*** focuses on measuring and reporting on energy efficiency by tracking fuel, electricity, and water consumption and monitoring waste and recycling rates. We will report on scope 2 and 3 in accordance with the Greenhouse Gas Protocol and plan to continue introducing climate change initiatives that strive to lower our carbon footprint and engage with our contractors and suppliers to explore how to support them in reducing their impact.

- ***Governance and risk pillar*** focuses on monitoring internal audits and coverage of ISO certifications on environmental and health management systems. Under this pillar, we will also be annually monitoring our ESG metrics in line with the requisite regulations. We also intend to further embed ESG throughout the organisation. This pillar will also look into the amount of procurement spent on local business, SMEs and female-owned businesses.

We intend to enhance our service offering and initiatives to address the key issues highlighted in our 2022 Materiality Assessment and to make annual disclosures on these focus areas.

Insurance

We maintain insurance policies where practicable, negotiated and managed by DHAM centrally, covering both our assets and employees in line with general business practices in the UAE. See ***.****—Service Level Agreements with DHAM* for additional information about the service level agreements we have with DHAM to manage our insurance requirements.

Risks which we are insured against include physical loss or damage, including machinery breakdown, business interruption, political violence and terrorism, and personal accident. Where practicable, we also maintain general third-party liability insurance, terrorism liability insurance, plant and equipment insurance, group life insurance, and directors' and officers' liability insurance. Certain exceptions apply, such as wars, nuclear energy risks and pollution, and radioactive contamination. Our policies together provide an indemnity against all sums for which we become legally liable to pay as compensation for personal injury or property damage to a third party caused in connection with our business through the fault or negligence of us or our employees.

For certain development projects or other construction contracts, we maintain an owner-controlled insurance programme (**OCIP**) to insure against certain contractor risk and third-party liabilities that might arise against the contractors during the course of their engagement with us. However, in addition to our

OCIP, we typically require the contractors to submit evidence of their own insurance coverage for other potential liabilities, including workers compensation, equipment failures and professional indemnity.

Furthermore, we maintain a network security and privacy insurance policy which covers any actual or suspected breach of personal information, security failure or system failure (excluding employees operating cloud services). For further details on the policy *see "Information Technology"* below.

Intellectual Property

We have registered the trademarks and service marks in the UAE of all of our existing business districts and the TECOM word and logo.

Information Technology

Prior to the Restructuring, TECOM had a technology team with some systems and solutions developed and designed in-house at TECOM's level. We also rely on some selected third-party applications or software for certain solutions on our platforms.

For example, we use advanced digital solutions and applications developed by leading companies for our core business applications, data management, application security, and analytics. Security is provided from DHAM on the networks, on premise solutions, and on cloud services, while security for remaining cloud applications is provided for by the respective software service providers.

Following the Restructuring, the information technology (IT) service level agreements between DHAM and TECOM were updated in order to cover our IT support requirements. We have an outsourcing arrangement with DHAM that includes service level agreements to cover IT security and IT infrastructure and a service level agreement with DHAM to cover our Group IT requirements. See "*Service Level Agreements with DHAM and Dubai Holding*" for additional information.

DHAM IT support and DHAM hybrid teams are responsible for IT configuration and customisation, as well as application support for all data and applications. The IT team has deployed systems for managing customer feedback, analyses, reports and solutions on data mobility and cloud products, keeping pace with our current business needs and technology trends.

A number of our core business applications, like those from Oracle, are used by both DHAM and TECOM and such licences are not limited to TECOM only. In addition, our portfolio also supports multiple instances of applications which are undergoing consolidations or updates to align the business processes.

Data centres and resilience

Our platform operates mainly on a cloud-based system, which operates across multiple regions to ensure resiliency and which are hosted by respective cloud service providers. We also believe that cloud based solutions increase security and improve risk controls by minimising physical servers. Within our internal IT network, which coordinates the operations of our in-house production operations, our resilience and backup systems and facilities have been designed so that a hardware failure on a live operational application will failover to either alternative hardware within the data centre or a disaster recovery facility.

Our IT systems and platforms are designed and regularly tested to accommodate significantly higher volumes of website traffic, customers and orders.

Our data security systems and protocols are also designed and monitored for safety, security and compliance with applicable laws and regulations.

Furthermore, we maintain a network security and privacy insurance policy with American International Group which covers any actual or suspected breach of personal information, security failure or system failure (excluding employees operating cloud services) up to an aggregate amount of USD 10 million. The policy will expire on 31 August 2022, and we plan to renew it at the same terms and conditions, if available.

Employees

As at 31 March 2022, we and our subsidiaries had 280 employees, 24% of which were UAE nationals. All of our employees are based in Dubai.

Litigation and Arbitration

We are subject to various legal proceedings and risks in the ordinary course of our business, including claims, suits, arbitrations or proceedings involving unpaid rent, commercial and other contractual disputes, and other matters. We are not aware of any current or threatened legal or other proceedings which may have or have had in the recent past significant effects on our financial position.

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 500,000,000, divided into 5,000,000,000 (Five billion) Shares with a nominal value of AED 0.1 (10 fils) (ten fils) each. All Shares are equal in respect of all rights.

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

As at the date of this Prospectus –

Before Offering

Name	Nationality / Country of incorporation	Type of shares	Number of shares owned	Total value of shares owned*	Ownership proportion
DHAM	UAE	ordinary	4,950,000,000	495,000,000	99%
DHAM FZ-LLC-	Freezone-Dubai Development Authority-UAE	ordinary	50,000,000	5,000,000	1%

Based on the nominal value

After Offering

Name	Nationality / Country of incorporation	Type of shares	Number of shares owned	Total value of shares owned*	Ownership proportion
DHAM	UAE	ordinary	4,325,000,000	432,500,000	86.5%
DHAM FZ-LLC	Freezone-Dubai Development Authority-UAE	ordinary	50,000,000	5,000,000	1.0%
Successful Subscribers at Listing	Various	ordinary	625,000,000	62,500,000	12.5%

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 500,000,000 (five hundred million UAE dirhams), divided into 5,000,000,000 (five billion) Shares with a nominal value of AED 0.1 (10 fils) (ten fils) per Share.

Assuming all of the Offer Shares are allocated, the Selling Shareholder together with DHAM FZ-LLC will hold in aggregate 87.5% (eighty seven point five per cent) of the total share capital of the Company, assuming that the Selling Shareholder sells all of the Shares being offered and the Offering size is not increased. The Company has presented its plan to SCA for the Selling Shareholder to offer 12.5% (twelve point five per cent) of the total share capital of the Company. The Selling Shareholder reserves the right to amend the Offering and tranches size 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:	4,325,000,000 (four billion three hundred and twenty five million) Shares
No. of DHAM FZ-LLC Shares:	50,000,000 (fifty million) Shares
No. of total Subscribers' Shares (assuming all Offer Shares are allocated including all tranches mentioned under the Prospectus):	625,000,000 (six hundred and twenty five million) Shares
Total:	5,000,000,000 (five billion) Shares

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

There are no outstanding material governmental, legal or arbitration proceedings, litigation, or disputes against or with the Company (including any such proceedings or disputes which are pending or threatened or of which we are aware). Statement of the number and type of employees of the Group:

As at 31 March 2022, we had 280 permanent employees. The table below provides a breakdown of employees**.**

Description	Nationals	Expatriates	Total
Design Cluster	3	8	11
Manufacturing Cluster	12	12	24
Education Cluster	5	11	16
Tech Cluster	4	14	18
Media Cluster	8	15	23
Science Cluster	2	4	6
Business Services	14	51	65
in5	2	4	6
D/quarters	-	1	1
Support Functions	18	92	110
Total	**68**	**212**	**280**

5. Accounting policies adopted by the Company:

The Company prepares its accounts in accordance with IFRS as issued by the International Accounting Standards Board and applicable requirements of UAE law.

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

Please see "*Related Party Transactions and Material Contracts*" section.

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

Please see "*Related Party Transactions and Material Contracts*" section.

8. Decision of the of the Company's Shareholders to convert the Company and to offer its shares:

On 2 March 2022, the Company's Shareholders approved (1) the Company's conversion from a limited liability company to a public joint stock company by offering the Company's Shares for public subscription, (2) offering a percentage of the Company's Shares by the Selling Shareholder for public subscription, in accordance with the allocation policy contained in the prospectus that will be published to the public, which includes the price building mechanism of the shares, and (3) submitting an application for listing all the Company's Shares on the DFM.

Founders' Committee:

The Selling Shareholder elected a committee (the "**Founders' Committee**") to undertake all steps and procedures necessary on their behalf and on behalf of the Company to complete all the procedures required with regard to the Offering, including dealing with the competent authorities.

The Founders' Committee is composed of the following individuals:

- Malek Sultan Rashed Al Malek (Chairman);
- Abdulla Khalifa Abdulla Humaid Belhoul (Member); and
- Michael Wunderbaldinger (Member)

9. Investment Risks:

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 us 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, our 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 us and the Offer Shares. Additional risks and uncertainties not currently known to us or which we currently deem immaterial may arise or become material in the future and may have a material adverse effect on our business, results of operations, financial condition, prospects or the price of the Offer Shares.

Risks Relating to Our Business

Our business is entirely concentrated in the commercial and industrial real estate sectors in Dubai, and any adverse developments in the commercial or industrial real estate sectors in Dubai may have a material adverse effect on our business, results of operations, financial condition and prospects.

All of our business districts, development projects, property in our land bank and other assets are located in Dubai. The real estate sector in Dubai has historically been driven by supply and demand dynamics, which are cyclical, and strongly correlated to macro-economic factors that impact economic conditions in Dubai, such as changes in global and local economic conditions, interest/profit rates, consumer spending, inflation rates, exchange rates and the availability and cost of financing, as well as factors inherent to the Dubai industrial and commercial property market, such as available supply, changes in laws and regulations, real estate taxes and real estate market conditions generally. Consequently, our business, results of operations, financial condition and prospects could be materially adversely affected by adverse developments in Dubai's economy generally and, in particular, in its commercial or industrial real estate sector.

As with other real estate markets, the Dubai commercial real estate market experiences cycles which are driven by supply and demand dynamics. As an increasing number of master plan developments are launched and reach completion, the number of commercial, industrial and other properties available in Dubai may exceed the demand for such properties. For example, Dubai's total gross leasable area of commercial office space increased from 94.05 million square feet to 96.12 million square feet and to 97.63 million square feet in 2019, 2020, and 2021, respectively, according to JLL, with the market's supply expected to increase further to 98.38 million square feet of gross leasable area by 31 December 2022 according to estimates by JLL. During these same periods, average grade A CBD rents fluctuated, with the average peak rates achieved at the start of 2018 of AED 157 per square foot, declining 9% year-over-year to AED 143 per square foot at the beginning of 2019, with a continuous decline in 2020 only to start stabilising and improving in mid-2021, reaching AED 123.5 per square foot by the last quarter of 2021 according to JLL. The average increase in grade A CBD rents during 2021 was mainly a reflection of the introduction of new high quality office developments and the flight to quality by occupiers. Excess supply in the Dubai commercial or industrial real estate market could result in an increase in vacancy rates and/or a decrease in market rental rates, which could require us or other market participants to lower rental rates or offer other payment terms (such as deferrals) or amenities to attract customers. In addition, new properties may be developed in the future, either in free zones within Dubai, other regional free zones or onshore, which may compete with our properties and target the same pool of customers. The occurrence of any of these factors could have a material adverse effect on our business, results of operations, financial condition and prospects.

General macroeconomic trends also impact the real estate market. The UAE has experienced variable GDP growth in recent years, with negative growth experienced in 2020 primarily the result of the contraction in the oil economy and varying degrees of unemployment and supply chain disruptions across various sectors, particularly tourism and trade, as a result of the Covid-19 pandemic. According to the FCSC, real GDP growth in the UAE was 3.4% in 2019 and negative 6.1% in 2020. According to Oxford Economics, GDP in the UAE recovered by 1.7% in 2021. A slowdown in economic growth typically has a negative impact on the commercial real estate market as customers' businesses are impacted. While there was muted activity in part of 2021, the commercial real estate market displayed signs of recovery in the fourth quarter of 2021. While Oxford Economics forecasts GDP growth will be approximately 6% in 2022 and an average of 5.4% annually until 2024, there can be no assurance that this growth rate will occur or that if it does, that it will result in improved conditions in the commercial real estate market.

Industrial real estate in Dubai is impacted by many of the same factors as commercial real estate, including general economic conditions and GDP growth rates, as well as interest/profit rates and exchange rates. Furthermore, according to JLL, the pricing of industrial leasing in the Dubai market varies substantially between properties depending on the location of the property, with quality of the properties also having an impact on pricing. Our Dubai Industrial City business district is focused on industrial real estate. The construction sector is a driver for a number of sectors, including the industrial real estate sector. As a result, Dubai Industrial City's performance is impacted by the construction sector, which can impact demand for its warehouses, and also for land leases and worker accommodation. According to the Dubai Statistics Center, the construction sector contributed 6.3% to Dubai's GDP at constant prices in 2019, 7.1% in 2020, and 6.6% in the first nine months of 2021. The construction sector is largely driven by activity in the private real estate market and by public projects to construct infrastructure and government buildings. In addition, changes in interest/profit rates can particularly affect the industrial real estate market, since interest/profit rates impact new project investment and construction activities, which have a significant impact on the overall demand for industrial real estate. Furthermore, import and re-export activities in Dubai are also significant drivers of demand for industrial real estate, particularly for warehouses, and the Group could experience less demand for its industrial real estate properties should the volume of such activities in Dubai decrease. Another significant driver for industrial real estate prices are government initiatives aimed at the sector, such as the current federal and Dubai focus on developing the manufacturing sector through "Operation 300Bn" (at the UAE level), the series of projects that aim to accelerate the UAE's development ("Projects of the 50", at the UAE level), and the "Dubai Industrial Strategy 2030" (at the Dubai level). These strategies are also expected to drive growth in the industrial real estate sector with a focus on adoption of industry 4.0 technologies (such as automation and the Internet of Things). In the event these strategies do not achieve their goals, we may experience less demand for properties in our manufacturing cluster than anticipated. Additionally, the food and beverage segment and pharmaceutical segment are becoming strategic segments in the manufacturing sector, with increased demand for spaces for manufacturing capability in the pharmaceutical and medical equipment industry. In the event we develop facilities for such industries which do not grow as expected, we may need to repurpose certain facilities.

The foregoing supply and demand dynamics and macroeconomic trends have resulted in muted commercial and industrial real estate markets in 2019, 2020 and 2021, which were also further impacted by the Covid-19 pandemic from 2020. If supply exceeds demand and if macroeconomic conditions that contribute to demand are negative, this could have a corresponding negative impact on our ability to meet revenue, occupancy and profitability targets. Furthermore, there can be no assurance that we will be able to maintain our current pricing or occupancy levels, and our properties in Dubai could, in the future, experience a decline in average rental rates. Furthermore, if the economic conditions of the UAE, and Dubai in particular, witness further volatility, real estate in Dubai, including our business districts, could experience a reduction in overall demand, which could affect our rental rates, occupancy levels and customer defaults. Any of the foregoing could have a material adverse effect on our business, results of operations, financial condition and prospects.

The value and operating results of our properties is dependent in part on the continued attractiveness of the Dubai commercial and industrial real estate markets.

Our ability to attract customers to our properties depends in part on our ability to attract international customers to rent commercial or industrial real estate in one or more of our business districts. The attractiveness of the Dubai real estate market and demand for properties in Dubai could decrease as a result of a number of factors including: events in the UAE or in neighbouring countries that lessen Dubai's attractiveness as a commercial centre and tourist destination, the increased attractiveness of other parts of the UAE market or other regional or international markets to customers or a decline in the expatriate population in the region as a result of rising cost of living, loss of jobs or other factors. Furthermore, a significant decline in the number of the expatriate population in Dubai, particularly if such decline includes individuals with a high disposable income, could result in a reduction of consumers' spending power and a slower GDP growth in Dubai. This may have an impact on the businesses of our customers due to a reduced demand for media, retail and other services provided by such customers in a number of our target industries, which could also ultimately impact demand for leases in our business districts. See also "*Continued instability and unrest in the MENA region may materially adversely affect the UAE economy.*" Any resulting decrease in demand or pricing as a result of these or any other factors that could lessen the attractiveness of the Dubai commercial and industrial real estate markets could impact our financial performance.

Furthermore, the UAE and Dubai engage in a number of initiatives aimed at attracting and maintaining customers but there is no guarantee that these initiatives will be successful at generating or maintaining demand for commercial and industrial real estate in Dubai. Demand for real estate and associated pricing levels can be influenced by governmental, commercial and social factors that influence confidence in business conditions or otherwise impact demand for real estate in Dubai. For example, the government of

Dubai has set ambitious goals for development, including in connection with the Dubai Industrial Strategy 2030, the Dubai 2040 Urban Master Plan, and the Dubai Clean Energy Strategy 2050. A failure to meet these goals could create a negative perception of Dubai's development prospects generally, and the commercial or industrial real estate markets in particular, and allow competing markets to position their economies and physical infrastructure as more attractive centres for business. In particular, the 2040 Urban Master Plan aims to further enhance people's quality of life, while the Dubai Clean Energy Strategy 2050 set a target for the provision of 7% of Dubai's energy from clean energy sources by 2020, increasing to 25% by 2030 and 75% by 2050. While this may present us with growth opportunities, a number of our regional competitors are more established at serving the energy sector and may have a greater competitive advantage and be better positioned to compete for these clean energy customers as the clean energy sector grows and Dubai may not compete as effectively for customers in this sector. Any of the foregoing could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our operating results are dependent on the economic conditions of the particular industry sectors related to our clusters and maintaining customers from these sectors.

Our results of operations and cash flows are dependent on our customers' liquidity, solvency and financial performance and their ability to meet their financial obligations. As a result, we face risks arising from the underlying industry sectors in which our customers operate and around which our six clusters have been developed and are focused on. In particular, a significant portion of our revenue is generated by customers in our tech, media, education and manufacturing clusters, from which we derived 19%, 16%, 12% and 32% of our revenue, respectively, in the year ended 31 December 2021, and 20%, 15%, 14% and 29%, respectively, in the three months ended 31 March 2022. These clusters represent eight of our ten existing business districts, amounting to 78% and 77% of our revenue in 2021 and in the three months ended 31 March 2022, respectively. As a result of this concentration, our revenue is exposed to any downturn in these underlying sectors to the extent that such downturns impact our customers' ability to pay rent or renew their leases or our ability to attract new customers from these sectors.

The industry sectors in which most of our customers operate are often affected by the condition of the economy as a whole. As a result, economic conditions have historically impacted our customers and our business as a consequence. For example, our clusters have been impacted by economic conditions (in part connected to lower oil prices) both after mid-2014 and in 2020 and 2021, which impacted real GDP growth in the UAE, including Dubai. Certain of our clusters, such as the education cluster, have also faced challenging economic conditions as a result of the Covid-19 pandemic. See "*—We face risks with respect to the continuing effects of the Covid-19 pandemic, and macro-economic conditions continue to be challenging.*" for further information about how certain of our clusters were impacted by the Covid-19 pandemic. If any of our targeted industry sectors are negatively impacted by macroeconomic changes, it could reduce investment and growth initiatives or force our operations to be scaled back, which could result in a decrease in demand for our existing properties within our clusters and new construction projects, reduce the size of our customer base or compromise our ability to maintain our pricing.

In addition to the general factors which affect a number of our customers' businesses, our individual clusters are exposed to factors affecting the performance of their particular industry sectors.

Tech cluster

Government sectors across the region, as well as businesses operating in the Middle East and North Africa (**MENA**) region, are key sources of revenue for our customers in our tech cluster. In recent years, these regional governments and businesses have maintained a significant level of demand for IT and other technology services, which has benefited our customers and contributed to a strong rental market for our tech cluster. If the demand for these technology services becomes weaker, or their end-customers begin to purchase services from other regional technology hubs, the performance of our tech cluster customers may be negatively impacted. This sector could also be negatively impacted by less favourable conditions for exporting in the region.

Media cluster

The customers in our media cluster have been and may continue to be impacted by industry-specific factors such as the degree of digitisation and global shift to new media, which is often available for free or at minimal cost. If this shift results in lower profits for our media customers, then the level of demand for commercial real estate in our media cluster may decrease. Additionally, the performance of our media cluster could be affected by shifts in the demographic composition of Dubai, which has a high concentration of individuals who are less than 40 years old. Since younger individuals are more likely to limit their media expenses by primarily consuming new forms of media, making print obsolete, this could impact the economic performance of a number of customers in our media cluster if they are not able to adapt to changing trends. The level of advertising spending, which is typically linked to GDP growth, is another industry-specific factor that may impact the customers in our media cluster, as these customers generally derive a substantial portion of their revenue from advertising services. If the demand for advertising becomes weaker, then the rental market for our media cluster may be adversely impacted. For example, media small and medium enterprises (**SMEs**) and traditional media sectors (such as advertising, marketing and branding) have struggled during the economic downturn in the UAE beginning in 2020. The ability of these businesses to continue as going concerns has been, and continues to be, under threat. There is the possibility that these challenges continue and some of the tenants are unable to recover, which impacts our pricing and occupancy rates in our business districts, particularly in Dubai Media City and Dubai Production City.

Education cluster

Our education cluster is exposed to the performance of the university and higher education sector customers located in Dubai International Academic City. The percentage of students from the UAE enrolled in universities and institutes at Dubai International Academic City for the 2021-2022 academic year is 14.1%, with the remainder composed of international students. Students from India and Pakistan typically make up the greatest proportion of enrolled international students at universities and institutes at Dubai International Academic City with 40.4% from India and 6.7% from Pakistan for the 2021-2022 academic year. If the economies of these countries were to experience a decline or if macroeconomic conditions or other factors led to a decline in the enrolment of international students generally, the higher education market in Dubai could be impacted which could reduce demand for our properties in our education cluster. Furthermore, our education cluster, through our Dubai Knowledge Park, has been and may continue to be impacted by material changes in training or employee development budgets of the training and consulting sectors, which are generally sensitive to macroeconomic conditions. For instance, in 2020 our customers in Dubai Knowledge Park considerably reduced their staff, particularly in the training sector and executive search sector (which were replaced by automated recruitment platforms, etc.) in connection with the economic downturn and the ongoing changes arising as a result of the Covid-19 pandemic; this trend may continue or change in the future. See "—*We face risks with respect to the continuing effects of the Covid-19 pandemic, and macro-economic conditions continue to be challenging.*" for additional information about the impact of the Covid-19 pandemic on the macroeconomic environment of this cluster.

Science cluster

Our science cluster serves a diverse range of industry sectors, certain of which cross-over with those in our tech cluster. If there were to be negative developments in any of the sectors served by this cluster, including the research and development, healthcare, environment, flavours, or fragrances sectors, this could negatively impact the performance of this cluster.

Design cluster

Demand in the design cluster is generally correlated to general economic conditions, with the construction sector having an important influence on this cluster since many of our design customers provide architecture or interior design services to that sector. As a result of recent GDP trends in the UAE in 2020 and 2021, there are risks associated with the ability of customers, particularly the small brands and customers, located in the Dubai Design District business district to make lease payments. In connection with the construction industry slowdown, there has been a direct impact on the architecture and interior design industry and the retail sector has been impacted (including fashion and jewellery sectors), although the sector has begun to see some recovery in connection with the easing of Covid-19 related restrictions and an increase in tourism and global travel in late 2021.

Manufacturing cluster

Our customers in our manufacturing cluster have been and may continue to be impacted by cyclical fluctuations in global trade flows and general economic conditions, as well as competition from other regional trade hubs, such as China and Saudi Arabia. If Dubai becomes a less popular destination for import and export activities or if import and export activities decline generally, these customers could be adversely affected. Furthermore, if growth of the manufacturing and logistics sector slows, customers in our manufacturing cluster could be impacted, which could impact the demand for our products. Locally, any significant variation in the demand for construction, building costs, leases, interest/profit rates and government spending in Dubai may also impact the economic performance of these customers. For example, we experienced a decrease in our occupancy rates of our worker accommodation in 2020 and 2021, due in part to the collapse of a construction company during 2020 which leased significant amounts of worker accommodation from us. Additionally, inflation and supply chain disruptions across various sectors can adversely affect the manufacturing cluster by increasing costs of material, imports and exports, labour and utilities borne by our customers, which in turn may negatively impact their business and demand for our properties or services. Furthermore, long-term trends could also impact the performance of this cluster, for example if the long-term impact of technology (such as robotics and AI) automate warehouse processes and negatively impacts demand for our worker accommodation.

A downturn in the industry sectors in which we target customers or an inability to maintain and continue to attract customers from these industry sectors could have a negative impact on market demand, pricing, occupancy rates and revenues and, as a result, a material adverse effect on our business, results of operations, financial condition and prospects.

We face risks with respect to the continuing effects of the Covid-19 pandemic, and macro-economic conditions continue to be challenging.

On 11 March 2020, the World Health Organisation declared the Covid-19 outbreak a pandemic. Due to the infectiousness and severity of the disease, the various emergency measures taken globally to manage the pandemic, and the negative effects the pandemic has had and may continue to have on the economy and financial markets, Covid-19 could adversely impact our business, financial condition, results of operations and prospects.

As a result of the outbreak, many governments, including the federal government of the UAE, implemented a series of measures in an attempt to slow the spread of Covid-19, including closing major transit hubs, reducing public transportation, closing schools and launching e-learning programmes, requiring nationals and residents to remain at home and practice social distancing, and closing borders to non-nationals. Even though global restrictions as a result of Covid-19 are largely in the process of being loosened or lifted entirely, Covid-19 has severely disrupted the global economy, causing high levels of volatility in the financial markets, high levels of unemployment, a reduction in international trade and investment and significant volatility in oil and commodity prices. These developments adversely impacted the Dubai economy in 2020, with GDP beginning to recover in 2021, and forecast to return to close to 2019 levels in 2022 according to Oxford Economics. However, Covid-19 may continue to have an impact on growth, in particular if the global restrictions described above are reintroduced, especially if such measures are imposed for a prolonged period.

The Covid-19 pandemic impacted our revenue and operations during 2020 and 2021. In part due to the Covid-19 pandemic, we have experienced declines in occupancy rates at certain of our business districts. In response to the Covid-19 pandemic, our strategy has been to retain customers and we have decreased certain of our rental rates and offered a number of temporary support measures to customers in 2020 and 2021. These temporary support measures include temporary rent abatements, delayed payments and grace periods which together resulted in a decrease in revenue in 2020 and 2021. While we began to scale back these temporary support measures at the end of 2021, if further disruptions to business occurs as a result of the ongoing Covid-19 pandemic, these measures may be prolonged, re-introduced temporarily or may be maintained. In addition, certain measures that were introduced on a temporary basis could persist in the near to medium term.

The impact of Covid-19 on our clusters and customers has differed based on the particular industry sectors related to our clusters as well as by the size of our customers. For example, customers in our education cluster have been impacted by an accelerated shift towards online learning, an increasing preference for vocational trainings, bootcamps and alternative education providers, and a corresponding reduction in international student enrolment in the short term given the uncertainty around lockdowns and whether schools will remain open. Many educational institutions are not meeting their own income targets because of the current challenging macro-economic conditions in 2020 and 2021 and the decrease in international student numbers due to travel restrictions caused by the ongoing Covid-19 pandemic. Additionally, for the third consecutive year (i.e. the 2022-2023 academic year) the fees for the higher education market in Dubai remained unchanged, and certain students have been offered discounts on a case by case basis since the beginning of the Covid-19 pandemic. We expect these trends will continue for the near term. As a result of the challenges experienced in the higher education sector, some educational institutions have asked for discounts on rental rates and we anticipate customers in this sector will continue to seek certain accommodations to their leasing terms.

With respect to at home working trends, we observed that returns to the office varied by cluster, with some clusters experiencing a higher return to the office compared to others following the initial restrictions in 2020, such as those serving the creative industries like our media cluster and design cluster media since the nature of their business required more face-to-face interactions. Conversely, many of our customers, particularly in the tech cluster, have opted for a hybrid model (allowing employees to work from the office and from home) and have also been cautious in terms of reducing their office spaces due to social distancing measures requiring more space to operate safely within offices (in the context of Covid-19).

While the increase in working from home could impact our occupancy rates and rental rates in the relevant business districts, the working from home practices have had more limited impact to date in the tech and science clusters thanks to new companies that established their businesses in Dubai as a result of the pandemic and due to an increased need for healthcare services and medical equipment, increased investments in digital health, and a growth in the alternative energy and waste segments. However, there can be no guarantee that the trends of growth in certain clusters, maintenance of existing office space and pricing will continue, and occupancy rates could be further negatively impacted if working from home trends impact lease renewal rates without corresponding growth in our clusters that results in bringing in new customers. Furthermore, the Covid-19 pandemic could have an ongoing impact on our strategy, finance and operations across all our business districts in the future. For example, if the working at home patterns observed as a result of the Covid-19 pandemic will have a long-term impact or if companies and individuals elect not to move to Dubai due to the opportunity to provide services remotely, we may be required to adopt agile strategic, financial or operational responses to align our operations with the new business environment, and there can be no guarantee that such measures will be effective.

The potential for Covid-19 outbreaks in business districts also represents a public health and reputational risk. In the event there were further Covid-19 outbreaks, this could require us to implement certain measures including social distancing measures, require us to quarantine or self-isolate all or some of our staff, or result in a closure of parts of our business districts or other facilities while others stay open, amongst other restrictive measures.

Covid-19 has also disrupted global supply chains through restrictions on movement and travel and border closures and may continue to negatively impact the economy of Dubai and our customers.

As a result of any of the foregoing, the risks from Covid-19 or from any other communicable or infectious disease or public health issue could have a material adverse effect on our business, results of operations, financial condition and prospects, and we may incur additional costs to comply with measures imposed on us.

We may be unable to lease or re-lease space in our properties on favourable terms or at all, and our leases are subject to risks associated with our customers' failure to meet their financial obligations.

Our results of operations depend on our ability to continue to lease space in our properties, including re-leasing space in properties where leases are expiring, continuing to attract new customers from our target industries and leasing properties on favourable terms for us. For the financial year ended 31 December 2021 and for the three months ended 31 March 2022, the WALT of commercial leasing properties in our existing business districts was 2.2 years and 2.6 years, respectively, and the blended WALT of our commercial leasing and land leasing properties in our existing business districts was 10.0 years and 9.6 years, respectively. For the financial year ended 31 December 2021, the WALT in Dubai Industrial City, Dubai Internet City, Dubai Media City and Dubai Design District business districts, which generated the most revenue among our business districts, were 1.1 years, 2.8 years, 1.6 years and 2.2 years for commercial leasing properties and 31.5 years, 33.8 years, 30.6 years and 20.9 years for land leasing properties, respectively. For the three months ended 31 March 2022, the WALT in Dubai Industrial City, Dubai Internet City, Dubai Media City and Dubai Design District business districts, which generated the most revenue among our business districts, were 2.0 years, 2.7 years, 1.4 years and 2.4 years for commercial leasing properties and 31.3 years, 33.5 years, 30.3 years and 20.6 years for land leasing properties, respectively. Although our leases contain certain mechanisms to support renewal, there is no guarantee that our existing customers will not choose to terminate their leases, or otherwise not seek to renew or amend their lease terms, when they expire. Accordingly, a key part of our operating strategy is the retention of existing customers and, where necessary, the ability to find suitable replacement customers.

The overall period-end occupancy rate for our commercial properties declined from 82.0% in 2019 to 77.9% in 2020, with a slight increase to 80.4% in 2021 and to 82.8% for the three months ended 31 March 2022. The period-end occupancy rate for our industrial properties demonstrated an upward trend from 72.1% in 2019 to 73.0% in 2020 to 76.6% in 2021, with an increase to 78.7% in the three months ended 31 March 2022. The period-end occupancy rate for our CBD commercial properties declined from 88% in 2019 to 81% in 2020, with a slight increase to 82% in 2021 and to 84% as of 31 March 2022. The period-end occupancy rate for our non-CBD commercial properties slightly declined from 73% in 2019 to 72% in 2020, with an increase to 78% in 2021 and to 79% as of 31 March 2022. These fluctuations in our occupancy rates were mainly due to the Covid-19 pandemic and the economic environment in 2020 and 2021. There can be no assurance that current occupancy rates will be maintained. See "—*We face risks with respect to the continuing effects of the Covid-19 pandemic, and macro-economic conditions continue to be challenging.*" For further information on the temporary support measures we offered to customers to protect our occupancy levels during 2020 and 2021. In addition, since 2020, the Covid-19 pandemic has caused an increase in home working which has had some impact on our occupancy rates and may continue to have an impact on our occupancy rates in the future. This is particularly evident in the Dubai Science Park, where occupancy remains lower than our other business districts, although we have also seen decreased occupancy rates at our other business districts. The increase in home working may result in a long-term reshaping of the commercial office space market that may require a corresponding revision of our product offering to suit prevailing trends, which may not enable us to continue to lease or re-lease our properties on favourable terms or at all.

Our Average Value-Based Customer Retention Rate for our commercial leasing (offices and retail) was 90.0%, 91.4%, 90.8% and 89.5% in 2019, 2020, 2021 and for the three months ended 31 March 2022, respectively, while our Average Value-Based Customer Retention Rate for our industrial leasing was 85.3%, 85.1%, 97.9% and 99.7% in 2019, 2020, 2021 and for the three months ended 31 March 2022, respectively. If our existing customers choose not to renew their leases, we may not find suitable replacement customers and any new leases could be on terms less favourable than those contained in the expiring leases. In addition, a loss of certain customers that are important to our industry ecosystem may adversely affect our ability to attract industry-specific customers to that particular business district, particularly if we do not have a number of other customers that contribute to the industry ecosystem and can attract other customers to our business districts. Furthermore, if a customer disputes a proposed increase in rent upon renewal of its lease and we are unable to find a replacement customer, our ability to raise the rent may be constrained by the applicable statutory cap on rent increases in Dubai. Currently, the permitted rent increase varies from 5% to 20% of the average market rent determined by the Dubai Real Estate Regulatory Agency (**RERA**) per annum depending on the existing rent of our property compared to the average market rent applicable to the property as determined by RERA. However, in January 2021 it was announced that a new tenancy law will be issued, which will have different rules for each type of use (i.e. residential, commercial and retail). As announced by the Dubai Land Department, the new law is expected to allow tenants to manage their expenses more precisely, knowing how to afford their property rent in the near future, while property owners would have a clear idea of income through their leased-out real estate properties. Since the new tenancy law and specific guidance have not yet been released, the extent of the impact of the new law on our business is still uncertain to date and could have a negative impact on our ability to raise rental rates.

Furthermore, although we collect post-dated cheques upon the start of a lease, which cover advance payments of a certain portion or all of the contractual base rent (depending on the nature of the lease) and

VAT, plus service charges, if applicable, from most of our tenants in order to mitigate non-payment risk, our leases are not secured by any cash collateral other than security deposits and we do not carry insurance against lease defaults. As a result, we remain exposed to the credit risk of these customers, whose creditworthiness can decline over a short period, and we might have to offer flexible pricing plans and other incentives to ensure customer continuity or protect our occupancy rates. The occurrence of any of the foregoing factors could adversely affect our pricing and rental income, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Changes to the laws and regulations that provide the attributes of "free zone" or "tax-free" status to the free zones in which most of our business districts are located or changes outside of the free zone which change the attractiveness of the free zone could have a material adverse impact on our business, results of operations, financial condition and prospects.

Nine of our ten existing business districts are in free zones regulated by the Dubai Development Authority. We derived 68% and 71% of our revenue from our business districts located in the free zones for the year ended 31 December 2021 and the three months ended 31 March 2022, respectively. If the laws and regulations or administrative practices that provide the attributes of "free zone" status or "tax-free" status in relation to corporate tax exemptions or other attributes are changed within or outside of the free zones (for example, as a result of the new UAE corporate tax law (defined below)) in a manner that make the free zones less attractive for business that is detrimental to our current or prospective customers, or in a manner that creates significant additional competition for our business districts in the free zones, our ability to retain and attract customers to our business districts could be significantly impacted. See "*The anticipated future application of a UAE corporate tax could impact our business, results of operations, financial condition, and prospects*" for additional risks to the business related to the UAE corporate tax law.

Certain amendments to onshore ownership requirements have already been implemented which could change the attractiveness of the free zones. Since 2018, the UAE has taken various steps to ease foreign ownership restrictions applicable to onshore companies in the UAE. The latest amendments came from Federal Law By Decree No. 26 of 2020 amending certain provisions of the Federal Law No. 2 of 2015 on Commercial Companies (the **CCL Repealed Law**), which have been repealed and superseded by the CCL. One of the most significant amendments introduced by the CCL Repealed Law and continued under the CCL was to amend Article 10 of the CCL to abolish the requirement for at least 51% Emirati ownership in a UAE onshore company. Under the CCL, since 1 June 2021, all onshore companies may be 100% owned by foreign nationals, subject to exceptions related to: (i) companies undertaking activities with strategic impact; and (ii) the regulation at an emirate level by the competent authorities (the Dubai Economy and Tourism Department (the **DET**)) which will determine the minimum percentage of the UAE ownership in the issued share capital of the companies in question. The changes to the laws allowing 100% foreign ownership outside of free zones removed one of the primary attractions of our business districts in the free zones. While the lessening ownership restrictions for onshore companies have to date impacted one of the free zones' competitive advantages (which allows for 100% foreign ownership), since our clusters based in the free zones are focused on activities not deemed to have strategic impact in accordance with the CCL, the change in ownership requirements have to date had more limited impact on the competitiveness of our business districts. However, there can be no guarantee that the regulatory and legal advantages of the free zones that we currently benefit from will persist if further ownership restrictions for onshore companies are lifted in the future, including if the activities which are deemed to have strategic impact under the CCL are expanded in the future. In addition, a change in the laws or regulations related to free zones in the other Emirates of the UAE could also affect the attractiveness of our business districts in the free zones when compared to those alternative options. Any of the foregoing could have a material adverse effect on our business, results of operations, financial condition and prospects.

We operate in a competitive market that is likely to become more competitive in the future.

Our business districts compete to attract customers with other commercial properties centres located in cities across the Gulf Cooperation Council (**GCC**) region and, in particular, the UAE (including Dubai). Economic development efforts, including initiatives by the government of Dubai, has led to the development of a number of new commercial properties in recent years, increasing competitive pressures.

Companies with commercial properties compete to attract customers based upon rental rates, operating costs, location, condition and features of the property. A number of our business districts currently serve as a prominent centre or ecosystem for particular industries and attract customers due to industry-specific enabling assets and activities (such as the sound stages at Dubai Studio City or worker accommodation and warehouses at Dubai Industrial City, and industry-specific events that we sponsor, among others), as well as their strategic location (which may serve as the attraction). However, existing competing properties in the UAE (including Dubai) or the GCC region, and newly developed properties may, in the future, offer commercial properties that are attractive or offer industry-specific enabling assets or activities that draw customers away from our business districts. Furthermore, if competing properties have more attractive pricing points, lower operating costs, more favourable locations, or better facilities, our ability to attract customers and the rental rates that we can charge for our properties may be adversely affected. The ability of our business districts to remain competitive and attract local, regional and international customers will also depend significantly on our continued and effective management of our business districts and successful execution of our business strategies, including asset-enhancement projects and revitalisation of assets where needed. See "*—Certain of our property assets are aging and this may materially impact the attractiveness and commercial value of such assets.*" For additional information.

Competition also arises from other real estate properties located in other free zones in the UAE (including Dubai) or the GCC region. In Dubai, some of our competitors offer properties in free zones targeting a number of the same industry sectors in which we operate, whereas other competitors compete with us in only one such industry sector but may offer customers attractive alternatives to our business districts. Furthermore, there are free zones in the other Emirates of the UAE that offer alternative options for international customers seeking real estate properties in the UAE. In addition, the various steps taken by the UAE since 2018 to ease foreign ownership restrictions applicable to onshore companies in the UAE could result in significant additional competition for customers from real estate property outside of a free zone and may reduce the attractiveness of our business districts see "*—Changes to the laws and regulations that provide the attributes of "free zone" or "tax-free" status to the free zones in which most of our business districts are located or changes outside of the free zone which change the attractiveness of the free zone could have a material adverse impact on our business, results of operations, financial condition and prospects*" above).. In addition, as international corporations are among our customers, planned free zones and economic cities in other GCC countries or economic incentives offered in other regional markets also compete for our customers. For example, other local and regional governments have introduced competitive initiatives to attract customers, such as new creative destinations in the region, and is targeting the creative community which is expected to compete with our Dubai Design District, or other regional governments have created economic incentives to attract regional headquarters. Countries have in the past and may in the future introduce measures that make it more difficult for our customers to compete as a result of being located in Dubai and thus could make it harder for our business districts to be competitive, such as decisions by regional governments amending import duties from other GCC countries that excluded goods made in free zones from preferential tariff concessions.

We also face onshore competition, mainly with respect to our Dubai Industrial City business district, from certain competitors offering alternative industrial real estate, including warehouses, storage facilities or worker accommodation at other attractive locations. Furthermore, one or more of our competitors currently offer or could in the future offer the option of operating either an onshore branch or a free zone branch through dual-licence options. To the extent our competitors are able to offer similar options at a lower price, a preferable location or through a dual-licence option, which may be more attractive to our existing or prospective customers, we might struggle to maintain our existing prices or occupancy levels. If we are unable to distinguish our services or attract customers at the prices we offer our properties, or if existing customers find other free zone or onshore options more attractive, competition could result in reduced rental returns and reduced occupancy, which could, in turn, have a material adverse effect on our business, results of operations, financial condition and prospects.

Certain of our property assets are aging and this may materially impact the attractiveness and commercial value of such assets.

The ability of our business districts to remain competitive and attract local, regional and international customers will depend significantly on our continued and effective management of our business districts and successful execution of our business strategies, including asset-enhancement projects and revitalisation of assets where needed. As is common for companies operating in our sector, several of our property assets are aging and this may materially impact the attractiveness and commercial value of such assets. Therefore, certain assets may need to be revitalised or repositioned in order to ensure ongoing competitiveness.

Failure to achieve timely and full recovery of these costs, including from delays, suspension, termination or material changes in the scope of work being undertaken, could adversely impact revenues or damage our reputation and could result in increased capital expenditures or expenses. Furthermore, although we maintain insurance policies covering our assets, our insurance coverage may not be sufficient in the event that a catastrophic loss is alleged to have been caused by a failure to timely complete certain updates.

While we may renovate, refurbish or expand our properties to enhance their attractiveness to customers and remain competitive, our renovation, refurbishment or expansion plans may involve significant costs and execution risks. Therefore, there can be no assurance that our planned renovations, refurbishment or repairs will occur or, even if completed, will result in improved competitiveness or ultimately be successful. These efforts are subject to a number of risks, including:

- construction delays or cost overruns (including labour and materials), including any delays caused by supply chain delays or shortages;
- obtaining zoning, occupancy and other required permits or authorisations;
- changes in economic conditions that may result in weakened or lack of demand for improvements that we make or negative project returns;
- governmental restrictions on the size or kind of development that can replace existing properties;
- volatility in the banking and capital markets that may limit our ability to raise capital for projects or improvements;
- lack of availability of offices, workspaces or meeting spaces for revenue-generating activities during construction, modernisation or renovation projects;

- force majeure events, including earthquakes, tornadoes, hurricanes, wildfires, floods or tsunamis, or acts of terrorism; and

- defects in design, renovation or refurbishment plans that could increase costs. Furthermore, we have certain industry-specific real estate assets within a number of our business districts, including studios and sound stages at Dubai Studio City, worker accommodation and warehouses at Dubai Industrial City, telecommunications infrastructure at Dubai Outsource City, conference halls and an auditorium at Dubai Knowledge Park, laboratory facilities at Dubai Science Park and galleries and showrooms at Dubai Design District. Our in5 centres, our enabling platform for start-ups and entrepreneurs as described under "*Business—Enabling Assets and Activities"*, also have certain industry-specific assets, with in5 design having a design room, fashion lab and makers lab (which has 3D printers), and in5 media having a green room, editing suites, a video recording studio and production studios. These assets and the industry-focused business districts could be affected if technologies evolve and these enabling assets are no longer as relevant or attractive to our customers. If industry preferences shift, customer demand for these enabling assets may decrease, or we may need to repurpose or modify our enabling assets. Such repurposing or modifications may involve significant costs and execution risks.

As a result of competition from new and existing properties, if our properties, enabling assets and infrastructure are not updated to meet customer preferences, if properties under development or renovation are delayed in opening as scheduled or if renovation investments adversely affect or fail to improve performance, interest in our business districts may decline, and our occupancy rates and/or rental income may decline, any of which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our direct costs, operating expenses and capital expenditures may be higher than expected, and these costs may not be recoverable.

Although our built to suit customers are generally responsible for facility management, and our land lease customers are generally responsible for all costs and expenses including operating expenses, we incur Direct Operating Costs to maintain our properties, mainly with respect to our built to lease products. Our Direct Operating Costs amounted to AED 611.1 million and AED 140.9 million for the year ended 31 December 2021 and for the three months ended 31 March 2022, respectively, accounting for 35% and 29% of our revenue for the year ended 31 December 2021 and for the three months ended 31 March 2022, respectively. Our Direct Operating Costs could increase as a result of a number of factors, including, but not limited to, an increase in subcontracted costs, labour costs, repair and maintenance costs, insurance premiums and/or utility costs, as well as due to the completion of additional assets or the acquisition of additional assets.

While we charge our customers fixed service charges or rents that are designed to cover part of these Direct Operating Costs, not all of Direct Operating Costs are or can be passed on to our customers. We may also incur unanticipated operational expenses from time to time, which may also result in business interruption, payment of damages or other obligations to third parties. In addition, our ability to raise our service charges and to introduce across-the-board increases are typically limited under the terms of our leases or constrained by relevant law or regulation.

Furthermore, we may incur expected or unexpected capital expenditures. While our land lease customers are generally responsible for capital expenditures, our built to suit and built to lease properties from time to time will need to undergo repair, renovation and/or asset enhancement to cure latent defects and/or to comply with new laws or regulations. Failure to maintain properties, either by the Company or third parties, could result in customer dissatisfaction and affect the Company's reputation and brand and the value and marketability of its properties. Additionally, there may be increased costs if we need to invest in more sustainable building solutions over time (for example, as a result of future government regulations or to meet customer demand) in line with global trends.

If our direct costs and operating expenses or capital expenditures are higher than expected or part or all of these costs cannot be recovered according to our expectations, our profit could be adversely affected. Furthermore, while we schedule and perform regular maintenance capital expenditure (such as preventive maintenance, life cycle maintenance, or customers' requests), if we fail to correctly estimate the necessary amount of maintenance capital expenditure or if we are unable to undertake the required maintenance work, it could entitle our customers to withhold or reduce rental payments, which could adversely affect our revenue. Any of the foregoing could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our business and prospects depend on the brands, image and reputations of our business districts, which could be harmed by negative publicity. Failure to maintain such brands, images or reputations, including through the enforcement of our intellectual property associated with our brands, could materially and adversely affect our business, financial condition, results of operations or prospects.

Our success is dependent upon on the brands, image and reputations of our business districts. We must maintain and develop customer confidence by ensuring that our commercial and industrial properties meet the standards expected by customers and appeal to customer preferences, including with respect to quality, sustainability, value and customer service. Our reputation associated with our brands supports our business districts, including our ability to maintain premium pricing for our units. Negative publicity or rumours regarding our business districts, our services, our company, our shareholders or our directors and management could negatively affect our brands, image or reputation, which could lead to loss of market share and revenues. Harm to our brands, image or reputation could occur even when negative publicity is unfounded or not material to our operations, or when our brands are misappropriated, misused, referenced or associated to any misconduct reported about our customers or other third parties. Some of our business districts' brand names could also be used by other companies within the Group that are outside of our control, by our customers or other third parties in their marketing materials, which could also dilute or harm the brands, image or reputation of our business districts. Failure to maintain our brands, images or reputations, including through the enforcement of our intellectual property associated with our brands, could materially and adversely affect our business, financial condition, results of operations or prospects.

We may be unable to protect and enforce our own intellectual property rights and we may infringe or be subject to claims that we infringe third party intellectual property rights.

We endeavour to establish, protect and enforce our intellectual property, including our trademarks and service marks associated with our business district brands, and other confidential and proprietary information. Although we are not aware of any material infringement claims, third parties may, in the future, assert claims against us or our customers alleging infringement, misappropriation or violation of patent, copyright, trademark, or other intellectual property rights. Infringement claims could harm our reputation, result in liability for us or prevent us from offering some services, software or solutions. If a third party successfully challenges our trademarks or service marks, we could have difficulty maintaining exclusive rights. Any claims that our services, software or solutions have infringed, currently infringe or could in the future infringe the intellectual property rights of third parties, regardless of the merit or resolution of such claims, may result in significant costs in defending and resolving such claims, defending our rights, or taking other steps, and may divert the efforts and attention of our management and technical personnel from our business. In addition, as a result of such intellectual property infringement claims, we could be required or otherwise decide that it is appropriate to: (i) discontinue using, licensing, or offering particular services, software, solutions, technology or processes subject to infringement claims; (ii) develop other technology not subject to infringement claims, which could be costly or may not be possible; (iii) obtain rights to use such intellectual property; or (iv) enter into settlement discussions with the third party that is pursuing an infringement claim. The occurrence of any of the foregoing could result in unexpected increased expenses. In addition, if we alter or discontinue offering a particular service, software or solution as a result of an infringement claim, our revenue could be affected. If a claim of infringement were successful against us or our customers, an injunction might be ordered against our customers or our own operations, causing further damages.

Additionally, we currently license intellectual property from a variety of third parties and other registered software owners. It may be necessary in the future to renew licences relating to various aspects of these licences or to seek new licences for existing or new platforms or other products or services. There can be no assurance that the necessary licences would be available on commercially acceptable terms, if at all. Third parties may terminate their licences with us for a variety of reasons, such as breaches of security or privacy, or reputational concerns, or they may choose not to renew their licences with us. The loss of, or inability to obtain, certain third party licences or other rights or to obtain such licences or rights on favourable terms, or the need to engage in litigation regarding these matters, could result in product roll-backs, delays in product releases until equivalent technology can be identified, licensed or developed, if at all, and integrated into our services or platforms. Furthermore, if third parties violate their obligations to us to maintain the confidentiality of our proprietary information or there is a security breach or lapse, or if third parties misappropriate or infringe upon our intellectual property, our business may be affected.

Our inability to adequately obtain, maintain or defend our intellectual property rights for any reason could have a material adverse effect on our business, results of operations, financial condition and prospects.

We may be unable to maintain and renew the licences and permits required to operate our business and any failure to comply with applicable laws and regulations or to obtain and maintain requisite approvals, certifications, permits and licences, whether intentional or unintentional, could lead to substantial sanctions, including criminal, civil or administrative penalties, revocation of our licences and/or increased regulatory scrutiny, and liability for damages.

Our operations are required to comply with numerous laws and regulations, including at the free zone, local and national level. As a result, we must maintain and renew commercial licences and permits to conduct our business, from the launch of a master plan, through construction to sales and marketing. Because of the stages involved in procuring and maintaining numerous licences and permits, as well as ensuring continued compliance with different and sometimes inconsistent free zone, local and national licensing regimes, we cannot provide any assurance that our systems and processes in place will ensure that we or our contractors will at all times be in compliance with all of the requirements imposed on each of our business districts.

Any failure to comply with applicable laws and regulations or to obtain and maintain requisite approvals, certifications, permits and licences, whether intentional or unintentional, could lead to substantial sanctions, including criminal, civil or administrative penalties, revocation of our licences and/or increased regulatory scrutiny, and liability for damages. It could also result in contracts to which we are a party being deemed unenforceable or invalidate or increase the cost of the insurance that we maintain for our properties (assuming it is covered for any consequential losses). For the most serious violations, we could also be forced to suspend operations until we obtain required approvals, certifications, permits or licences or otherwise bring our operations into compliance. In addition, any adverse publicity resulting from any compliance failure, particularly in respect of safety, could negatively impact our reputation and our business.

Our business strategy depends on our ability to successfully execute our business plan, including our development projects and planned investments.

Our business strategy focuses on and aims to capitalise on expected favourable real estate sector dynamics, increase our occupancy levels, continue to build on our track record of attracting and developing built to suit projects, infrastructure development and additional asset acquisitions, and develop our land bank for additional land lease and built to lease opportunities. The successful implementation of our business strategy will require us to actively manage our business districts to deliver value for customers, preserve positive working relationships with regulators and other counterparties and maintain our sound financial position. Achieving our strategy will rely in part on certain macroeconomic factors and market conditions which are outside of our control. See "*—Our business is entirely concentrated in the commercial and industrial real estate sectors in Dubai, and any adverse developments in the commercial or industrial real estate sectors in Dubai may have a material adverse effect on our business, results of operations, financial condition and prospects.*"

Our successful execution of our development projects and planned investments and attracting new projects, including phase two of our built to suit projects for the University of Birmingham (Dubai), will depend significantly on our ability to complete milestones on time and within budget and on the availability of adequate external financing or cash on hand, with a significant portion of the funding for future development projects and planned investments expected to come from revenue from rental and services. However, there can be no assurance that our revenue will generate the expected income or that the land will be developed within our expected timeframe or at all or that we will be able to attract new projects. See *"—We are exposed to the risk of default by our contractors, subcontractors and suppliers" and "—We may need additional capital to execute our development plan in the long term, and we may be unable to raise additional capital on favourable terms or at all".*

Our business districts and planned investments take a substantial amount of time to complete, from the initial master plan concept design stage to the completion of construction. Each of our business districts or planned investments are developed in phases, with properties that are completed and available to be leased while other properties are subsequently developed, so it may be a number of years before a business district or planned investment is fully developed. There can be no assurance that our business districts or planned investments will remain attractive to prospective customers to meet our occupancy strategy goals or that additional assets added to our business districts will meet our projected levels of demand once such properties are available to be leased. In addition, a number of our business districts have certain specific assets designed around services or other offerings for particular industry sectors. If these specific assets are not viewed positively by the industry sectors for which they are designed or if we fail to identify industry sector shifts or opportunities that will impact demand for our products and services in Dubai in the future – whether due to changes in preferences, the existence of similar facilities elsewhere in Dubai or the industry sector not developing as anticipated – the attractiveness of our business districts to prospective customers could decrease, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our financial and operational targets and the assumptions and judgments underlying our financial outlook and other forward-looking performance measures may prove inaccurate, and as a result, we may be unable to successfully meet our expectations to achieve our targeted financial results.

Various estimates are presented in this document relating to our 2022 financial outlook in respect of our end of period occupancy rates for our commercial and industrial leasing and our revenue. We also have presented medium term financial outlook related metrics in respect of our annual market rental growth rates, occupancy rates, renewal rates and growth in our gross leasable area and the associated revenue and EBITDA we expect to receive from recently completed projects or upcoming developments. We have also shared our estimates with respect to margin improvements we anticipate from operational efficiencies associated with scale and increase in occupancy, as well as our expectations with respect to capital expenditure, the corporate tax rate and the fair value of our investment property.

The information in respect of our 2022 targets, medium term outlook and other forward-looking performance measures represent our estimates only and should not be relied upon to predict or forecast actual 2022 results or medium term results or other future events. Such estimates and beliefs reflect a number of assumptions relating to revenue, interest/profit rates, maintenance capital expenditure, dividend pay-outs, a diversified capital structure, the attractiveness of Dubai, margin improvements, the timely completion of new development projects, tax considerations, rental rates, macroeconomic conditions, supply and demand dynamics, occupancy trends, efficiencies we can gain through our operations, retention rates tracking historical renewal rates, our costs of capital and the performance of our development projects, amongst others. Our estimates, beliefs and assumptions relating to any of these items may not be borne out due to both known and unforeseen risks, uncertainties and other important factors beyond our control that could affect actual performance. Such forecasts, assumptions, estimates and valuations carry an inherent degree of uncertainty and may not take into account all relevant considerations. If the assumptions upon which the estimated data is based prove to be inaccurate, this may indicate lower than expected occupancy rates, retention rates or revenue and higher than expected expenses, or a less favourable performance more generally which could impact our market position, which in turn could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are subject to risks related to our ESG activities and disclosures, and our reputation and brand could be harmed if we fail to meet our sustainability targets and goals.

In 2022, we undertook a materiality assessment exercise (**2022 Materiality Assessment**) which is the basis for our Environmental, Social and Governance (**ESG**) framework, which ESG framework includes targets and other initiatives relating to solar energy, electricity emissions, recycling rates, waste, diversity, our code of conduct and retrofitting certain assets, amongst others. For additional information about our 2022 Materiality Assessment and ESG framework, see "*Sustainability Reporting—Sustainable Business Model Governed by a Strong ESG Framework*".

Our ESG framework and strategy and practices expose us to several risks, including:

- that we may fail or be unable to partially or fully achieve one or more of its targets due to a range of factors within or beyond our control, or that we may adjust or modify our stated goals in light of new information, adjusted projections, or a change in business strategy, any of which could negatively impact our brand, reputation, and business;

- that achieving our targets may require the Group to expend resources, which could divert the attention of our senior management and key personnel, negatively impact profitability, harm us competitively, or otherwise limit our ability to make investments in our growth;

- that our disclosures related to ESG, government focus on ESG metrics and the SCA's ESG sustainability reporting (Environmental, Social and Governance Disclosure) may result in heightened scrutiny from stakeholders or other third parties of our ESG performance, activities, and decisions;

- that a failure to, or perception of a failure to, disclose metrics and set goals that are rigorous enough or in an acceptable format, make appropriate disclosures and/or prioritise the "correct" ESG goals, could negatively impact our brand, reputation, and business (and could lead to an unfavourable ESG-related rating by a third party, which may compound such impacts);

- that the ESG or sustainability standards, norms, or metrics, which are constantly evolving, change in a manner that impacts us negatively or requires us to change the content or manner of our disclosures, and our stakeholders or third parties view such change(s) negatively, we are unable to adequately explain such changes, or we are required to expend significant resources to update our disclosures, any of which could negatively impact our brand, reputation, and business;

- that our brand, reputation, and business could be negatively impacted if any of our disclosures, including the Group's carbon footprint numbers, reporting against our targets, or other goals, are inaccurate, perceived to be inaccurate, or alleged to be inaccurate; and

- in the event that we do not meet our ESG targets or strategy fully, partially or in a timely manner, it may affect the ease with which we can raise new capital from financiers and investors in the future, who consider investments based on performance against ESG-related metrics. Additionally, in the event of repeated unfulfillment of these targets or strategy, we may face the risk of higher cost of capital by such financiers or investors, which may lead to an adverse impact on the Group's business and reputation.

Furthermore, our targets and estimated savings rely on certain assumptions, which may prove to be different than expected. For example, during the planning of on-site solar energy generation projects, detailed research and a feasibility study is undertaken to determine that the sites selected would receive adequate sunlight across the year. The estimated solar energy generation and savings within our targets or strategy are based on normal weather representing a long-term historical average for the UAE. Actual weather conditions are subject to seasonal variations, or potential changes to the climate, and are difficult to predict. The accumulation of dust, due to unpredictable sandstorms, on the surface of photovoltaic modules reduces the glass cover transmittance and decreases the amount of solar irradiation reaching the cells. Any variability from normal weather conditions may result in volatility in solar energy production levels or changes in savings and thus profitability realised from such alternative energy sources.

For the reasons mentioned above, any failure by us to anticipate, identify or respond adequately or quickly enough to our stakeholder concerns surrounding our ESG activities and disclosures, could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our existing development projects or future planned investments may be delayed, suspended, terminated or materially changed in scope, resulting in increased costs and damage to our reputation.

Real estate development activities in general are subject to significant risks of delay, suspension, termination and material changes in scope due to, among other factors, the following:

- the failure of contractors to meet agreed timetables and budgets, in particular with respect to more complex or technically challenging developments (for example, due to the scale, height or complex design of the development);
- price increases from contractors, energy providers, labourers, raw materials, specialised equipment or other resources;
- shortages or difficulties in the sourcing of raw materials such as cement, steel, glass and aluminium from third-party suppliers and on the availability of specialised equipment and other resources, as well as any defects in the same;
- the unavailability or shortages of project managers (both internal and external), contractors and labourers, or strikes and work stoppages or other labour disputes or disturbances affecting us, our project managers, contractors, our subcontractors or our suppliers;
- delays or failure by the contractor to meet all planning conditions, negotiate legal agreements or obtain all necessary land use, building, occupancy and other required permits, authorisations, general licences and regulatory permits;
- delays or failure to obtain the necessary approvals from the government of Dubai, the Dubai Development Authority or other regulatory authorities (including due to new regulatory frameworks);
- the unavailability of infrastructure or delays in adding infrastructure;
- the unavailability of suitable land;
- increases in competitors' supply and changes in demand trends that lead to deliberate decisions to delay, suspend or terminate development projects;
- physical obstructions, adverse weather and unforeseen engineering, environmental or geological problems or ground conditions;
- accidents on construction sites, including to persons working on these sites;
- major accidents, including chemical or other material environmental contamination;
- "force majeure" events including, but not limited to, natural disaster, fire and civil unrest;
- major epidemics affecting the health of persons in the region and travel in the region; and
- Our inability to obtain external financing on commercially acceptable terms, if at all, and otherwise fund construction and capital improvements and provide any necessary performance guarantees.

We may in the future experience significant delays to our existing development projects or future planned investments. While some of our past projects were delayed intentionally for strategic reasons in order to wait for more favourable changes in market dynamics, projects subject to delays or cost overruns may take longer to complete overall or fail to generate the revenue, cash flow and profit margins that were originally anticipated. In addition, the targeted return on the investment in the project may not be realised. There can be no assurance that the revenue that we are able to generate from our projects will be sufficient to cover the associated construction costs. Additionally, any such delays may also adversely affect our reputation and, if the delay is great enough, could result in the commencement date for rent payments being moved back or in certain circumstances allow the contract for the development project or planned investment to be terminated by the other party.

In the past, certain of our development projects, such as our built to suit pre-let projects and built to lease projects, were financed through corporate or special purpose vehicle project facilities against which certain of our assets (including properties, land and the rental income from such assets) were pledged as security. While we do not currently have any outstanding project finance facilities, we may rely on project finance facilities in the future. Accordingly, should we fail to meet our obligations under any future facilities, as a result of a delay, suspension, termination or material change in our development projects, any assets pledged as security may be foreclosed and/or liquidated at the discretion of our financiers. In addition, we have been, and may in the future be, required to contribute cash toward establishing special purpose vehicles for the purpose of securing project financing, which may not be recovered according to our expectation in case of a delay, suspension, termination or material change in our development projects. The payment of interest/finance costs and principal on the financing we use to develop any such projects in the future will likely be made primarily from the revenues generated by such projects through the lease of the built to lease or built to suit properties developed. If our revenues decline and we have project finance facilities outstanding, we may not be able to service or refinance such debt. For further information on our existing facilities, see "*Related party and Material Contracts- Master Services Agreement between the Dubai Development Authority* Any of the foregoing could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are exposed to the risk of default by our contractors, subcontractors and suppliers.

We have relied on our contractors, subcontractors and suppliers in the past and expect to rely on them in the future. Although we have been able to replace our contractors or suppliers on similar terms when needed, there is no guarantee that we will be able to continue to do so in the future should one of our contractors or suppliers default on its arrangements with us for any reason, including as a result of its bankruptcy or insolvency, or if our relationship with a contractor or supplier deteriorates. In addition, any new contractor or supplier may need time to familiarise itself with an ongoing project, causing a further delay in the completion of the project. We may also be exposed to the risk that the alternative contractor or supplier fails to meet our high standards for workmanship and quality. Some contractors may require licences or permits to work for us, and there can be no assurance that a successor contractor could be found in a timely manner with the requisite approvals and licences. Furthermore, our past and future development projects have been and will be contracted to third-party contractors. These third-party contractors typically give a one-year warranty on their workmanship and remain liable for structural defects for a period of ten years. If a contractor defaults on its warranty to correct a workmanship-related or structural defect that is discovered during the relevant period, we may be unable to replace such defaulting contractor in a timely manner or at all and may not be able to recover the cost of such repair from the defaulting contractor. If a significant number of our projects encounter workmanship or structural defects that are not addressed in a timely manner or at all, we may incur additional costs and/or our reputation may be negatively affected. If any of these events were to occur, it could affect our ability to complete any affected projects, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our relationships with governments and other key partners may change

Our business and operations have benefited from our relationships with the authorities in the UAE, such as the Dubai Development Authority, the DET, and the DLD, as well as administrative agencies in the Dubai government, such as those overseeing health and safety and immigration services. In connection with our axs platform, we provide services under a master services agreement pursuant to an agreement with the Dubai Development Authority (the **axs MSA**) that will expire on 31 December 2028; our ability to continue to offer the services under the axs MSA is based on our ability to maintain a relationship with the Dubai Development Authority. Our services offered under the axs platform also rely on relationships and partnerships with a number of other government authorities or agencies which must be maintained in order to continue providing these services at our current offering level. In the event any of these relationships change or these third parties elect to offer them through other means or with other partners, this could negatively impact the services we are able to offer through our axs platform. For further information on the axs MSA, see *Related Party Transactions and Material Contracts*—"In addition, our close relationship with the Dubai government and other authorities has facilitated invitations to participate on a number of government initiatives that benefit our business by encouraging economic development in Dubai and attracting additional potential customers to Dubai and potentially our business districts. In connection with these initiatives, certain of our business districts also have agreements in place with the UAE government or other authorities. For example, Dubai Industrial City signed a memorandum of understanding with the Ministry of Industry and Advanced Technology in November 2021 to facilitate the execution of "Operation 300Bn" with the aim to develop the UAE's manufacturing sector (which is expected to positively impact demand for industrial real estate in Dubai), and the Dubai Design District has a regular collaboration with the Ministry of Culture and Youth. Any adverse change to the relationship between us and any of our other strategic partners may affect our existing or future operations. Any of the above factors could have a material adverse effect on our business, results of operations, cash flows and financial condition.

We are dependent on our shareholder, DHAM, Dubai Holding and other Dubai Holding-affiliated companies, in many key areas of our business.

Following the Offering, DHAM will remain our controlling shareholder, with Dubai Holding as the ultimate parent company, and certain services we provide or require will remain closely associated with, and in some respects be dependent upon, DHAM, Dubai Holding or other Dubai Holding-affiliated companies. In connection with the Restructuring, we designed an operating model for our Group and entered into service level agreements with each of Dubai Holding and DHAM for the provision of certain services to support our internal operations on which we will rely on them to perform. The service level agreements in some case fully outsource certain functions to DHAM or Dubai Holding, such as the IT function, procurement, call centre services and security, or in other instances are partially outsourced, such as services related to marketing, finance, project management, human capital, insurance and parking management. Based on the service level agreements entered into, we estimate that the services to be performed by Dubai Holding or DHAM will be the equivalent of approximately 18% of our operating expenses minus depreciation and amortization, cost recovery and loss allowance on receivables. The service level agreements require DHAM and Dubai Holding to provide services according to certain agreed service levels. However, in the event they do not meet the service level obligations, our operations could be materially impacted. In addition, as part of the Restructuring, the master developers for the business districts were changed from entities in the Group to affiliates of DHAM outside the Group. These changes were made through master developer transfer agreements. As a result of these changes, certain changes we wish to make in our business districts, such as increasing our gross floor area, construction and use of plot covenants must be approved by the applicable master developer of a business district. The master developer will take into account the various policies, procedures and interests of all members of a business district (which will include parties outside of the Group) and may not always approve such requests. See "*Related Party Transactions and Material Contracts—Master Developer Transfer Agreements*" for additional information about our service level agreements and our master developer transfer agreements.

Furthermore, we also have contracts with Dubai Holding affiliates for services that directly impact our customer-facing operations, such as our agreement with Idama Facilities Management Solutions LLC (**Idama**, an indirect subsidiary of Dubai Holding), which manages certain services at our completed properties, including providing landscaping, maintenance, security and other services, and our agreement with Dubai Community Management LLC (a standalone business vertical within Dubai Holding) which services certain common infrastructure surrounding our completed properties. These agreements and the services provided by such Dubai Holding affiliates will continue to play a significant role in ongoing customer satisfaction.

Our relationship with DHAM following the Offering will be managed through a Relationship Agreement. Under the Relationship Agreement we have three rights of first offer over certain of DHAM's land or operating real property assets for ten years from the date of Listing. However, we shall never be entitled to more than one right of first offer in respect of any of DHAM's same land or asset, so in the event we have an opportunity to make a right of first offer with respect to a particular piece of DHAM land or asset and do not do so, our right of first offer with respect to that particular piece of land or asset will expire prior to the ten year expiration date. The options provided under the Relationship Agreement are expected to provide us with access to additional land for development for our portfolio in the event desired and rights to certain real property assets located in Dubai with respect to land or real property that we would not have had access to prior to Listing. See "*Related Party Transactions and Material Contracts—Relationship Agreement"* for additional information.

Any failure by Dubai Holding, DHAM or their subsidiaries or affiliates to meet their service level obligations, to be able to provide the financial indemnities expected or otherwise to perform as expected, including any perceptions to not perform as expected by customers or others, could have a material adverse effect on our business, results of operations, cash flows and financial condition.

The Restructuring may give rise to unanticipated tax consequences.

We and the Selling Shareholder are currently in the process of establishing a separate VAT group. While this process is currently expected to be completed by Listing, this may not complete until later in 2022 for reasons beyond our control given the final approval of authorities required. The delay in establishing the VAT group may give rise to adverse consequences against us and the Selling Shareholder based on the interpretations and discretion of the tax authorities. Furthermore, while we have undertaken a tax structuring exercise focusing on VAT and received advice to identify the likely tax treatment of the Restructuring, tax law and practice can be subject to differing interpretations and the tax authorities are entitled to exercise discretion in how the tax law should be applied in certain cases. Consequently, we are not able to guarantee that the tax authorities in the UAE will interpret or apply the relevant tax law and practice in the manner in which we anticipate and this may give rise to adverse consequences. In respect to corporate tax, the Ministry of Finance made an announcement on 31 January 2022 regarding the introduction of a UAE federal corporate tax. The application of the tax and potential interpretations by tax authorities are unclear due to the limited information available at this stage (*i.e.* no law or regulations implemented so far) and as a result its impact on our Restructuring and our Group is unclear at this time. For further information on the UAE federal corporate tax, see "*—The anticipated future application of a UAE corporate tax could impact our business, results of operations, financial condition, and prospects.*" below.

If we are a passive foreign investment company for any taxable year during which a U.S. holder holds Offer Shares, such U.S. holder will be subject to special tax rules.

If we are a passive foreign investment company (**PFIC**) for U.S. federal income tax purposes in any year during which a U.S. holder holds Offer Shares, certain adverse U.S. federal income tax consequences may apply to the U.S. holder. In general, a non-U.S. corporation will be a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable "look-through rules", either: (i) at least 75% of its gross income is "passive income"; or (ii) at least 50% of the average value of its assets is attributable to assets which produce passive income or are held for the production of passive income. For purposes of the PFIC rules, "passive income" generally includes, among other things, dividends, interest, rents and royalties. However, rents generally will not be considered passive income if they are derived in the active conduct of a trade or business by the corporation or certain of its related entities. Generally, rents from the leasing of real property should be treated as derived in the active conduct of a trade or business so long as the officers or staff of the corporation or certain of its affiliates perform active and substantial management and operational functions of the leased property (the **active rental exception**).

Based on the projected nature and composition of our income and valuation of our assets, including goodwill, we do not expect to be a PFIC for our current taxable year or the foreseeable future. However, our possible PFIC status must be determined annually and depends on the composition of our income and assets, and the fair market value of our assets (including, among others, any less than 25% owned equity investments) from time to time, as well as on the application of complex statutory and regulatory rules that are subject to potentially varying or changing interpretations, including the active rental exception described above and complex rules regarding the attribution of activities of our affiliates. Accordingly, there can be no assurance that we will not be a PFIC for any future taxable year. If we are a PFIC for any taxable year during which a U.S. holder holds Offer Shares, such U.S. holder will be subject to special tax rules discussed below (see "*Taxation—Certain U.S. federal income tax consequences—Passive Foreign Investment Company Considerations*" below" below).

As an asset class, real estate assets are relatively illiquid and, as such, it may be difficult or impossible for us to realise the estimated value of these assets at any particular time and restrictions within our Facility Agreements may further make it difficult for us to use our real estate assets for liquidity purposes.

We may be required to dispose of some or a substantial part of our real estate assets and the illiquid nature of these assets and certain restrictions within our Facility Agreements could make it difficult or impossible for us to realise their estimated value or to make a disposal to address any liquidity needs. For example, we may be required to raise funds to pay indebtedness that is accelerated as a result of a continuing event of default in relation to our debt financing, which may be difficult to execute, particularly at times of market downturn and specifically with those assets that are categorised as larger real estate assets. Furthermore, the price achieved on any such sale or disposal of land or other real estate assets may need to be at a significant discount, especially if we were required to make such sale or disposal in a short period of time. However, unless such a disposal were considered a permitted disposal under the terms of our Facility Agreements, we may be unable to enter into such a transaction since our Facility Agreements have a general prohibition which prevents us from entering into any transaction with any person except on arm's length terms and for full market value. As a result, the occurrence of any of the foregoing factors could have a material adverse effect on our business, results of operations, financial condition and prospects.

We may need additional capital to execute our development plan in the long term, and we may be unable to raise additional capital on favourable terms or at all.

Taking into account our working capital requirements, which include committed projects and minimum cash balance requirements, our expectations regarding our future revenue and the net proceeds of the Offering, we currently expect to have sufficient capital to fund our operations and our development projects for the next five years, including the expansions of our existing business districts in accordance with our development plan. However, there is no assurance that our expectation on the sufficiency of required capital in the long term will be accurate. Our debt obligations may in the future require us to dedicate a greater portion of our cash flow from operations to making payments on our debt, thereby reducing the availability of assets for other purposes, including our development plan. Increased interest/profit rates on our debt could also increase our debt interest/financing costs under our variable rate debt.

Furthermore, we may need additional capital to execute our development plan in five years, and there can be no assurance that we will be able to obtain new debt or equity financing on favourable terms, or at all, including as a result of volatility in the credit or debt or equity capital markets, increases in interest/profit rates or a decline in the value of our properties or portions thereof. Furthermore, our planned investments are at an early stage of development and are subject to final approval by ourselves, prior to proceeding to being included in our capital allocation model. It is possible that additional funding will be required to fund these or other planned investments in the long term once the current feasibility studies are completed if these projects are to be completed on the anticipated timetable, or at all. If our revenue or cash reserves were insufficient and we were required to obtain additional financing, and such financing was not available in a timely manner or on terms substantially similar to our existing financing, it could increase our cost of capital. This could lead to delays or increases in costs, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are exposed to interest rate volatility, to the extent we have not effectively hedged such risk.

Interest/profit rates are highly sensitive to factors beyond our control, including the interest rate and other monetary policies of governments and central banks where our customers and potential customers are located and in whose currencies we borrow/obtain financing. We are exposed to interest/profit rate risk on our floating rate assets and liabilities. Borrowings at variable rates expose us to cash flow interest/profit rate risk, and borrowings at fixed rates expose us to fair value interest/profit rate risk. Therefore, if interest/profit rates increase, we will be obliged to pay a higher rate of interest/profit on our borrowings/financings.

We seek to manage our cash flow interest/profit rate risk by using floating-to-fixed interest/profit rate swaps, which have the economic effect of converting borrowings from floating to fixed rates. In relation to long-term borrowings/financings from banks and financial institutions, we generally borrow funds/obtain financing at floating rates and swap them into fixed rates. Under the interest/profit rate swaps, we agree with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest/profit amounts calculated by reference to the agreed notional amounts. As at 31 December 2021, if interest/profit rates on relevant floating rate financial assets had been 50 basis points (2020: 50 basis points and 2019: 50 basis points) higher/lower with all other variables held constant, post-tax profit for the year would have been AED 2.7 million (2020: AED 8.7 million and 2019: AED 12.8 million) higher/lower, mainly as a result of higher/lower interest/finance income. In addition, as at 31 December

2021, had the Group not entered into any interest/profit rate swap agreements and if interest/profit rates on borrowings/financings had been 50 basis points (2020: 50 basis points and 2019: 50 basis points) higher/lower with all other variables held constant, post-tax profit for the year would have been AED 24.1 million (2020: AED 13.7 million and 2019: AED 19.2 million) higher/lower, mainly as a result of higher/lower financing expense.

We currently have swap agreements/arrangements in place by which we seek to hedge the interest/profit rate risk that arises from our Facility Agreements, and if necessary we may enter into additional swap agreements/arrangements in the future in line with the amounts of any additional drawdown from our Facility Agreements or other facilities which are entered into. However, we could be exposed to market interest rate risk when the interest rate swaps that we entered into in connection with our Facility Agreements (as defined below) expire, if we drawdown additional funds from our Facility Agreements or require additional financing and cannot hedge our interest rate exposure on commercially reasonable terms, or at all, or if we have inaccurately or ineffectively hedged our market interest rate exposure. To the extent that we have not hedged our exposure to certain interest rate fluctuations, or to the extent that such hedging is inaccurate or otherwise ineffective, we may incur an increase in our financing expense, which may have a material adverse effect on our business, results of operations, financial condition and prospects.

We are exposed to risks arising from inflation.

Inflation can adversely affect our business by increasing our costs of material, labour and utilities, which we may not be able to subsequently pass on to our customers. With significant fiscal and monetary expansion occurring throughout the global economy, we believe there is an increased risk of inflation in the UAE or in the broader global markets. If inflation starts to climb, global interest/profit rates could also increase, which could negatively impact the UAE's financial and real estate sectors, even if domestic inflation remains in check. This may also have a negative impact on the cost of debt financing. While inflation rates have been negative in recent years and are expected to slowly recover over the next two years, the UAE Central Bank believes that inflation in the UAE could move to a positive number if real estate and food prices improve. Average annual consumer price inflation in the UAE was negative 1.9%, 2.1 %, and 2.5% in 2019, 2020 and 2021, respectively, according to the FCSC. Should inflation or interest/profit rates increase in the future, our business, results of operations, financial condition and prospects could be adversely affected by any of the following:

- increasing material, labour and financing costs, and an inability to receive reimbursement from customers for their share of the increased expenses;
- higher contractual obligations due to exchange rate fluctuations; and/or
- other cost overruns.

Any of these occurrences could have a material adverse effect on our business, results of operations, financial condition and prospects.

Foreign exchange movements may adversely affect our profitability, and any adjustment to, or ending of, the UAE's currency peg could negatively affect the UAE's finances and economy.

We maintain our accounts and report our results in UAE dirhams, the currency in which the substantial majority of our revenues are earned and our costs are incurred. Consequently, although there can be no assurance that foreign currency fluctuations will not adversely affect our profits and financial performance in the future, our management believes that our operations are not generally directly subject to significant foreign exchange risk. However, our lease agreements are generally denominated in UAE dirhams, and 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. The maintenance of this peg is a firm policy of the UAE Central Bank. Consequently, if the U.S. dollar appreciates relative to the currencies used by our current or prospective customers, this would increase our rental rates relative to such customers' currencies and may adversely affect the demand for our properties and could result in lower occupancy or rental rates. 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 our 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 adversely affect the way in which we conduct our business or otherwise have a material adverse effect on our business, results of operations, financial condition and prospects.

We may incur unanticipated costs related to compliance with health and safety and environmental laws and regulations.

We are required to comply with health and safety standards in accordance with applicable laws and regulations in Dubai, including those of the free zones. While we have certain policies and procedures in place for ourselves, our contracts and customers, if we or our contractors fail to comply with the relevant standards, we may be liable for penalties and our business or reputation could be materially and adversely affected. In circumstances where an environmental liability arises as a result of the actions of a contractor and/or subcontractor, we may be unable to recuperate or bring a claim in respect of any sums that we have paid in connection with the relevant environmental liability from the relevant contractor and/or subcontractor. Furthermore, while we are generally not responsible under the applicable health and safety laws and regulations for our customers' compliance with such requirements, any failures of such standards by our customers that generate significant adverse publicity could have a negative impact on our reputation and our ability to attract future business or result in the loss of existing customers affected by any such behaviour.

We are also required to comply with applicable environmental laws in Dubai, including those of the free zones, and we take certain steps to ensure our contractors' and our customers' compliance with these laws. While we have no reason to believe that we are not in compliance with all material environmental laws, there can be no assurance that we will not in the future be subject to environmental liability. These laws often impose liability without regard to whether the owner of such site knew of, or was responsible for, the presence of contaminating substances. As a result, we could be liable for our actions or the actions of our contractors or customers that result in the contamination of our property. While we maintain insurance which covers accidental pollution, there can be no assurance that we will be able to recover the full amount of any liabilities incurred from our insurer, or recuperate or bring a claim in respect of such expenses from a customer, if applicable. Although our lease agreements typically require our customers to undertake to indemnify us for environmental liabilities that they cause which arise from any failure on their part to comply with applicable environmental regulations, the amount of such liabilities could exceed the customer's financial ability to indemnify us. If an environmental liability arises in relation to any business district, development project or other real estate asset owned or developed by us and it is not remedied, is not capable of being remedied or is required to be remedied at our expense (above any amount we receive through our insurance coverage), this may have a material adverse effect on the relevant asset, our reputation and on our business, results of operations, financial condition and prospects, either because of the cost implications or because of disruption to operations at the relevant asset.

In addition, amendments to existing laws and regulations relating to safety standards and the environment may impose more onerous requirements on us and may necessitate further capital expenditure by us or subject us to other obligations or liabilities, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

We rely on certain qualified and experienced personnel, the loss of whom could have an adverse effect on our business, results of operations, financial condition and prospects.

We depend on our senior management for the implementation of our business strategy and day-to-day operations. Accordingly, we face risks related to our ability to continue to attract, retain and motivate experienced, capable and reliable personnel, especially senior and middle management, engineers and information technology professionals, with appropriate professional qualifications. We also may fail to recruit skilled professional and technical staff. Experienced and capable personnel in the engineering and technical fields remain in high demand in Dubai, and there is significant competition for their talents. If key qualified and experienced personnel leave, it will take time to find appropriately qualified candidates to replace them, and we may incur additional costs and expenses in securing such replacements.

Recruitment to Dubai may become more difficult or costly if the currencies of other countries from which we recruit employees appreciate against the AED or if the standard of living in such countries increases compared to that of Dubai. Other factors beyond our control, such as inflation, the cost of living in Dubai, more onerous or restrictive visa requirements, and changes to the legal and tax regime, any of which could make living and working in Dubai less attractive, may also affect our ability to attract and retain non-UAE national employees in Dubai.

The loss of any member of our senior management team, or the loss of any of our other key employees, may result in a loss of organisational focus, poor execution of operations or an inability to identify and execute potential strategic initiatives such as expansion of capacity. If we are unable to retain key members of our executive management team in particular and cannot hire new qualified personnel in a timely manner, this could negatively impact the management of our business districts and have a material adverse effect on our business, results of operations, financial condition and prospects.

Real estate valuation is inherently subjective and uncertain.

The JLL Valuation Report contained in this Offering provides a hypothetical value by an independent third party real estate valuer (JLL), of our business districts and development projects, based on certain material assumptions which have not been confirmed or investigated by JLL or any other third party. The assumptions are described in the JLL Valuation Report and include, among others, special assumptions relating to ownership and title (e.g. that all properties in certain areas are separately titled), status of development (e.g. that all available properties that were previously leased properties are now vacant and cleared of all occupier's improvements), and car parking agreements (e.g. that sufficient parking spaces are allocated to each property in certain areas). JLL conducted a property-by-property valuation of our business districts and development projects, and these valuations may exceed the value that could be obtained in connection with a concurrent sale of all of our properties, in particular if sold in a short time period, during a period of market or macroeconomic volatility, or under stressed conditions.

Our property assets are subject to factors such as changes in regulatory requirements and applicable laws (including in relation to ownership laws, building and environmental regulations, taxation and planning), political conditions, the condition of the broader economy, financial markets and real estate markets, the financial condition of customers, changes in interest/profit rates, potential adverse tax consequences, and inflation rate fluctuations, all of which mean that valuations are subject to uncertainty. The judgement of our management, as well as of JLL, significantly impacts the determination of the value of our properties and development projects. As a result, the valuations contained in this Offering are subject to uncertainty and are made on the basis of assumptions which may not be correct. Any revaluation of our property assets may lead to gains or losses if there is variation between the fair market value and the book value recorded for our assets, although we do not record any gains in our books since we use cost-based accounting. If the fair market value is lower than our recorded book value of the asset, we would likely record an impairment, which would negatively impact our results of operation for that period. For example, in connection with our valuation of investment properties, as a part of the Restructuring and the entering into the Master Developer Transfer Agreements, the Company also reassessed the carrying value associated with investment properties and the provision for infrastructure costs. The Group's periodical assessment of the infrastructure cost estimates in the current period using third party specialists has resulted in a reduction in the carrying value of investment property and provision for infrastructure cost as at 1 January 2022 by approximately AED 1.3 billion. Revisions to key assumptions and inputs have contributed to the change in estimates. The expected timing of incurring the infrastructure cost is one such key variable which has been revised. In this regard, management estimates the cost to be incurred over a period of up to 15 years in a phased manner. For roadworks related infrastructure estimates, key variables used are information from traffic impact studies performed by third party specialists. For power stations related infrastructure estimates, the key variables used are the historical costs of constructing similar infrastructure assets and the stage of development of the master planned communities to which the infrastructure costs relate. Further, as mentioned above, these provisions are expected to be settled over a period of up to 15 years and management currently do not expect any near-to-medium term cash flow impact on account of these infrastructure provisions.

Furthermore, the valuations should not be taken as an indication of the availability of continuing demand for any of our properties or an indication of customers for any development projects. Significant differences between valuations and actual realised rental rates for our business districts and sales prices of property from our land bank could have a material adverse effect on our business, results of operations, financial condition and prospects.

In addition, a key component of determining the value of our properties and development projects is based on the assessment by management and JLL of real estate market conditions in Dubai. The Dubai real estate market is, in turn, affected by many factors such as general economic conditions and other factors, including supply and demand, that are beyond our control, susceptible to rapid deterioration, and may adversely impact our properties and development projects in an unpredictable manner subsequent to their most recent valuation date. Rising interest/profit rates could also impact property valuations. As a result, any material decline in economic conditions or the real estate market in Dubai or changes in the interest rate environment could have a material adverse effect on our business, results of operations, financial condition and prospects. See "*—Our business is entirely concentrated in the commercial and industrial real* *estate sectors in Dubai, and any adverse developments in the commercial or industrial real estate sectors in Dubai may have a material adverse effect on our business, results of operations, financial condition and prospects.*".

The terms of our indebtedness contain restrictions that may limit our flexibility in operating our business and which carry default risks.

As of 31 March 2022, our bank borrowings were AED 4.1 billion, consisting primarily of indebtedness under the TECOM Facilities (as defined under "*Related Party Transactions and Material Contracts—Facility Agreements*" below),), which we entered into in part to pay certain existing facilities (the **Facility Agreements**).

The Facility Agreements contain covenants and undertakings that limit our ability to engage in specified types of transactions. These contain covenants and undertakings that require us to, among other things, maintain certain financial ratios including a maximum ratio of gross debt to EBITDA, a minimum debt service coverage ratio and a minimum net worth, as well as negative covenants or undertakings that limit our ability to, among other things, make substantial changes to the nature of our business, grant security or create any security interests over our assets, pay dividends if there is a default continuing under any Facility Agreement or a default would result from such payment, or incur additional financial indebtedness or dispose of assets if such additional debt or disposal would result in a default of our financial covenants immediately prior to such events or immediately after such incurrence of debt or disposal.

Any of these covenants and restrictions, and the covenants and restrictions included in the terms of any other indebtedness that we may enter into in the future, may prevent us from engaging in transactions that we may otherwise find desirable. In particular, our indebtedness could have major consequences, including:

- requiring that a substantial portion of our cash flows from operations are used for the payment of principal and interest/profit on our debt, thereby reducing the funds available for our operations or other capital needs;

- limiting our flexibility in planning for, or reacting to, changes in our business and the real estate industry because our available cash flow after paying principal and interest/profit on our debt might not be sufficient to make the capital and other expenditures necessary to address these changes;

- increasing our vulnerability to general adverse economic and industry conditions because, during periods in which we experience lower earnings and cash flows, we would be required to devote a proportionally greater amount of our cash flows to paying principal and interest/profit on debt;

- limiting our ability to obtain additional financing in the future to fund working capital, capital expenditures, acquisitions and general corporate requirements;

- making it difficult for us to refinance our indebtedness or to refinance such indebtedness on terms favourable to us;

- placing us at a competitive disadvantage compared to competitors that are relatively less leveraged and that may be better positioned to withstand economic downturns; and

- exposing any current and future borrowings/financings made at floating interest/profit rates to increases in interest/profit rates.

The instruments governing our indebtedness impose significant restrictions on us. These restrictions may limit, directly or indirectly, our ability, among other things, to undertake the following actions:

- incur debt or allow any debt to remain outstanding;
- sell, lease, transfer or otherwise dispose assets, including capital stock of subsidiaries;
- guarantee indebtedness;
- create or permit to subsist any security interests; and
- engage in any amalgamation, merger, demerger, consolidation or corporate reconstruction.

See " Related party Transactions and Material Contracts -Master Services Agreemeng between the Duabi Development Authority and axs")" for a description of the TECOM Facilities.

We are currently in compliance with our obligations under the Facility Agreements, and are not currently aware of any circumstances that indicate that we may breach any of these obligations in the future. However, there can be no assurance that we will be able to continue to comply with these obligations in the future, as our ability to comply with these obligations depends on a number of factors, some of which are outside of our control. Furthermore, the Facility Agreements contain acceleration provisions should a default occur and cross-default and cross-acceleration provisions. A failure to comply with the relevant obligations or to meet our debt obligations under any of our Facility Agreements may therefore result in an acceleration of our outstanding indebtedness, which would have a material adverse effect on our business, results of operations, financial condition and prospects.

Our operations may be affected as a result of failures or interruptions in our information technology systems, and any breaches or attacks could pose a financial and reputational risk for us.

The continuous and uninterrupted availability of our information technology (**IT**) systems is essential for our business operation and success, including for our customer relationship management system and the operation of our servers in data centres, which support our internal information management systems as well as our customer-facing websites. Furthermore, we also rely on third parties for the provision of certain of our IT services. If we are unable to manage and scale the technology used in our business effectively, we could experience increased costs, reductions in service availability and the loss of existing customers or limitations in our ability to attract new customers. Any interruptions, failures, manipulation or damage to our IT systems could also lead to delays or interruptions in our business processes. A range of factors beyond our control, such as telecommunication problems, software errors, fire, power outages and the delayed or failed implementation of new IT systems, could interfere with the availability of our IT systems. Any material disruption or slowdown of these systems could cause information to be lost or prevent customers from using our websites. Our existing safety systems, data backup, access protection, user management and IT emergency planning may not be sufficient to prevent information loss or disruptions to our IT systems.

Furthermore, cyber-attacks continue to evolve in sophistication and volume, and third-party attacks and viruses inherently may be difficult to detect for long periods of time. Hackers use multiple methods to breach company systems, including targeting employees through social engineering, phishing and malicious software. Although we have developed systems and processes that are designed to protect our IT systems and to prevent or detect security or data breaches, we cannot guarantee that such measures will provide the intended security. As a result, we may be required to incur significant costs protecting against or remediating cyber-attacks. In particular, we collect and monitor customer and personal data as a part of our axs services in connection with the provision of these services and which we use in the ongoing operation of our business. If any actual or perceived security or data breaches or improper disclosure of data were to occur, affected users or government authorities could initiate legal or regulatory actions against us in connection with such incidents or perceived incidents, which could cause us to incur significant expense. Furthermore, the new UAE law on data protection, that came into force on 2 January 2022, introduces data breach notification obligations and in many cases prohibits the processing of personal data without the consent of the individual (i.e. the data subject), and this may give rise to additional costs for us to implement internal procedures in order to comply with this new law. In addition, at this time and until regulations are published, it is difficult to assess any penalties or consequences that may be applied to us for any breaches of the law (for further information, see "*Regulation—Federal Decree-Law No. 45 of 2021 Regarding Data Protection (DP Law)*" below). In addition, if our IT systems are inadequate, making them more vulnerable to failure, interruption or security or data breaches, our reputation may be damaged. Any breaches or attacks or failure to properly guard against the failure, interruption or malfunctioning of our IT systems could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our properties could be exposed to catastrophic events or acts of terrorism.

Our business operations could be adversely affected or disrupted by events outside of our control, including:

- changes to predominant natural weather, hydrologic and climatic patterns, including sea levels;
- earthquakes, tsunamis or other natural disasters;
- major accidents, including chemical and radioactive or other environmental contamination, including the risk that the storage of flammable chemicals, whilst approved by the competent authorities in Dubai and within the designated chemical storage area in our business districts, may cause fire damage to our warehouse assets in Dubai Industrial City;
- major epidemics affecting the health of persons in the region and travel into the region; and/or
- criminal acts or acts of terrorism.

The occurrence of any of these events affecting the GCC region, Dubai or, in particular, our properties may cause material disruptions to our operations, which would have a material adverse effect on our business, results of operations, financial condition and prospects. The effect of any of these events on our results of operations, financial condition and prospects may be exacerbated to the extent that any such event involves risks for which we are not fully insured. Furthermore, acts of terrorism in the GCC region or in Dubai could discourage business, educational and/or manufacturing activity in Dubai, which could have a material adverse effect on demand for real estate property, on our occupancy and rental rates and, in turn, on our rental income, business, results of operations, financial condition and prospects.

In the ordinary course of business, we are involved in legal proceedings, which may be resolved unfavourably.

In the ordinary course of business, we bring claims or are named as defendant in lawsuits, claims and other legal proceedings. We currently have existing claims and expect to continue to be regularly engaged in claims against customers for non-payment of rent (for both built to lease and land lease properties), repossession of the property or the termination of the lease. We are also currently engaged in other claims that have arisen in the ordinary course of business. In addition, claims against us may arise for a variety of reasons, including as a result of our customers' or other third parties' misconduct or for claims related to a failure for us to perform any of our obligations under any lease, or for accidents or injuries that customers or visitors may suffer while at our properties. Claims may also arise against us in connection with construction or other contracts or agreements entered into with contractors, customers or other third parties. We are involved in numerous contractual relationships with our customers, contractors, facility managers and other third parties that may cause us from time to time, by court order or by unilateral action, to enforce our contractual rights against these parties. Such enforcement may expose us to a variety of claims, including warranty claims, construction claims, claims related to project development agreements or claims related to lease agreements including non-payment of rent, repossession of the property or the termination of the lease. These claims may seek, among other things, compensation for alleged losses, civil penalties or injunctive or declaratory relief. Furthermore, we have in the past and may in the future be required to maintain relationships with parties to which there have been prior disputes where we are required to maintain the contract and our contractual obligations, and given such past disputes it could increase the chance of further disagreements with such parties in the future.

We are not required to disclose or record provisions for proceedings in which management judges the risk of loss to be remote. However, the amounts involved in certain of the claims against us, in which we believe the risk of loss is remote, are substantial, and our losses could be significantly higher than the amounts for which we have previously recorded provisions (if any). Even for the amounts recorded as provisions for probable losses, a judgment against us would have an effect on our cash flow if we were required to pay those amounts. Unfavourable decisions in legal proceedings against us may, therefore, reduce our liquidity and could have a material adverse effect on our business, results of operations, financial condition and prospects.

In connection with the Offering, we have implemented a number of policies, processes, systems and controls which have a limited operating history, we will incur increased costs and regulatory burden and will have to devote substantial management time as a result of being a listed company, and we will face new challenges as an independent company, which could adversely affect our financial or operating performance.

To date, we have operated as a private company with policies, processes, systems and controls appropriate for a company of our size and which has been part of a larger corporate group through DHAM and Dubai Holding. In preparation for the Offering, we have implemented a number of policies, processes, systems and controls to ensure consistency in our transactions with our partners, agents, customers, contractors and service providers and to comply with the requirements for a publicly listed company on the DFM. While we believe these changes will be fully implemented and we will be in full compliance with the listing requirements from Listing, we do not have a track record on which we can assess the performance of these policies, processes, systems and controls or an analysis of their outputs.

As a standalone public company, we will face risks arising from operating under policies and procedures without the experience and oversight historically provided through our relationship with DHAM and Dubai Holding. We have also benefitted from negotiating arrangements with lessees, other business partners and/or other counterparties as part of the larger DHAM Group and Dubai Holding Group. While we have existed as a standalone operating business within the larger DHAM Group and Dubai Holding Group, as a result of the Restructuring, we will need to continue to make adjustments to address certain operational challenges arising from operating as a standalone business where such services are not covered by our service level agreements with Dubai Holding or DHAM.

Furthermore, we will incur additional costs as a newly listed company and our management will be required to devote substantial time to new compliance and other regulatory matters. As a newly listed public company, we will incur significant legal, accounting and other expenses, including those resulting from public company reporting obligations and compliance with corporate governance-related rules and other applicable securities rules and regulations, including the Listing requirements of the DFM. We will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. We also expect that being a public company and complying with these rules and regulations will make it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our Board of Directors, particularly to serve on our audit committee and compensation and nominating committee, and qualified executive officers. Additionally, we will be subject to increased regulatory obligations and oversight as a result of being listed and continuous scrutiny of securities analysts and investors. There can be no assurance that, in an environment where we are subject to greater regulatory oversight and increased regulatory obligations, we will be able to manage our operations in the same manner as we have done as a private business before Listing and not in a public company environment. In particular, these new obligations will require the Board, the executive management team and other employees to devote a substantial amount of time to ensure that our business complies with all of these requirements, which could divert their attention from the day-to-day management of our business and result in a decline in our operational and financial performance. In addition, the reporting requirements, rules and regulations will increase our legal and financial compliance costs and make some activities more time-consuming and costly.

Furthermore, our executive management team may not effectively manage our transition to being a public company subject to significant regulatory oversight and reporting obligations under the applicable laws and regulations and the continuous scrutiny of securities analysts and investors.

Any material inadequacies, weaknesses or failures in our policies, processes, systems, controls and compliance with regulatory matters could result in additional costs to us as a result of inefficiencies, fines, unexpected losses, fraud or reputational harm, any of which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our internal policies and procedures may not be sufficient to prevent the occurrence of fraud, misappropriation or other inappropriate practices. Any occurrence of these practices could damage our reputation in the marketplace and pose a financial risk for us.

We have established several internal policies and procedures designed to prevent and detect the occurrence of fraud, misappropriation or other inappropriate practices by our employees, directors, officers, partners, customers, agents and service providers, including an employee code of conduct; a conflict of interest policy; a whistleblowing policy, including internal reporting channels or hotlines; a background screening policy; and an anti-fraud framework, including investigation processes and guidelines. However, there can be no assurance that our internal policies and procedures will be sufficient to prevent or detect all inappropriate practices, fraud or violations of law by our employees, directors, officers, partners, customers, agents and service providers or that such persons will not take actions in violation of our policies and procedures for which we or they may be ultimately held responsible. Potential and actual violations of our employee code of conduct, policies or procedures have been identified on occasion as part of our compliance and internal audit processes or through whistleblowing. When potential violations of our employee code of conduct, policies or procedures are identified, we attempt to act promptly to learn the relevant facts, conduct appropriate due diligence, and take any remedial actions to address the risk. Although potential and actual violations identified in the past were investigated, and appropriate actions have been taken, there can be no assurance that we are aware of all such violations or that our responses will be effective in preventing or deterring future violations. Any violations or publicity about potential or actual violations of our employee code of conduct, policies or procedures could have a negative impact on our reputation and a material adverse effect on our business, results of operations, financial condition and prospects.

Non-compliance with sanctions, anti-money laundering, anti-bribery or anti-corruption regulations could expose us to legal liability and affect our reputation and business, financial condition, results of operations and prospects.

We are 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 we have 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 us to significant fines, penalties and reputational damage.

According to Transparency International's corruption perceptions index, the UAE ranked 24 out of 180 countries. While we have anti-corruption policies in place, there can be no assurance that such policies will be effective or prevent us from being exposed to violations of anti-corruption or bribery laws. Furthermore, the Financial Action Task Force (**FATF**) recently included 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 in countries on the 'grey' list may face increased risk of reputational damage, ratings adjustments, trouble obtaining global finance, 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 our business, financial condition, results of operations and prospects.

We have in the past and may in the future make acquisitions and investments, which could divert management's attention, result in operating difficulties and otherwise disrupt our operations.

We have in the past and may in the future elect to acquire additional assets, pursue new business opportunities, develop new product offerings or acquire other businesses, any of which could prove to be non-cost-effective or otherwise unsuccessful. Acquisitions involve numerous risks, any of which could harm our business, including but not limited to: difficulties in integrating the technologies, operations, existing contracts and employees of acquired businesses; difficulties in supporting and transitioning customers or suppliers of an acquired company; diversion of financial and management resources from existing operations or alternative acquisition opportunities; failure to realise the anticipated benefits or synergies of a transaction; failure to identify all of the problems, liabilities or other shortcomings or challenges of an acquired company or technology, including issues related to regulatory compliance, accounting practices or employee or customer issues; risks of encountering unanticipated events, circumstances or legal liabilities; potential loss of key employees, customers and suppliers from either our current business or an acquired company's business; inability to generate sufficient net revenue to offset acquisition costs; additional costs or equity dilution associated with funding the acquisition; and potential write-offs or impairment charges relating to acquired businesses. Although we have in the past and will in the future endeavour to undertake comprehensive due diligence with respect to our real estate investments in order to mitigate any risks in connection with the Dubai real estate market in which we operate, there can be no assurance that the factors described above will not result in the discovery at a later date of information or liabilities in association with our investments that could affect their value, expected purpose or returns on investment. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may not have adequate insurance and as a result certain types of risks and losses that we may face may not be fully covered or may be either uninsurable or uneconomical to insure in the future.

Although we seek to ensure that our projects and developed properties are appropriately insured (see "*Business—Insurance*"), no assurance can be given that any existing insurance policies will be sufficient to cover the loss arising from certain events or will be renewed on equivalent, commercially reasonable terms, at an acceptable cost or at all. In addition, given the increasing volatility and complexity of the markets in which we operate, certain types of risks and losses may not be fully covered or may be either uninsurable or uneconomical to insure in the future (for example, amongst others, risks or losses relating to terrorism, geo-political climate, threats to cyber security and inadequate succession planning) and we do not currently find it practical to insure for certain types of risk, including, amongst others, war, nuclear energy risks, pollution, and radioactive contamination. Furthermore, it may be difficult to identify appropriate insurance solutions to cover such risks, given the variety and complexity of products offered in the insurance market in recent years.

The occurrence of an uninsured or uninsurable loss could result in the loss of all or part of the capital invested in, or unrecoverable costs incurred to rectify the loss or pay compensation and anticipated future revenues relating to, any property that is damaged or destroyed. We may be exposed to liabilities in excess of our insurance coverage (if any) and we would also remain liable for any debt or mortgage, indebtedness or other financial obligations related to the relevant property. All of the above factors would have a material adverse effect on our business, results of operations, cash flows and financial condition.

Risks Relating to the UAE, the MENA Region and Emerging Markets

Continued instability and unrest in the MENA region may materially adversely affect the UAE economy.

Since early 2011, there have been significant civil disturbances and political turmoil affecting several countries in the MENA region, which to date have led to political unrest in a number of countries including Afghanistan, Algeria, Bahrain, Egypt, Iraq, Libya, Morocco, Syria, Tunisia and Yemen. This unrest has ranged from public demonstrations to, in extreme cases, armed conflict, proxy wars and civil wars, and has given rise to increased political tension and uncertainty and escalating threats of terrorism and extremism across the region.

More recently, heightened tensions between the United States and Iran have resulted in increased provocations by Iran and acts of violence against the United States and its interests in the MENA region. During the past few years, there have been repeated attacks by militia groups on Iraqi military bases housing foreign soldiers and retaliatory strikes by the United States. Additionally, in June 2017, the region witnessed increased tension due to measures taken against Qatar by several countries, which tension has persisted notwithstanding the signing of the Al Ula Declaration in January 2021. Furthermore, there have been ongoing tensions with Yemen which have impacted the MENA region, including the UAE. For example, Houthi rebels in Yemen undertook and claimed responsibility for attacks in the UAE in January 2022, and launched a missile strike in March 2022 very close to where Formula 1 drivers were completing a practice session ahead of the Saudi Arabia Grand Prix.

Although the UAE continues to exercise de-escalation diplomacy and self-restraint, there can be no assurance that tensions will not continue to escalate in the region, or that further attacks will not happen, and it is not possible to predict the impact that such occurrences might have on the MENA region (particularly in the UAE and Dubai). Furthermore, even if the UAE were not directly involved in any conflicts, increased regional geopolitical instability, or any heightened levels of military conflict in the region or globally, including the current Russia-Ukraine conflict, could expose the economy to disruptions of oil exports, a slump in tourism, lower foreign direct investment, expatriate outflows and reduced trade through Dubai, any of which could have a negative impact on the UAE economy (see "*—The UAE and the regional economies 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*").

Our operations are located entirely within the UAE, which is generally viewed as being both politically and socially stable. However, continuing instability and unrest in the MENA region may significantly affect regional economies as well as the economies of the UAE and, in particular, Dubai, including both the respective financial markets and real economies. These impacts could occur through a lower flow of foreign direct investment into the region, capital outflows or increased volatility in regional financial markets. It is unclear what impact this unrest may have on the UAE in the future, and there can be no assurance that extremists or terrorist groups will not initiate further violent activity in the UAE, such as that experienced in Abu Dhabi in January 2022. Our business, results of operations, financial condition and prospects may be materially adversely affected if and to the extent this regional volatility leads to a reduction of global business in Dubai, an outflow of expatriate residents or capital, a reduction in commercial activity in Dubai and the UAE or potential instability or change of government in the UAE. As a result, continued volatility or increased political, social or economic instability could have a material adverse effect on our business, results of operations, financial condition and prospects.

The UAE is also dependent on expatriate labour (ranging from unskilled labourers to highly skilled professionals in a range of industry sectors) and has made significant efforts in recent years to strengthen security procedures and attract high volumes of foreign businesses and tourists to the UAE. The UAE's success also makes it potentially more vulnerable if economic conditions become more unfavourable or should regional instability increase or more attacks occur, in which case there can be no assurance of the continued availability of expatriate labour with appropriate skills.

In addition, as the UAE continues to diversify its economy into other sectors, including tourism, the potential for its economy to be negatively affected by broader regional and global economic trends or geopolitical developments is increasing. This may adversely affect the way in which we conduct our business or otherwise have a material adverse effect on our results of operations, financial condition and prospects.

Investments in emerging markets are subject to greater risks than more developed markets, including significant political, social and economic risks.

All of our operations and assets are located in the UAE. While the UAE has historically not been affected by political instability, there is no assurance that any political, social, economic and market conditions affecting the MENA region generally (as well as outside the MENA region because of interrelationships within the global financial markets) would not have a material adverse effect on our business, results of operations, financial condition and prospects.

Specific risks in the UAE and the MENA region that may have a material impact on our business, results of operations, financial condition and prospects include:

- ongoing macroeconomic uncertainty and disruption due to the Covid-19 pandemic;
- increased government regulations, or adverse governmental activities, actions or interventions (including tariffs, protectionism and subsidies) with respect to price, import and export controls, the environment, customs and immigration, capital transfers, foreign exchange and currency controls, labour policies, land and water use and foreign ownership;
- external acts of warfare and civil clashes, military strikes, the outbreak of war or other hostilities involving nations in the region;
- difficulties and delays in obtaining governmental or other approvals, new permits and consents for our operations or renewing existing ones;
- potential lack of transparency or reliability as to title to real property;
- cancellation of contractual rights;
- lack of infrastructure;
- expropriation or nationalisation of assets;
- inability to repatriate profits and/or dividends;
- acts of terrorism;
- a material curtailment of the manufacturing and economic infrastructure development that is currently underway across the MENA region;
- changing tax regimes, including the imposition of taxes in currently tax favourable jurisdictions, including the UAE, or the selective application of tax laws and tax audits;
- an increase in inflation and the cost of living;
- a devaluation in the currency of the UAE or any other currency which has an impact on our business;
- limited availability of capital or debt financing; and
- slowing regional and global economic environment.

It is not possible to predict the occurrence of events or circumstances such as or similar to those outlined above or the impact of such occurrences and no assurance can be given that we would be able to sustain our current profit levels if such events or circumstances were to occur.

Investors should also be aware that emerging markets are subject to greater risks than more developed markets, including in some cases significant legal, economic and political risks. Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate. Generally, investment in developing markets is only suitable for sophisticated investors who fully appreciate the significance of the risks involved.

To the extent that economic growth or performance in the region in which we operate slows or begins to decline, or unexpected changes in the political, social, economic or other conditions in the UAE or its neighbouring countries cause instability in Dubai, it could have a material adverse effect on our business, results of operations, financial condition and prospects.

The UAE and the regional economies 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 economy as a whole, and the economies of other countries in the Middle East, are exposed to oil price volatility and are affected by the level of government spending. Oil represents a sizeable segment of the economies of countries in the Middle East, including the UAE, and has contributed to the increase in economic activity in the region, including the demand for commercial properties and property development. The mining and quarrying sector, which includes crude oil and natural gas, accounted for approximately 13.5% of the UAE's constant GDP in the second quarter of 2020 (which reflected a decrease due to lower demand as a result of Covid-19 related travel restrictions and other factors decreasing global demand for oil) as compared to 25.0% in 2019, 26.0% in 2018 and 20.5% in 2017.

Oil prices are highly volatile and extremely sensitive to political and economic turmoil. Global oil prices fell gradually in the first two months of 2020 before dropping sharply in March and April 2020, with the price of Brent oil falling below U.S.$16 per barrel in April 2020. This was primarily due to the impact of the Covid-19 outbreak on the global economy and the increase in supply, each as described in more detail above. Oil prices generally recovered throughout 2021, with the Organisation of Petroleum Exporting Countries (**OPEC**) Reference Basket monthly price growing from U.S.$54.38 per barrel in January 2021 to U.S.$82.11 per barrel in October 2021 and ending at U.S.$74.38 per barrel in December 2021. The OPEC Reference Basket monthly price was U.S.$104.9 per barrel as of 1 April 2022. Furthermore, oil prices have been volatile since the recent Russian invasion of Ukraine, mainly due to the bans on buying Russian oil and the resulting demand on other countries (particularly the ones in the MENA region) to increase supplies. However, there is no certainty that such price levels will continue to rise or be maintained as global oil prices continue to be volatile. The price of oil and its volatility depend on factors including global economic and weather conditions; actions by OPEC; government regulations, both domestic and foreign; price inflation of raw materials; the price of foreign imports of oil and gas; the cost of exploring for, producing, and delivering oil and gas; the discovery rate of new oil and gas reserves; the rate of decline of existing and new oil and gas reserves; the ability of oil and gas companies to raise capital; and the overall supply and demand for oil and gas.

Low oil prices and low demand for crude oil may have a material adverse effect on the UAE's economy, and may cause a significant reduction in government spending, which would have an adverse effect on economic conditions in the UAE and as a result, the value of our business districts and our ability to undertake new investments.

Low oil prices also have an indirect impact on the UAE's economy, which is difficult to quantify with any precision. For example, certain segments of the UAE's GDP, such as tourism, are also dependent on other countries that are also reliant on oil. Potential investors should note that many of the UAE's other economic sectors are in part dependent on the hydrocarbon sector. For example, the financial institutions sector (and banks in particular) may experience lower liquidity (if significant government and government-owned company deposits are withdrawn to fund deficits) or higher loan/financing losses or impairments. The federal government and local governments of the UAE may also decide, as they have done in the past, to reduce government expenditures in light of the budgetary pressures caused by low or falling oil prices.

Therefore, should there be a significant decrease in oil prices that negatively affects the economies of the region, this could limit the interest or ability of international customers and potential customers to have a presence in Dubai and to lease our commercial properties. Any decrease in the rate of growth of the UAE economy or to economies in the region could also result in a reduction in investment in infrastructure in Dubai, which directly affects the value of our business districts and our ability to undertake new investments. The slowing of these economies, particularly that of the UAE and Dubai, could also negatively affect demand for our business districts, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

The UAE's efforts to diversify its economy may not be completely successful.

The UAE's economy is highly dependent on the oil industry. The federal government of the UAE has a long-term strategy of diversifying the UAE's economy away from its reliance on oil and gas and a long-term vision to turn the UAE into a knowledge-based economy and reduce its dependence on the oil sector and our business districts target customers in the knowledge-based economy. However, there can be no assurance that the UAE's efforts to diversify its economy and reduce its dependence on oil will be completely successful. Non-oil GDP growth has generally slowed since 2014 as a result of, principally, the decline in real estate prices, a slowdown in government investment and tightening global financial conditions. The FCSC reported 3.8% real non-oil GDP growth in the UAE in 2019 and a decline in non-oil GDP growth by 6.2% in 2020. The Central Bank of the UAE projected in its third quarter 2021 review that non-oil GDP growth would return to growth, with the non-oil growth rates in the UAE at 3.8% and 3.9% in 2021 and 2022, respectively. According to the FCSC, the mining and quarrying sector (which includes crude oil and natural gas) constituted approximately 13.5% of the UAE's constant GDP in the second quarter of 2020, which reflected a decrease due to lower demand as a result of Covid-19 related travel restrictions and other factors decreasing global demand for oil. If the UAE's efforts to diversify its economy away from its reliance on oil are unsuccessful, or if non-oil growth does not increase as projected, the UAE will continue to be exposed to economic downturns driven by oil price volatility, which could result in a material adverse effect on the UAE's economy and financial position. See "*—The UAE and the regional economies 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*" above. This may adversely affect the way in which we conduct our business or otherwise have a material adverse effect on our results of operations, financial condition and prospects.

Global financial conditions and rising protectionist policies may have an impact on the UAE's economic and financial condition.

The UAE's economy may be adversely affected by tightening global economic conditions and external shocks, including financial market volatility, trade disruptions, protectionist trade policies or threats thereof and global pandemics, such as the ongoing Covid-19 pandemic. See "*—We face risks with respect to the continuing effects of the Covid-19 pandemic, and macro-economic conditions continue to be challenging*", 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. Increased competition in the region, specifically from Saudi Arabia, may also impact the UAE's 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. This could result in an exodus of foreign businesses, hitting growth prospects and leaving excess capacity in Dubai and across the UAE. In addition, a global economic downturn could impact global demand for oil and oil prices. See "*—The UAE and the regional economies 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*" above. 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. Finally, the economic slowdown and excess supply have weighed on the property market in the UAE. Conditions in the property market are expected to remain sluggish in the short term, reflecting high supply, weak demand and a soft jobs market. Recovery of the UAE property market post-Covid-19 is estimated (but not assured) in the longer term, and is contingent on the UAE and global economy recovering.

There can be no assurance that a global economic downturn will not occur or that there will not continue to be a shift towards protectionist policies on a global scale, each of which, together or individually, may have a material adverse effect on the UAE's economy and financial position. This may adversely affect the way in which we conduct our business or otherwise have a material adverse effect on our results of operations, financial condition and prospects.

The anticipated future application of a UAE corporate tax could impact our business, results of operations, financial condition, and prospects.

Corporate tax, which is applicable to all taxable income earned by an entity, is currently enacted in some of the Emirates (including Dubai) through their own decrees and, in practice, is only enforced on foreign companies engaged in upstream petroleum activities and branches of foreign banks. Effective from the financial years starting on or after 1 June 2023, a new federal corporate tax is expected to come into force, and will be applicable across all Emirates (i.e. at a UAE federal level) to all business and commercial activities (including our own from our financial year beginning 1 January 2024), except for the extraction of natural resources sector (the **UAE corporate tax law**). The UAE corporate tax law could significantly increase our expenses depending on the nature of any such tax – 9% corporate tax is due on taxable profits above AED 375,000, and a higher rate is expected to be applicable to taxable profits of large multinationals meeting the criteria under Pillar Two (refer to "*Taxation—UAE Taxation*" below). ***me given.****—UAE Taxation*" below).. The Ministry of Finance's announcement relating the UAE corporate tax law confirmed that free zone entities can continue to benefit after the effective date of the UAE corporate tax law from the existing tax incentives granted by the relevant free zones provided that such free zone entities are compliant with all regulatory requirements and do not conduct business with mainland UAE. Nine of our ten business districts and many of those providing services are free zone entities. However, what "conduct business with mainland UAE" means in the context of the UAE corporate tax law and its implications for the tax applicable to our free zone entities is unclear at the date of this Offering. Furthermore, it is expected that income of all companies (regardless of whether they are in the mainland or in free zones or in the UAE outside of the free zones) that are consolidated within a large multinational should be subject to tax at the higher rate, this is on the basis that being subject to tax as a large multinational group under Pillar Two overrides the tax incentives (exemption or 0% rate) provided by free zones. Based on the information available at this time, it is still unclear how the Pillar Two rules will be embedded in the UAE new federal corporate tax regime and the implications this would have on the tax exposure of our Company and subsidiaries. We are also unable to determine the impact the UAE corporate tax law may have on our customers and any subsequent change in demand for our leasing or services. Therefore, the impact of any changes as a result of the UAE corporate tax law on our business cannot be determined at this time. Any of the foregoing could have a material adverse effect on our business, results of operations, financial condition and prospects.

Legal and regulatory systems may create an uncertain environment for investment and business activities.

The UAE's institutions and legal and regulatory systems, including those at the local level and within the free zones, such as those of the government of Dubai and the Dubai Development Authority, continue to follow the latest international practices. Changes to existing, or the introduction of new laws, regulations or licensing requirements are beyond our control and may not be aligned with our interests. Any such laws, regulations or licensing requirements could adversely affect our business by reducing our revenue and/or increasing our operating costs, and we may be unable to mitigate the impact of such changes. Furthermore, existing laws and regulations may be applied inconsistently with anomalies in their interpretation or implementation. Such anomalies could affect our ability to enforce our rights under our contracts or to defend our business against claims by others. For the impact of changes in the free zones regulation, see "*—Changes to the laws and regulations that provide the attributes of "free zone" or "tax-free" status to the free zones in which most of our business districts are located or changes outside of the free zone which change the attractiveness of the free zone could have a material adverse impact on our business, results of operations, financial condition and prospects*" above.

The UAE's economy is maturing and, due in part to its desire to accede to the World Trade Organisation, the UAE has begun, and we expect it will continue, to implement new laws and regulations which could impact the way we manage our assets. There can be no assurance that if laws or regulations were imposed in respect of the products and services offered by us it would not increase our costs, impact the costs that are associated with leasing properties or buying land in Dubai, adversely affect the way in which we conduct our business or otherwise have a material adverse effect on our results of operations, financial condition and prospects. In addition, given the relatively illiquid nature of our assets (see "*—As an asset class, real estate assets are relatively illiquid and, as such, it may be difficult or impossible for us to realise the estimated value of these assets at any particular time and restrictions within our Facility Agreements may further make it difficult for us to use our real estate assets for liquidity purposes*"), a change in law or regulation that impacts our ability to conduct business in the UAE could result in a significant loss on the sale of our material properties.

Risks Relating to the Offering and to the Offer Shares

After the Offering, the Selling Shareholder will continue to be able to exercise significant influence over us, our management and our operations and we may compete directly or indirectly with other properties or investments affiliated with DHAM.

Immediately following the Offering, the Selling Shareholder will hold 84% of our share capital. As a result, the Selling Shareholder will be able to exercise control over our management and operations and over our shareholders' meetings, such as in relation to the payment of dividends and the appointment of the majority 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 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.

In addition, DHAM, which will remain our controlling shareholder following the completion of the Offering, is engaged in the investment in, and the development and management of, among other things, a large portfolio of properties, including other commercial properties. As a result, except for in relation to the right of first offer terms in the Relationship Agreement, there may be circumstances where our properties or investments compete directly with the other properties that DHAM operates (by itself or with a joint venture partner), and it may take decisions with respect to those properties that are adverse to the interests of our other shareholders. See also "*We are dependent on our shareholder, DHAM, Dubai Holding and other Dubai Holding-affiliated companies, in many key areas of our business.*" above.

Substantial sales of Shares by the Selling Shareholder following the expiry of the 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 our share price. Pursuant to the Underwriting Agreement, the Shares held by the Selling Shareholder following Listing shall 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. We are unable to predict whether, following the expiry of the 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.

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. We 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 Offer Price Range. 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 our actual performance or conditions in Dubai.

We may not pay dividends on the Shares.

While we intend to pay dividends in respect of the Shares, there can be no assurance or guarantee that we will do so. Any decision to declare and pay dividends in the future will be made at the discretion of the Board and will depend on, among other things, the availability of distributable reserves (which could be negatively impacted by the introduction of the UAE corporate tax from 1 June 2023), our capital expenditure plans and other cash requirements in future periods and other factors that the Board may deem relevant. As a result, you may not receive any return on an investment in the Offer Shares unless you sell your Offer Shares for a price greater than that which you paid for them.

The activities in the DFM are 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 31 December 2021, there were 68 companies with securities traded on the DFM with a total market capitalisation of approximately AED 411 billion. The DFM had a total regular trading volume of AED 72.3 billion in 2021. 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.

It may be difficult for shareholders to enforce judgments against us in the UAE, or against our directors and senior management.

The Company is in the process of being converted from a limited liability company to a public joint stock company incorporated in the UAE. All of our directors and officers reside outside the United States and the United Kingdom. In addition, all of our assets and the majority of the assets of our directors and senior management are located outside the United States and the United Kingdom. As a result, it may not be possible for U.S. investors to effect service of process within the United States or the United Kingdom upon the Company or our directors and senior management or to enforce in the U.S. courts or outside the United States judgments obtained against them in U.S. courts or in courts outside the United States, including judgments predicated upon the civil liability provisions of the U.S. federal securities laws or the securities laws of any state or territory within the United States. There is also doubt as to the enforceability in England and Wales and in the UAE, whether by original actions or by seeking to enforce judgments of U.S. courts, of claims based on the federal securities laws of the United States. In addition, punitive damages in actions brought in the United States or elsewhere may be unenforceable in England and Wales and in the UAE.

Holders of the Offer Shares in certain jurisdictions outside the UAE, including the United States, may not be able to exercise their pre-emptive rights if we increase our share capital.

Under our Articles of Association (the **Articles**) 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 our 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. In particular, U.S. holders of the Offer Shares may not be able to exercise their pre-emptive rights unless a registration statement under the Securities Act is effective with respect to such rights and the related Offer Shares or an exemption from the registration requirements of the Securities Act is available. Similar restrictions exist in certain other jurisdictions outside the UAE. We currently do not intend to register the Offer Shares under the Securities Act or the laws of any other jurisdiction, and no assurance can be given that an exemption from such registration requirements will be available to enable U.S. or other holders of the Offer Shares to exercise their pre-emptive rights or, if available, that we will utilise such exemption. To the extent that U.S. or other 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 U.S. or other holders would be reduced.

UAE Taxation

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

Taxation of the Companies and Individuals

Currently there is no corporate tax legislation at the federal UAE level. However, corporate tax legislation has been enacted in some of the Emirates (including Abu Dhabi) through their own decrees. These tax decrees are currently only enforced on foreign oil companies and branches of foreign banks.

In accordance with the above practice, the Company is not currently subject to corporate income tax in the UAE or in Abu Dhabi.

As per the aforementioned announcement and Frequently Asked Questions published, the federal tax system is applicable to all businesses and commercial activities operating within the seven emirates, with the exception of:

1. businesses operating in the extraction of natural resources. These will continue to be subject to the tax decrees issued by the respective Emirate;
2. individuals earning income in their personal capacity (i.e. salary, investment income) as long as the income generating activity does not require a commercial license; and
3. businesses registered in Free Trade Zones, provided they comply with all the regulatory requirements, and that do not conduct business with Mainland UAE.

The announced UAE CIT regime introduces a tier system with three rates:

1. all annual taxable profits that fall under AED 375,000 shall be subject to the zero rate;
2. all annual taxable profits above AED 375,000 shall be subject to 9% rate; and
3. all MNEs that fall under the scope of Pillar 2 of the BEPS 2.0 framework (i.e. consolidated global revenues in excess of AED 3.15 billion) shall be subject to different rates as per the OECD Base Erosion and Profit-Sharing rules.

Taxable profits are the accounting profits subject to certain adjustments.

The announced UAE CIT regime confirmed the following income shall be in general exempt from income tax:

1. capital gains and dividend income earned by UAE company from its qualifying shareholdings (to be defined in the law);
2. profits from group reorganization (further details awaited);
3. profits from intra-group transactions (further details awaited);
4. foreign investor’s income from dividends, capital gains, financing expenses, royalties and other investment returns.

There will be no UAE withholding tax on domestic and cross-border payments.

The UAE CT law has not yet been released.

Proposed Corporate Tax in the UAE

On 31 January 2022, the UAE Ministry of Finance announced a federal corporation tax to be implemented in the UAE for effective financial years commencing on or after 1 June 2023.

There is currently no personal tax levied on individuals in the UAE.

Taxation of purchase of Shares

Completion of the Offering is likely to be characterised for UAE tax purposes as a purchase of Shares by the shareholders. If a shareholder is tax resident outside the UAE and/or is subject to tax in another jurisdiction, the Offering may be characterised differently and may be subject to tax in that other jurisdiction.

There are no transfer taxes in the UAE on the purchase of Shares. Accordingly, the purchase of Shares should not result in any UAE tax liabilities for shareholders who are individuals or corporations tax resident 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 Shares based on local tax regulations.

Taxation of dividends and capital gains on sale

Based on the current tax practice within the UAE outlined above, the purchase of Shares should not result in any UAE tax liabilities for shareholders who are individuals or corporations tax resident in the UAE, provided they are not subject to tax in the UAE by virtue of them being a foreign oil company or branch of a foreign bank. 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 Shares based on local tax regulations.

Based on the same principles as outlined above, UAE resident shareholders who are not subject to tax in the UAE or jurisdictions outside the UAE (both corporate and individual), should not currently be taxed on the receipt of dividend income and gains on the future sale of the Shares.

Shareholders who are subject to tax in the UAE by virtue of being a foreign oil company or branch of a foreign bank, or tax resident in jurisdictions outside the UAE, as well as shareholders tax resident in the UAE but also subject to tax in jurisdictions outside the UAE (both corporate and individual), should consult their own tax advisers as to the taxation of dividend income and gains on the future sale of the Shares under the relevant applicable local laws in those jurisdictions.

There is currently no withholding tax in the UAE and as such, any dividend payments made by the Company should be made free of any UAE or Abu Dhabi withholding tax.

The contents of this section are also generally in line with the FAQs issued under the proposed Corporate Tax to be introduced, subject to fulfilment of conditions that may be prescribed in the final law.

UAE VAT

The UAE has adopted an excise tax, which was effective on 1 October 2017, and implemented a VAT, which was effective on 1 January 2018. The excise tax imposes a 50% tax on carbonated beverages and a 100% tax on tobacco products and energy drinks. On 27 August 2017, the VAT Law was published on the website of the Federal Tax Authority. The executive regulations of the VAT Law were issued on 28 November 2017 under Cabinet decision No. 52 of Federal Decree Law No. (8). The executive regulations provide more detail about products and services that are subject to VAT and which particular products are zero-rated or exempted. The executive regulations of the VAT Law outline the conditions and parameters of such VAT treatment. The GCC VAT Framework Agreement, which is a country level agreement between all the GCC States, sets out broad principles that should be followed by all the GCC countries in their VAT laws while providing individual member states some discretion to adopt a different VAT treatment in respect of certain matters. Each GCC country will enact its own domestic VAT legislation based on the underlying principles in this common framework.

VAT applies on the sale of goods and services in the UAE and on imports to the UAE. Unless the supply of goods and services falls within a category that is specifically exempt or is subject to the zero rate of VAT. VAT will apply at the standard rate. The standard VAT rate in the UAE is 5%.

The mandatory registration threshold is AED 375,000 and the voluntary registration threshold is AED 187,500. Businesses must register for VAT if the value of taxable supplies and imports of goods or services is above the mandatory registration threshold in the last 12 months, or it is expected to be above that threshold in the next 30 days. In addition, businesses would have an option to register for VAT on a voluntary basis if (i) the value of taxable supplies and imports of goods or services, or (ii) the value of taxable expenses (i.e. expenses with VAT) is above the mandatory registration threshold in the last 12 months, or it is expected to be above that threshold in the next 30 days.

The supply of goods or services by VAT registered businesses is subject to VAT at either the standard rate or zero rate. Businesses are entitled to claim a credit for VAT paid on their purchases if they relate to a supply that is standard rated or zero-rated. However, any VAT incurred in connection with a supply that is exempt from VAT cannot be reclaimed.

Article 42 of the executive regulations outlines the scope of financial services classified as exempt and, on this basis, no VAT would be applied on any transfer of Shares. However, it should be noted that fees relating to the transfer of ownership of Shares would be standard rated at 5%.

The comments mentioned above are general in nature and are based on the current tax system in force in the United Arab Emirates and the current practices of the UAE authorities as at the date of the Prospectus. The comments are not intended to be a comprehensive analysis of all tax implications applicable to all types of shareholders and are not related to any tax system outside the UAE. It is the responsibility of each investor to be informed of any tax consequences relating to his own circumstances in connection with the acquisition or disposal of a share in the company. Investors should seek independent professional advice.

Lock-up Arrangements

Pursuant to the Underwriting Agreement, the Shares held by the Selling Shareholder following Listing shall 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. This will entail the Company and the Selling Shareholder agreeing not to (i) directly or indirectly, effect any issue, offer, sale, contract to sell, grant or sale of options over, purchase of any option or contract to sell, transfer, charge, pledge, grant any right or warrant to purchase or otherwise dispose, transfer or lend, directly or indirectly, any Shares or any securities convertible into or exchangeable for or substantially similar to Shares or any interest in Shares or the entry into of any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of Shares whether any such transaction described above is to be settled by the delivery of

Shares or such other securities, in cash or otherwise, or any other disposal or any agreement to dispose of any Shares or any announcement or other publication of the intention to do any of the foregoing.

The foregoing restrictions will not apply to certain permitted transfers as will be set out in the Underwriting Agreement.

Third Section: Financial disclosures

Summary of the Financial Statements and a Summary of Key Notes and Key Financial Indicators as of and for the years ended 31 December 2019, 2020 and 2021 and for the three months ended 31 March 2021 and 2022

The following should be read in conjunction with (i) the Company's audited special purpose carve-out financial statements including the notes thereto, included in this Prospectus as of and for the years ended 31 December 2019, 2020 and 2021; and (ii) the special purpose condensed interim carve-out financial statements as of and for the three months period ended 31 March 2021 and 2022 included in this Prospectus. Investors should also read certain risks associated with the purchase of Offer Shares in the section of this Prospectus headed "*Investment Risks*".

Statement of Profit and Loss Data for the years ended 31 December 2019, 2020 and 2021

	Year ended 31 December		
	2021 AED'000	**2020 AED'000**	**2019 AED'000**
Revenue	1,765,629	1,766,707	1,840,113
Direct costs	(731,310)	(712,916)	(704,700)
Gross profit	**1,034,319**	**1,053,791**	**1,135,413**
Release of government grants	-	5,139	8,285
Other income	49,635	63,853	50,471
	1,083,954	**1,122,783**	**1,194,169**
Expenses			
General and administrative	(254,948)	(244,916)	(254,219)
Marketing and selling	(32,938)	(45,186)	(67,658)
Other expenses	-	(136)	(996)
	(287,886)	**(290,238)**	**(322,873)**
Operating profit	**796,068**	**832,545**	**871,296**
Finance income	31,682	33,080	71,768
Finance costs	(258,913)	(286,545)	(309,474)
Finance costs - net	**(227,231)**	**(253,465)**	**(237,706)**
Profit for the year	**568,837**	**579,080**	**633,590**
Other comprehensive income			
Fair value gain on cash flow hedges	116,003	(31,318)	(91,329)
Total comprehensive income for the period	**684,840**	**547,762**	**542,261**

Comprehensive carve-out balance sheet as of 31 December 2021, 2020, and 2019

	As at 31 December		
	2021 AED'000	**2020 AED'000**	**2019 AED'000**
Total assets	**16,364,126**	**16,914,813**	**16,245,418**
Total equity	5,613,262	6,168,299	6,131,149
Total liabilities	10,750,864	10,746,514	10,114,269
Total equity and liabilities	**16,364,126**	**16,914,813**	**16,245,418**

Carve-out statements of cash flow for the years ending 31 December 2021, 2020, and 2019

	As at 31 December		
	2021 AED'000	2020 AED'000	2019 AED'000
Profit for the year before income tax	568,837	579,080	633,590
Adjustments for:			
Depreciation on property and equipment	10,669	13,276	13,748
Depreciation on investment property	351,687	351,463	324,517
Amortisation of intangibles	12,960	18,790	25,479
Loss allowance on trade and other receivables	62,799	78,255	35,616
Release of government grants	-	(5,139)	(8,285)
Provisions for other liabilities and charges	14,910	6,688	5,342
Finance cost	258,913	286,545	309,474
Finance income	(31,682)	(33,080)	(71,768)
Changes in working capital			
Trade and other receivables before provision and write offs	(18,821)	(262,532)	(64,983)
Due from related parties	320,909	5,205	912,478
Trade and other payables excluding project payables	54,890	(89,866)	(371,626)
Due to related parties	(345,380)	31,995	(815,357)
Cash generated from operations	**1,260,691**	**980,680**	**928,225**
Payment of employees' end of service benefits and other liabilities and charges	(6,302)	(7,071)	(4,846)
Net cash generated from operating activities	**1,254,389**	**973,609**	**923,379**
Cash flows from investing activities			
Purchase of property and equipment	(8,854)	(6,069)	(8,169)
Payments for investment property, net of project and retention payables	(597,632)	(764,797)	(661,441)
Purchase of intangible assets	(13,877)	(13,062)	(19,394)
Movement in fixed deposits with maturities greater than three months	1,104,631	(138,232)	671,921
Interest received	9,494	33,080	71,768
Net cash generated from/(used in) investing activities	**493,762**	**(889,080)**	**54,685**
Cash flows from financing activities			
Proceeds from loans	118,861	650,002	2,889,825
Repayment of loans	(96,463)	(12,789)	(2,986,831)
Interest paid	(249,941)	(264,034)	(273,951)
Dividends paid	(1,400,000)	(650,000)	(500,000)
Funds transferred to Parent Company	(68,744)	-	-
Capital contribution	146,064	139,388	265,592
Net cash used in financing activities	**(1,550,223)**	**(137,433)**	**(605,365)**
Net increase/(decrease) in cash and cash equivalents	**197,928**	**(52,904)**	**372,699**
Cash and cash equivalents, beginning of the year	570,255	623,159	250,460
Cash and cash equivalents, end of the year	**768,183**	**570,255**	**623,159**

Statement of changes in equity for the years ended 31 December 2021, 2020, and 2019

	Attributable to owners of the Parent Company				
	Share capital AED'000	**Legal reserve AED'000**	**Hedge reserve AED'000**	**Retained earnings AED'000**	**Total equity AED'000**
At 1 January 2021	**300**	**171,518**	**(108,562)**	**6,105,043**	**6,168,299**
Comprehensive income:					
Profit for the year	-	-	-	568,837	568,837
Other comprehensive income:					
Fair value loss on cash flow hedges	-	-	116,003	-	116,003
Total comprehensive income for the year	**-**	**-**	**116,003**	**568,837**	**684,840**
Transactions with owners					
Increase as a result of the carve-out	-	-	-	172,945	172,945
Dividends declared	-	-	-	(1,400,000)	(1,400,000)
Transfer to Ultimate Shareholder	-	-	-	(12,822)	(12,822)
	-	**-**	**-**	**(1,239,877)**	**(1,239,877)**
At 31 December 2021	**300**	**171,518**	**7,441**	**5,434,003**	**5,613,262**
At 1 January 2020	**300**	**154,945**	**(77,244)**	**6,053,148**	**6,131,149**
Comprehensive income:					
Profit for the year	-	-	-	579,080	579,080
Other comprehensive income:					
Fair value loss on cash flow hedges	-	-	(31,318)	-	(31,318)
Total comprehensive income for the year	**-**	**-**	**(31,318)**	**579,080**	**547,762**
Transactions with owners					
Increase as a result of the carve-out	-	-	-	139,388	139,388
Transfer to legal reserve	-	16,573	-	(16,573)	-
Dividends declared	-	-	-	(650,000)	(650,000)
	-	**16,573**	**-**	**(527,185)**	**(510,612)**
At 31 December 2020	**300**	**171,518**	**(108,562)**	**6,105,043**	**6,168,299**
At 1 January 2019	**300**	**112,829**	**14,085**	**6,665,662**	**6,792,876**
Comprehensive income:					
Profit for the year	-	-	-	633,590	633,590
Other comprehensive income:					
Fair value loss on cash flow hedges	-	-	(91,329)	-	(91,329)
Total comprehensive income for the year	**-**	**-**	**(91,329)**	**633,590**	**542,261**
Transactions with owners					
Increase as a result of the carve-out	-	-	-	265,592	265,592
Transfer to legal reserve	-	42,116	-	(42,116)	-
Dividends declared	-	-	-	(1,469,580)	(1,469,580)
	-	**42,116**	**-**	**(1,246,104)**	**(1,203,988)**
At 31 December 2019	**300**	**154,945**	**(77,244)**	**6,053,148**	**6,131,149**

Statement of Profit and Loss for the three month period ended 31 March 2022 and 2021

	Three months ended 31 March	
	2022 **AED'000** **(Reviewed)**	**2021** **AED'000** **(Reviewed)**
Revenue	485,111	428,904
Direct costs	(188,290)	(162,403)
Gross profit	**296,821**	**266,501**
Other operating income	11,705	13,766
	308,526	**280,267**
Expenses		
General and administrative	(54,255)	(71,277)
Marketing and selling	(6,843)	(6,518)
	(61,098)	**(77,795)**
Operating profit	**247,428**	**202,472**
Finance income	60,950	5,169
Finance costs	(118,116)	(63,344)
Finance costs - net	**(57,166)**	**(58,175)**
Profit for the period	**190,262**	**144,297**
Other comprehensive income		
Fair value gain on cash flow hedges	110,149	90,853
Total comprehensive income for the period	**300,411**	**235,150**

Statement of Financial Position as of 31 March 2022 and 2021

	31 March 2022 (Reviewed)	**31 December 2021 (Audited)**
	AED'000	**AED'000**
Total assets	**14,650,509**	**16,364,126**
Total equity	6,263,969	5,613,262
Total liabilities	8,386,540	10,750,864
Total equity and liabilities	**14,650,509**	**16,364,126**

Statement of Cashflows for the three month period ended 31 March 2022 and 2021

	Period ended 31 March	
	2022 AED'000	**2021 AED'000**
Profit for the period before income tax	190,262	144,297
Adjustments for:		
Depreciation on property and equipment (Note 5)	2,310	2,953
Depreciation on investment property (Note 6)	93,733	85,080
Amortisation of intangibles	5,964	2,831
Loss allowance on trade and other receivables (Note 8)	27,106	29,404
Release of government grants	-	1,068
provisions for other liabilities and charges	-	1,665
Fair value (gain)/loss on derivative	-	(4,887)
Finance cost	107,260	63,344
Amortisation of issue cost	10,856	-
Finance income	(60,950)	(5,169)
Changes in working capital		
Trade and other receivables before provision and write offs	(867)	(89,232)
Due from related parties	296,241	(40,993)
Trade and other payables excluding project payables	41,592	43,096
Due to related parties	(384,296)	5,704
Cash generated from operations	**329,211**	**239,161**
Payment of employees' end of service benefits and other liabilities and charges	-	(233)
Net cash generated from operating activities	**329,212**	**238,928**
Cash flows from investing activities		
Purchase of property and equipment	(9,276)	(309)
Payments for investment property, net of project and retention payables	(294,895)	(108,625)
Purchase of intangible assets	-	(4,244)
Movement in fixed deposits with maturities greater than three months	256,087	463,286
Interest received	1,537	5,169
Net cash (used in)/generated from investing activities	**(46,546)**	**355,277**
Cash flows from financing activities		
Net Proceeds from borrowings	77,116	117,293
Interest paid	(128,972)	(63,344)
Dividends paid	(53,997)	-
Capital contribution	-	90,445
Funds transferred to parent company	(150,000)	(600,000)
Net cash (used in) financing activities	**(255,853)**	**(455,606)**
Net increase in cash and cash equivalents	**26,812**	**138,599**
Cash and cash equivalents, beginning of the period	768,183	570,255
Cash and cash equivalents, end of the period	**794,995**	**708,854**

Statement of changes in equity for the three month period ended 31 March 2022 and 2021

	Attributable to owners of the Company				
	Share capital AED'000	**Legal reserve AED'000**	**Hedge reserve AED'000**	**Retained earnings AED'000**	**Total equity AED'000**
At 1 January 2022 (Audited)	**300**	**171,518**	**7,441**	**5,434,003**	**5,613,262**
Comprehensive income:					
Profit for the period	-	-	-	190,262	190,262
Other comprehensive income:					
Fair value gain on cash flow hedges	-	-	110,149	-	110,149
Total comprehensive income for the period	**-**	**-**	**110,149**	**190,262**	**300,411**
Transactions with owners:					
Dividends declared	-	-	-	(53,997)	(53,997)
Increase in share capital	499,700	-	-	(499,700)	-
Capital contribution	-	-	-	404,293	404,293
Total	499,700	-	-	149,404	350,296
At 31 March 2022 (Reviewed)	**500,000**	**171,518**	**117,590**	**5,474,861**	**6,263,969**
At 1 January 2021 (Audited)	**300**	**171,518**	**(108,562)**	**6,105,043**	**6,168,299**
Comprehensive income:					
Profit for the period	-	-	-	144,297	144,297
Other comprehensive income:					
Fair value gain on cash flow hedges	-	-	90,853	-	90,853
Total comprehensive income for the period	**-**	**-**	90,853	144,297	235,150
Transactions with owners:					
Increase as a result of the carve-out	-	-	-	90,445	90,445
Dividends declared	-	-		-	-
Total	**-**	**-**	**-**	90,445	90,445
At 31 March 2021 (Reviewed)	**300**	**171,518**	**(17,709)**	**6,339,785**	**6,493,894**

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. See "— *We may not pay dividends on the Shares.*" 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.

Subject to the foregoing, the Company intends to adopt a semi-annual dividend distribution policy to pay dividends in cash after the Offering in October and April of each year (subject to Board and general assembly approval). Always subject to Board and general assembly approval, the Group expects to pay a dividend amount of AED 800 million per annum over the next 3 years (through October 2025). It expects to pay the first interim dividend distribution of AED 200 million in October 2022 and expects to pay the second interim dividend distribution of AED 200 million in April 2023, which payments collectively pertain to the performance of the Group in the second half of 2022. Thereafter, interim dividends are expected to be paid in April and October of each year for the remaining dividend distribution policy period of AED 400 million for each interim period. The expected dividend distribution policy payment schedule is set out below:

- October 2022: AED 200 million
- April 2023: AED 200 million
- October 2023: AED 400 million
- April 2024: AED 400 million
- October 2024: AED 400 million
- April 2025: AED 400 million
- October 2025: AED400 million

In addition, prior to Listing the Company is expected to pay a pre-Offering dividend of AED 700 million to the Selling Shareholder.

This dividend policy is designed to reflect the Group's expectation of strong cash flow and expected long term earnings potential while allowing the Group to retain sufficient capital to fund ongoing operating requirements and continued investment for long term growth. This dividend policy is subject to consideration of the Board in relation to the cash management requirements of the Group's business for operating expenses, financing expenses, and anticipated capital expenditures. In addition, the Group expects that the Board will also consider market conditions, the then current operating environment in the Group's markets, and the Board's outlook for the Group's business.

Material events and contracts concluded by the Group within and before the conversion period (including related party agreements)

Related Party Transactions and Material Contracts

The following is a summary of certain terms of the Group's material contracts and related party 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.

We are, and have been, a party to various agreements and other arrangements with related parties (namely, DHAM, Dubai Holding (our ultimate parent company), associates and key management personnel and businesses which are controlled directly by the shareholders or key management personnel, as well as our subsidiaries and other affiliates).

The following is an overview of the Group's transactions with related parties for the periods and as at the dates indicated below. The Group's financial information set forth herein has, unless otherwise indicated, been extracted without material adjustment from the Financial Statements. Please refer to Note 11 to the Audited Carve-out Financial Statements and Note 10 to the Unaudited Interim Carve-out Financial Statements included elsewhere in this Prospectus.

Balances Due from Related Parties

During the year ended 31 December 2021, a dividend of AED nil (2020: AED nil and 2019: AED (969.6 million) was adjusted against the balance receivable from DHAM. See Note 11 (a) and 19 to the Audited Carve-out Financial Statements.

The fair values of due from related parties approximate their carrying amounts and were fully performing as at 31 December in each of the years 2021, 2020 and 2019.

In the Group's June 2022 management accounts, a receivable of AED 150 million from DHAM to the Company (reflected in the Group's Unaudited Interim Carve-out Financial Statements in Note 10a as a receivable due from related parties) is expected to be settled through a dividend declared by the Company. For the avoidance of doubt, this dividend declaration in June 2022 is not included in the pre-Offering dividend of AED 700 million.

Balances Due to Related Parties

The following table sets out the balances we owed related parties as at the dates indicated.

	As of 31 December			As of 31 March
	2021	**2020**	**2019**	**2022**
		AED '000'		*AED '000'* *Unaudited*
Dubai Holding	146,757	103,721	76,875	147,751
Other subsidiaries of DHAM..................	948,239	940,312	934,443	-
Other related parties	35	162	849	50,078
Total	**1,095,031**	**1,044,195**	**1,012,167**	**197,829**

The payables to related parties arise mainly from purchase transactions and are non-interest bearing.

Related party transactions

The tables below present other significant transactions with related parties in the normal course of the business for the periods indicated:

	As of 31 December			As of 31 March
	2021	**2020**	**2019**	**2022**
		AED '000'		*AED '000''* *Unaudited*

Services provided to related parties included in revenue:				
Operating lease income from fellow subsidiaries and others	30,728	28,386	33,866	3,986
Service income from DHAM and fellow subsidiaries	17,856	12,380	12,513	-
Total	**48,584**	**40,766**	**46,379**	**3,986**

	As of 31 December			As of 31 March
	2021	**2020**	**2019**	**2022**
		AED '000'		*AED '000'* *Unaudited*
Services provided by related parties included in expenses:				
Direct costs – operation and maintenance costs				
Entities under common control	94,279	94,790	75,536	25,183
Other related parties	57,238	52,411	56,507	6,438
General and administrative expenses – cost recharged				
Other related parties	4,111	3,056	3,983	-
Ultimate Parent Company	8,600	20,661	25,968	8,606
Total	**164,228**	**170,918**	**161,994**	**40,227**

The Group has incurred cost relating to shared procurement, strategy support and HR services and which have recharged to its related parties.

Remuneration of key management personnel

As per IFRS IAS 24.9, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The compensation to key management personnel for employee services is shown below for the periods indicated. Since our executive management team was appointed after the period under review, the compensation below does not relate to our current executive management team.

	As of 31 December			As of 31 March
	2021	**2020**	**2019**	**2022**
		AED '000'		*AED '000'* *Unaudited*
Salaries and other short-term employee benefits...	7,738	7,936	15,351	1,323
End of service, termination and other post-employment..................................	1,476	714	839	144
Total	**9,214**	**8,650**	**16,190**	**1,467**

(1) Remuneration of key management personnel for period ended 31 March 2022 and year ended 31 December 2021 reflects the net amount, post-cost allocation. Pre-allocation remuneration for 31 March 2022 was AED 2,933 thousand (2021: AED 17,426 thousand).

The most significant of the related party transactions reflected above are described below.

Arrangements with DHAM's affiliates

Car Parking – Dubai Design District.

We have entered into an agreement between DHAM FZ LLC, an affiliate of DHAM, and Dubai Design District FZ LLC for car parking arrangements within Dubai Design District. Dubai Design District FZ LLC uses car parking in common with other users, with the permission of DHAM FZ LLC, within Dubai Design District. This car park is owned by DHAM FZ LLC. Pursuant to the car parking agreement, DHAM FZ LLC commits to providing alternative car parking if the car parking facilities used by Dubai Design District FZ LLC are restricted, reduced or prohibited by DHAM FZ LLC.

Security Services.

Security services for all of our business districts are currently provided for by Arkan, a fully owned subsidiary of Ejadah (which is ultimately owned by Dubai Holding), through three separate agreements with TECOM Investments FZ-LLC, Dubai Design District FZ-LLC and Dubai Industrial City LLC. Services provided by Arkan to the Group for the year ended 31 December 2021 amounted to AED 26 million. The three agreements originally expired in 2021 but have recently been renewed until June 2023 by way of amendment agreements.

Facility Management.

Most facility management services at our business districts are currently outsourced to Idama, another subsidiary of Ejadah, through three separate agreements with TECOM Investments FZ-LLC, Dubai Design District FZ-LLC and Dubai Industrial City LLC – with the exception of a few larger facilities which are outsourced to other parties. Services provided by Idama include, amongst others, account management, mechanical, electrical and plumbing and specialised systems maintenance, building and fabric maintenance, soft services (cleaning and housekeeping, waste management, pest control, indoor plant maintenance, etc.), building statutory certification and documents and health, safety and environment (HSE), road sweeping, litter picking, maintenance of street lightning, and maintenance of the sewage and storm water network.

Services by Idama to the Group for the year ended 31 December 2021 amounted to AED 78 million.

EMPOWER

Emirates Central Cooling Systems Corporation (**EMPOWER**), which is another related party of the Group through EMPOWER's affiliation with Dubai Holding, provides cooling services to our business districts. These services are provided under standard contracts entered into in the ordinary course of business. Services provided by EMPOWER to the Group for the year ended 31 December 2021 amounted to AED 48 million.

Master Developer Transfer Agreements

In respect of each of our business districts there is a master developer which owns the common areas of land in the business district and commits to providing community services which are recovered from plot owners by way of a service fee. These arrangements are governed by a set of rules that bind the master developer and the owners of the plots within the business district, known as the master community declaration (which applies to each business district).

As part of the Restructuring, the master developers for the business districts were changed from entities in the Group (the “**Prior Master Developers**”) to affiliates of DHAM outside the Group (the “**New Master Developers**”) effective, 1 January 2022 (the “**Effective Date**”). As a result of these changes, the master developers on record with the relevant authorities in respect of all the land and assets within the Group will be the New Master Developers outside the Group. Notice of these changes was served on all third parties with proprietary interest in the relevant business district.

Under the master developer transfer agreements, the Prior Master Developers, which were our subsidiaries TECOM Investments FZ LLC, Dubai Design District FZ LLC and Dubai Industrial City LLC, each (i) agreed in their capacity as plot owners within the relevant business district to comply with a standard set of provisions (which apply to the other owners in the business district) in relation to applications for additional gross floor area, construction and use of plot covenants, (ii) acknowledged and agreed that the Prior Master Developers shall remain responsible for the performance of all obligations under all existing agreements in place between it and the relevant authorities in respect of the business district, including without limitation the payment of all amounts arising thereunder, without recourse to the New Master Developers for the payment of any such amounts in whole or in part; (iii) acknowledged and agreed that the Prior Master Developers shall further remain responsible for the performance of all obligations under all existing agreements in place between it and third parties (other than authorities) and ongoing projects including without limitation the payment of all amounts arising thereunder, without recourse to the New Master Developers, unless any such amounts increase or decrease, in which event the Prior Master Developers shall charge back the New Master Developers (in case of an increase) or credit the New Master Developers (in case of a decrease) the relevant amount on a fair and equitable basis; (iv) acknowledged and agreed that the Prior Master Developers shall further remain responsible for the performance of all obligations via-a-vis third parties (other than authorities) in connection with identified projects that have not yet commenced on land retained within the perimeter, within the relevant business districts, and should it incur any amounts in relation to areas that are not within the perimeter, the Prior Master Developers shall charge back the New Master Developers such amounts on a fair and equitable basis; and (v) acknowledged and agreed that all future agreements with the relevant authorities in respect of the business district shall be entered into by the New Master Developers and, while the New Master Developers shall pay all amounts arising thereunder to the relevant authorities, they shall charge back portions of those amounts to the Prior Master Developers on a fair and equitable basis. Such payments due from the Prior Master Developers to the New Master Developers will be paid over an agreed payment plan which is expected to be not less than 10 years, unless otherwise agreed.

Service Level Agreements with DHAM and Dubai Holding

Prior to the Restructuring, we examined services that historically were provided for the Group by Dubai Holding or DHAM to determine whether TECOM would provide these services through in-house resources or contract them out to Dubai Holding, DHAM or other third parties following the Restructuring. We considered the best manner for delivering the services, how to best control governance over sensitive data, cost efficiencies, whether we could benefit from any synergies by using Dubai Holding or DHAM for the provision of certain services and the costs of developing in-house resources over contracting out such services, amongst other considerations.

After such consideration, we designed an operating model for our Group following the Restructuring and entered into service level agreements with each of Dubai Holding and DHAM for the provision of certain services as set out below. The service level agreements contain fee schedules and service level outputs and performance requirements for the services contracted and, where sensitive information is being shared, require that a non-disclosure agreement is in place and that an information barrier is in place between the Dubai Holding or DHAM team providing the services and the DHAM investments teams that is managing its shareholding stake in the Company. We expect we may enter into additional service level agreements with the Dubai Holding Group including DHAM, from time-to-time.

The term of the service level agreements and the specific pricing and other terms vary depending on the nature of the services being offered.

The service level agreements may be terminated by mutual agreement of the parties prior to the expiry date, by TECOM unilaterally (which unilateral termination may be subject to certain conditions such as following a minimum service period or notice period) or by either party in the event of a default by the other party which has not been remedied within a specified period, in the event of bankruptcy or insolvency of the other party, or in the event of certain significant changes (including a change in the business conducted, organisational structural changes or a change of control).

The following highlights the primary services that are covered by the service level agreements:

Dubai Holding

Legal: arbitration and litigation services and corporate administration matters including management and oversight of external counsel appointed in connection with any such matters, as well as with regards to filing cases to authorities like the Rental Dispute Centre and Dubai police related to non-payment of dues from customers related to leasing agreements.

Data protection services: the development, update and implementation of policies and procedures relating to data protection, the development and management of group wide record of processing activity, registration with relevant regulatory bodies, assistance in dealing with supervisory authorities in relation to complaints or questions, and the management of data subjects rights process (in collaboration with the IT security team when dealing with any data incidents or breaches).

DHAM

Project Management: the management of project execution stages from initiation, pre-contracts and post-contracts through to delivery of infrastructure projects, building projects and master planning.

Procurement: the management of supplier relationships, sourcing, managing purchase orders and monthly stakeholder reports, supplier surveys, amongst other support.

Insurance: the management of insurance budgeting forecasts, vendor management and procuring new insurance policies and renewal of existing policies.

Corporate Administration: the collection, sorting and distribution of mail, documentation and messenger services.

Security: the management of security by way of incident investigations, complaints, violations, managing an emergency hotline and providing security clearances.

Finance: the management of the complete cycle of accounts payables from booking of supplier invoices, reconciliations, processing of operating expenses and capital expenditure payments, as well as the management of payroll.

Call Centre: the management and response to customer calls, emails and chats, including by escalating queries to respective departments and ensuring resolution.

Creative Studio: the management of brand guidelines and the development of creative marketing collaterals, emailers, social media templates, brand identity and logos.

Human Capital: the management of recruitment, the employee onboarding process, operational matters, rewards and performance management, employee relations, organisational design and talent development.

Parking Management: the monetisation of and management of parking assets, installation of parking management systems, the provision of 24/7 remote support, site monitoring, issuance of parking and enrolment.

IT Security and IT Infrastructure: the provision of support services, infrastructure, network, telecommunications, information security and service delivery. The agreement will be reviewed annually.

The services that are to be provided under the service level agreements generally represent services that were part of the Group's historical direct costs or expenses. We do not anticipate our direct costs or expenses or the Group's margin to be materially impacted as a result of the Group having these services provided through the service level agreements entered into with Dubai Holding or DHAM. However, since prior to the Restructuring these direct costs and expenses would have been considered to have been incurred by the Group, such direct costs and expenses are expected to be characterised as related party transactions in the Group's financial results from 2022.

We estimate that services to be performed by Dubai Holding or DHAM will be the equivalent of approximately 18% of our operating expenses minus depreciation and amortization, cost recovery and loss allowance on receivables.

We have not entered into and do not expect to enter into any service level agreements with Dubai Holding or DHAM where we are the service provider. However, DHAM will be a tenant of ours following the Restructuring and has lease agreements for certain of our properties which are on our standard form lease agreement and are subject to our standard terms and conditions. The rental revenue and services revenue from DHAM and its affiliates are expected to be reported as related party revenue in our financial statements in future periods.

Contractual Framework Agreement

In connection with the Restructuring and due to our ongoing transactional ties to the Dubai Holding Group through the various service level agreements and other related party transactions described herein, we have also entered into a contractual framework agreement with Dubai Holding (the "**Contractual Framework Agreement**"). We receive and expect we will continue to require and receive, certain services which are provided by third parties pursuant to the contracts which are entered into by a member of the Dubai Holding Group. For example, Dubai Holding will enter into contracts on our behalf and other members of the Dubai Holding Group which are expected to allow us and others in the Dubai Holding Group to benefit from economies of scale by purchasing certain supplies together. There will also be other third party contracts, such as insurance, that will be entered into at the Dubai Holding or at the DHAM level. The Contractual Framework Agreement governs the contractual payment terms and our liabilities for the charges payable for the services we receive under such third party contracts entered into between our Group and any member of the Dubai Holding Group. The Contractual Framework Agreement sets out the specific circumstances in which termination can occur.

Relationship Agreement

A relationship agreement has been entered into between DHAM and TECOM and will be effective from the date of Listing and until the earlier of, the date on which: (a) the ordinary shares of TECOM cease to be listed on the Dubai Financial Market; and (b) DHAM ceases to hold (directly or indirectly) at least 25% of the issued ordinary shares of the TECOM.

The relationship agreement is designed to ensure that TECOM is capable at all times of carrying on its business independently of DHAM and requires that, amongst other matters, all matters between the parties are on an arm's length basis, in compliance with corporate governance rules and requires DHAM to comply with articles 34 to 40 of the Governance Rules.

The relationship agreement also contains three rights of first offer for TECOM over certain of DHAM's land and assets for for a period of 10 (ten) years from the date of Listing (the **Option Period**) namely:

- land that is wholly owned by the DHAM Group at the time of Listing and/or from time to time until the end of the Option Period that is bare, available or subject to a land lease, designated exclusively by DHAM for commercial development or leasing in the same areas of commercial activities carried out by TECOM, and which immediately abuts land owned by TECOM at the time of Listing;

- any operating real property asset located in the Emirate of Dubai wholly owned by the DHAM Group at the time of Listing and/or from time to time thereafter until the end of the Option Period which is (a) designated for sale to a bona fide third party, (b) operating in the same areas of commercial activities carried out by TECOM, and (c) valued at AED 100,000,000 or more at the relevant time; and

- any land located in the Emirate of Dubai wholly owned by the DHAM Group at the time of Listing and/or from time to time thereafter until the end of the Option Period which is designated exclusively for use for the development of commercial built-to-lease real estate assets.

Retail assets, residential assets, and any land designated for residential or infrastructure development or for constructing schools or petrol stations are excluded from the scope of the above rights of first offer.

The relationship agreement further stipulates that any transaction or agreement between TECOM and a related party (defined to include DHAM and any entities directly or indirectly wholly owned by it (an Associated Company)) – except ones that are on arm's length, not extraordinary in nature and in the ordinary course of business of TECOM – will require the approval of the majority of the independent Non-Executive Directors on the Board.

If DHAM and TECOM do not conclude an agreement within the relevant period set out in the relationship agreement following a receipt of TECOM's offer, and DHAM subsequently wishes to conclude a sale of the property to a third party within six months of not accepting TECOM's offer, DHAM cannot conclude that sale on economic terms that are materially more beneficial to the third party than the terms of TECOM's offer. DHAM may also retain and / or develop the relevant land or asset itself and / or lease it out to any one or more third parties as it deems fit.

DHAM is entitled to transfer any land or assets caught by the relationship agreement to an Associated Company without triggering the rights of first offer, provided that DHAM ensures that on and from the date of transfer, the relevant Associated Company is bound by the terms of the relationship agreement which apply to DHAM at the date of the transfer of the relevant land or assets to the Associated Company.

Pursuant to the relationship agreement, TECOM shall never be entitled to more than one right of first offer in respect of the same DHAM land or asset.

Material contracts (with non-related parties) include the following:

Master Services Agreement between the Dubai Development Authority and axs

Under the Master Services Agreement for the Provision of Government Services (Dubai Development Authority Services) and Corporate Support (the "**axs MSA**") entered between the Dubai Development Authority and axs service center, axs provides two types of services to companies, employees and other individuals within the DCC free zone on behalf of the Dubai Development Authority: (i) visa services, including the approval, renewal, transfer and/or cancellation of employee, student and travel visas; and (ii) registration and licensing services, including the issuance, renewal, migration and termination of registrations and licences. The scope of these services may be reviewed at any time by both parties and amended upon mutual agreement in writing. The fees for each of these services reflects the rate agreed with the Dubai Development Authority under the axs MSA and consists in a service fee for axs which includes any and all taxes charged or chargeable in respect thereof. The axs service agreement will expire on 31 December 2028.

Under an Addendum Agreement with the Dubai Development Authority, in May 2021 axs agreed to also provide axs' visa services and registration and licensing services on behalf of the Dubai Development Authority to the Dubai Healthcare City Authority, the regulator of the Dubai Healthcare City free zone. The revenue we received from the services we provide to the Dubai Healthcare City Authority on behalf of the Dubai Development Authority is reflected in our services revenue.

Facility Agreements

Commercial Terms Agreement dated 30 March 2022

Overview

Pursuant to a Commercial Terms Agreement, a conventional facility agreement (the "**TECOM Credit Agreement**") and an AED ijara facility agreement (the "**TECOM Ijara Agreement**") each dated 30 March 2022 (collectively, the "**TECOM Facility Documents**"), arranged by Emirates NBD Bank PJSC, First Abu Dhabi Bank PJSC and Dubai Islamic Bank PJSC, an AED term loan facility of an aggregate amount of AED 3.6 billion and an AED ijara facility of an aggregate amount of AED 4.0 billion (the "**TECOM Facilities**") were made available to TECOM for the purposes of: (i) *first*, prepayment and cancellation in full of all amounts outstanding under or in connection with the pre-existing facilities of TECOM and certain of its subsidiaries; and (ii) *second*, the general corporate purposes of TECOM, excluding certain transactions that are carved out in the Commercial Terms Agreement.

The maturity date of the TECOM Facilities is 30 March 2027.

Under the TECOM Credit Agreement, the rate of interest on each loan for an applicable term is the percentage rate per annum equal to the aggregate of:

EIBOR; and

- 1.80% per annum for the period from and including the date of the TECOM Credit Agreement to but excluding the date falling 24 months after the date of the TECOM Credit Agreement; or

- 2.30% per annum for the period from and including the date falling 24 months after the date of the TECOM Credit Agreement until the maturity date of the TECOM Facilities, provided that, solely for the purposes of calculating the interest for an applicable term for a loan which ends on the same date as any other loan, three-month EIBOR shall be used.

Obligors

- TECOM – borrower / financee;
- TECOM Investments FZ-LLC - guarantor;
- Dubai Design District FZ-LLC - guarantor; and
- Dubai Industrial City LLC - guarantor.

Security

As security for the payment, performance and discharge of the liabilities and obligations under the TECOM Facility Documents, TECOM has granted security over certain of its accounts namely collection account, insurance proceeds account and facility service reserve account (the "**Accounts**"). The balances in these Accounts are subject to be increased or decreased.

Balances of the Accounts as of 30 April 2022, are as follows:

Pledged Account	**Balance in AED**
Collection: Account	97,796.8
Insurance Account	Balance is zero
Facility Service Reserve Account	60,000,000.0

Financial Covenants

The Commercial Terms Agreement contains certain financial covenants requiring TECOM to:

- maintain a specified leverage ratio no greater than:
    - 5.75:1 for an applicable period ending on 30 June 2022 and 31 December 2022;
    - 5.50:1 for an applicable period ending on 30 June 2023 and 31 December 2023;
    - 5.25:1 for an applicable period ending on 30 June 2024 and 31 December 2024;
    - 5.00:1 for an applicable period ending on 30 June 2025 and 31 December 2025; and
    - 4.50:1 for an applicable period ending on 30 June 2026 and 31 December 2026.

  being calculated as the aggregate amount of all obligations of TECOM (and certain of its subsidiaries) for or in respect of certain borrowings/financings to the EBITDA of TECOM (and certain of its subsidiaries) for the applicable period; and

- maintain a debt service cover ratio of no less than 1.20:1, being calculated as the EBITDA of TECOM (and certain of its subsidiaries) to finance charges incurred by TECOM (and certain of its subsidiaries) for the applicable period; and

- maintain the aggregate of the amounts paid up, or credited as paid up, on the issued ordinary share capital of TECOM and the aggregate amount of the reserves of TECOM (and certain of its subsidiaries) at no less than U.S.$1,000,000,000 (or its equivalent in any other currency) for the applicable period (the **minimum net worth**).

Undertakings

The Commercial Terms Agreement contains customary undertakings for a facility of this nature, including (but not limited to) restrictions on TECOM (and certain of its subsidiaries) granting security, entering into any merger or amalgamation, incurring additional financial indebtedness and making disposals (in each case, subject to certain exceptions and permissions).

The payment of dividends and any distributions by TECOM are permitted under the Commercial Terms Agreement, except where an event of default is continuing on the date the distribution is made or would occur as a result of the distribution being made.

Events of Default

The Commercial Terms Agreement contains customary events of default for a facility of this nature, subject to certain grace periods and materiality thresholds, including (but not limited to): (i) non-payment; (ii) breach of financial covenants; (iii) cross-default in relation to TECOM (and certain of its subsidiaries); and (iv) insolvency of TECOM.

The cross default will be triggered where: (a) any financial indebtedness of TECOM (and certain of its subsidiaries) is not paid when due (or within any originally applicable grace period); (b) any financial indebtedness of TECOM (and certain of its subsidiaries) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); (c) any commitment for any financial indebtedness of TECOM (and certain of its subsidiaries) is cancelled or suspended by a creditor of TECOM (and certain of its subsidiaries) as a result of an event of default (however described); and (d) any creditor of TECOM (and certain of its subsidiaries) becomes entitled to declare any financial indebtedness of TECOM (and certain of its subsidiaries) and payable prior to its specified maturity as a result of an event of default (however described), provided that in each case no event of default will occur if the aggregate amount of financial indebtedness falling within the scope of the above is less than U.S.$50,000,000 (or its equivalent in any other currency or currencies).

Mandatory Prepayments

A change of control will result in a mandatory prepayment obligation arising under each of the TECOM Credit Agreement and TECOM Ijara Agreement which entitles each financier to elect to declare all outstanding amounts payable to it to be immediately payable. A change of control will be triggered if the ultimate beneficial owner (or any family member or members ceases (either individually or together) to legally and beneficially, directly or indirectly, own at least 51% of the total share capital of TECOM, or where they cease to have direct or indirect control of TECOM, where control means the power and authority as an indirect majority shareholder of TECOM to direct and/or influence DHAM LLC's decision in respect of any general assembly matters.

The TECOM Credit Agreement and TECOM Ijara Agreement also contain standard mandatory prepayments for a facility of this nature, including in the event of an illegality or in relation to the proceeds of certain insurance payments or disposals of certain assets (subject to certain exceptions and baskets).

Fourth Section: Notice of Constitutive General Assembly

The notice set out below is relevant for all Subscribers which have been allocated Offer Shares. It calls for convening the Constitutive General Assembly meeting at the date, time and place set out in the notice. All Subscribers are entitled to attend and vote at such meeting. Any voting rights of any Subscriber attending the General Assembly meeting shall correspond to the number of Offer Shares such Subscriber receives following the allotment process.

Notice of Constitutive General Assembly meeting

Dear Sir or Madam,

Thank you for applying to purchase shares in TECOM Group PJSC (a public joint stock company under incorporation in the Emirate of Dubai, United Arab Emirates) (the "**Company**").

This is to notify you that in accordance with Article 131 of Federal Law By Decree No. 32 of 2021 on Commercial Companies (as amended from time to time), the Founders' Committee of the Company is pleased to invite you to attend the first meeting of the constitutive general assembly (the "**Constitutive General Assembly**") of the Company which will be held electronically without physical attendance of the shareholders at 9:00 a.m. on 30 June 2022.

If the required quorum for the first meeting is not present, a second meeting will be held on 1 July 2022 electronically without physical attendance of the shareholders at 9:00 a.m.

The Constitutive General Assembly is valid with the attendance of shareholders or their representatives holding 50% (fifty per cent) or more of the Shares of the Company and the assembly will be chaired by the person elected by the assembly from amongst the Founders.

The DFM will send an SMS to all Subscribers who have been allocated Offer Shares to allow them to attend the Constitutive General Assembly meeting and to vote on any proposed resolutions.

The agenda of the Constitutive General Assembly is as follows:

- Reviewing and ratifying the Founders' Committee's report in respect of the incorporation of the Company and its related expenses.
- Approving the Memorandum of Association and Articles of Association of the Company.
- Approving the appointment of the first Board for three years as per Article 19 of the Articles of Association of the Company.
- Approving the appointment of the Company's auditor.
- Announcing the incorporation of the Company.
- Approving the remuneration of members of the Board who serve on any board committee or who perform work in excess of their regular duties as members of the Board.

The Selling Shareholder and all persons to whom Offer Shares have been allocated may attend the Constitutive General Assembly electronically or through an authorized representative. Each shareholder shall have a number of votes equal to the number of Shares that they own. If a representative of the shareholder attends the Constitutive General Assembly, he/she must bring along a written proxy authorising his/her attendance on behalf of that shareholder (attached is a sample proxy). It should be noted that if the proxy holder is not a shareholder, then the proxy needs to be notarized and the proxy holder should not be one of the Company’s Board members; and the proxy holder should not be representing Shares for more than one shareholder of a value that exceeds 5% of the share capital of the Company.

Any change in the dates above will be announced through the local newspapers following receipt of approval from the Securities and Commodities Authority of the United Arab Emirates.

All persons attending the Constitutive General Assembly electronically will be required to present proof of identification (i.e., Emirates ID or passport). If Subscribers are attending through an authorized representative, the respective authorised representative will be required to present: (i) the original allocation letter or SMS confirming the allocation of Offer Shares; (ii) a certified copy of their respective Subscriber’s passport; (iii) their original passport; and (iv) the notarized power of attorney.

Yours faithfully,

Founders’ Committee

Form of Proxy

<u>Proxy for Attending and Voting at the Constitutive General Assembly meeting of TECOM Group PJSC (under incorporation)</u>

We/**I**, the undersigned………………., hereby appoint and authorize pursuant to this proxy, Mr./Mrs./Ms. ………… (the "**Attorney**"), to attend the Constitutive General Assembly of TECOM Group PJSC (under incorporation) on my/our behalf. The Attorney shall have the right to vote on all matters discussed in the meeting whether the meeting was held on its original date or postponed to any other date. The Attorney shall also have the right to make all decisions and sign all documents in this regard.

Signature:

Name:

Date:

Fifth Section: Other details

The Company's proposed management structure

Company's Board structure

Upon Listing, the Board shall be established and is expected to consist of 7 (seven) Directors, all of whom are Non-Executive Directors and 3 (three) of whom are independent Non-Executive Directors.

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

Malek Al Malek – ***Chairman***

Malek Al Malek is expected to be appointed as Chairman of the Board with effect from the date of Listing. He also serves as the Chief Executive Officer of DHAM (the Selling Shareholder), which serves to elevate the city's position as a global hub for tourism and leisure and enrich living experiences for residents with a range of prime retail destinations and residential communities. Malek leads the executive team of the Group and oversees an extensive portfolio of 10 business districts, 20 retail destinations and 15 residential communities which impact millions of visitors and residents in Dubai.

Since his appointment, Malek has achieved a series of milestones, including optimising operations, increasing efficiency, integrating digital transformation, and consolidating partnerships with relevant authorities and companies. These efforts have contributed to increasing occupancy rates and customer satisfaction levels, enhancing returns.

Malek also serves as the Director General of the Dubai Development Authority, a government entity setting new standards in economic competitiveness, infrastructure and urban development, as well as developing a business-friendly regulatory framework.

Prior to his current appointments, Malek served as the Group CEO of the TECOM group from 2018 to 2020 and CEO of TECOM Business Parks between 2013 to 2017. He has played an integral and strategic role in TECOM's growth story since joining in 2002, evolving the Group's status as a key enabler of Dubai's Knowledge Economy. He has consolidated TECOM's position by launching innovative solutions that contributed to attracting major international and regional companies while creating an enabling environment for start-ups – many of which acquired unicorn status.

Malek holds a Bachelor's in Business Management from the Higher Colleges of Technology in the UAE.

He currently serves on the boards of or as a member of regulatory, and/or significant government and business entities which are listed below:

Position	Start Date	End Date (if applicable)
Chairman of Emirates Integrated Telecommunications Company PJSC ("du")	Mar-2018	N/A
Chairman of Dubai Institute of Design and Innovation	May-2018	N/A
Member of the board of Mohammed Bin Rashid Library	Nov-2016	N/A
Member of the board of Higher Colleges of Technology	Sep-2015	N/A

Member of the board of Dubai Creek Harbour LLC	Jun-2020	N/A
Council Member of Dubai Freezone Council	Dec-2019	N/A
Member of the Higher Committee of Dubai Urban Plan 2040	Jul-2018	N/A
Council Member of Dubai Media Council	Jun-2021	N/A
Member of the board of Dubai Waste Management Company PSC	Jul-2020	N/A

Ahmed Al Qassim – *Vice Chairman*

Ahmed Al Qassim is expected to be appointed as Vice Chairman of the Board with effect from the date of Listing. He also serves as the Senior Executive Vice President of Corporate and Institutional Banking at Emirates NBD Bank PJSC, and has more than 18 years of experience in commercial and investment banking.

Previously, Ahmed was Chief Executive Officer of Emirates NBD Capital PSC, the investment banking arm of Emirates NBD Bank PJSC, from November 2015 to June 2018, followed by General Manager of Corporate Banking at Emirates NBD Bank PJSC from July 2018 to September 2019. Prior to joining Emirates NBD Bank PJSC, Ahmed was the Chief Executive Officer of Dubai Group, a Dubai Holding group entity, from December 2013 to October 2015. Ahmed has also held senior roles at General Electric and General Electric joint ventures from July 2009 to January 2013.

Ahmed holds a Bachelor's degree in Engineering Management from Higher Colleges of Technology in the United Arab Emirates and a Master of Business Administration degree from the University of Victoria in Canada.

Ahmed's board memberships to date are listed below. He is currently a member of Emirates NBD's Executive Committee, a position he has held since October 2019.

Position	**Start Date**	**End Date (if applicable)**
Member of the board of Bank Muscat	Jul-2014	Oct-2015
Member of the board of Shuaa Capital	Jan-2014	Dec-2015
Member of the board of EFG-Hermes	Apr-2014	Nov-2015
Member of the board of Sun Hung Kai Properties	Mar-2014	Jan-2016

Amit Kaushal – ***Director***

Amit Kaushal is expected to be appointed to the Board with effect from the date of Listing. Amit Kaushal also serves as the Dubai Holding Group Chief Executive Officer, a position he has held since February 2018. Prior to being appointed as the Dubai Holding Group Chief Executive Officer, he held the position of Group Chief Financial Officer. Amit leads Dubai Holding's operations in 13 countries, across a diverse range of sectors including real estate, hospitality, media, retail, leisure and entertainment.

Over the course of his tenure at Dubai Holding, Amit has led several transformational initiatives that have helped drive Dubai's thriving tourism industry and spur growth in strategic sectors in line with its economic diversification agenda. Most recently, he led the successful integration of Meraas and DXB Entertainments into Dubai Holding to form one of the UAE's largest and most diverse conglomerates.

Amit has been instrumental in the success of key strategic projects of the Dubai Holding Group in the UAE and internationally.

Under Amit's leadership, Dubai Holding has pursued sustainable economic growth through diversification and investment in strategic partnerships, both in the UAE and internationally. Since the onset of the Covid-19 pandemic, Amit has led a dedicated and specialist response team that has implemented a number of decisive measures to ensure the stability of the company, the safety of its employees and mitigate the impact of Covid-19 on Dubai Holding's businesses and communities.

Amit's prior experience includes ten years with leading investment banks in London and Dubai, where he worked for Goldman Sachs, UBS and Deutsche Bank across transaction advisory, structuring and capital markets disciplines.

Amit holds a Master of Philosophy degree in Finance from the University of Cambridge and a BSc (First Class Hons.) in Mathematics, Operational Research, Statistics and Economics from the University of Warwick.

In addition to leading Dubai Holding as Group Chief Executive Officer, Amit has served on the boards of several regional and international hospitality, energy, retail and real estate organisations. His current and previous board memberships are listed below:

Position	**Start Date**	**End Date (if applicable)**
Member of the board of Azadea Holding Company DIFC Ltd	Dec-2018	N/A
Member of the board of Emirates Central Cooling Systems Corporation	Jul-2021	N/A
Member of the board of Marsa Al Seef LLC	Oct-2016	Jun-2018
Member of the board of Rove Hospitality LLC	Jul-2017	Sep-2020
Member of the board of Zabeel Square LLC	May-2017	Jun-2018
Member of the board of Zabeel Square Hospitality LLC	Feb-2018	Jun-2018
Member of the board of Zabeel Square Retail LLC	Feb-2018	Jun-2018

Omar Karim – ***Director***

Omar Karim is expected to be appointed to the Board with effect from the date of Listing. Omar also serves as the Dubai Holding Group Chief Investment Officer. Since his appointment to this role in 2017, he has been responsible for steering the overall investment strategy for the group and managing its strategic and financial investments across real estate, hospitality, leisure and entertainment, telecommunications and media, travel and tourism, consumer retail and sustainable and renewable energy, the majority of which were, since late 2021, consolidated into a dedicated vertical of the group, Dubai Holding Investments.

During his tenure he has successfully concluded a range of transactions, the more recent ones including the 100% take-private of DXB Entertainments (the region's largest integrated theme park and leisure destination) and its integration into the group, the landmark merger and integration of Meraas (one of the largest real estate, hospitality and entertainment holding conglomerates in the UAE) and a U.S.$1.2bn partnership among Dubai Holding and a consortium of multinational investors to build and operate one of the world's largest waste to renewable energy facilities in the UAE.

He has also been instrumental in expanding Dubai Holding's international footprint through a series of cross-border investments across multiple sectors, including travel and tourism, real estate and hospitality, consumer retail and technology.

Prior to joining Dubai Holding, Omar served as an investment banker at UBS Investment Bank where he was responsible for the execution of a broad range of mergers, acquisitions and debt and equity financing transactions with global public and private clients. Omar started his career at KPMG in Australia in their corporate finance practice, where he held several roles focused on mergers and acquisitions, capital markets and valuation of businesses and infrastructure assets.

Omar holds a bachelor's degree in accounting and finance from Monash University in Australia.

Omar also serves and has served as a member of the board of directors of multiple companies spanning the retail, hospitality, travel and tourism and maritime sectors both in the UAE and beyond as set out below.

Position	**Start Date**	**End Date (if applicable)**
Member of the board of Dubai Hills Estate LLC	May-2021	N/A
Member of the board of Dubai Hills Estate Retail LLC	May-2021	N/A
Member of the board of Dubai Hills Estate Hospitality LLC	May-2021	N/A
Member of the board of Dubai Hills Estate District Cooling LLC	May-2021	N/A
Member of the board of Certares Investments LLC	Sep-2020	N/A
Member of the board of Certares Travel Ventures LLC	Sep-2020	N/A
Member of the board of Shamal Venture Cruise Terminal LLC	May-2019	N/A
Chairman and Member of the board of Merex Investment Group LLC	Dec-2019	N/A
Member of the board of Nirvana Travel and Tourism LLC	Jul-2019	N/A
Member of the board of Azadea Holding Company DIFC Ltd	Dec-2018	N/A
Member of the board of Certares Holdings (Blockable) LLC	Jul-2018	N/A
Member of the board of Dream Holdings Inc (Aerofarms)	Jun-2017	N/A
Member of the board of Rove Hotels LLC	Jul-2017	Sep-2020
Member of the board of D-Marin Dubai LLC	Feb-2019	Dec-2020

Fatma Hussain – ***Director***

Fatma Hussain is expected to be appointed to the Board with effect from the date of Listing. She also serves as the Chief Human Capital Officer of the DHAM Group. Fatma leads a team responsible for enabling people to achieve business objectives through talent and resource management, leadership development, succession planning and building a culture where talent thrives.

Prior to joining the DHAM Group, Fatma worked with several reputed private and semi-government organisations across various strategic human resources disciplines that include performance management, total rewards, talent acquisition and development, emiratisation, and talent redeployment. She has also partnered with senior leadership and C-Level executives to lead various critical projects related to quality management and business process improvement in order to realize organisational effectiveness and achieve set business objectives.

Fatma holds a Masters degree in business administration from the University of Dubai (United Arab Emirates) and has undergone several executive and board level programmes that include a leadership programme from Wharton Business School (United States).

Fatma's board memberships to date are listed below. She is also a Senior Assessor Member with the Department of Economic Development in Dubai for Human Development Awards.

Position	Start Date	End Date (if applicable)
Member of the board of Aramex PJSC	Mar-2018	N/A
Member of the nomination and remuneration committee of Aramex PJSC	Jun-2020	N/A
Member of the nomination and remuneration committee of EII Capital PSC	Jun-2019	N/A
Member of the board of Dubai Creek Harbour LLC	Sep-2021	N/A
Member of the board of Memaar Building Systems LLC	Apr-2022	N/A
Chairperson of the nomination and remuneration committee of Memaar Building Systems LLC	Apr-2022	N/A
Member of the board of Amlak Finance PJSC	Apr-2021	Feb-2022
Chairperson of the nomination and remuneration committee of Amlak Finance PJSC	Apr-2021	Feb-2022

Aisha Abdulla Miran – *Director*

Aisha Abdulla Miran is expected to be appointed to the Board with effect from the date of Listing. She also serves as the Assistant Secretary General, Strategy Management and Governance Sector, the Executive Council in the Government of Dubai, a position she has held since 2011. Aisha has over 20 years of experience within the public sector, and in her current role has a specific focus in setting the strategic agenda for the Executive Council and its Strategic Affairs Council and assisting in decision making. In her role she is responsible for the process of developing the Emirate of Dubai's strategy planning, overseeing the performance of the Emirate of Dubai's strategy and execution and reporting back to the top leadership, reviewing and providing input on public policies and legislations, and encouraging the implementation of good governance practices in the public sectors and reviewing government entities organisation structures.

Aisha started her professional career with The Executive Office, a private office of HH Sheikh Mohammed Bin Rashid Al Maktoum in 2002. She worked on multiple projects such as the establishment of Dubai Institute for Human Resource Development and the Dubai Government performance management system.

Aisha was a member of the Covid Command and Control Center, the central body that combated Covid-19 at the local level, with a great focus on setting all Covid-19 protocols and facilitating the strategy planning and execution of the Center.

Aisha holds two Masters degrees, a Masters in International Business Law from Paris II (Dubai branch) and an EMBA from the American University of Sharjah (UAE). She has an Executive Diploma in Public Administration from the National University of Singapore, is certified in balanced scorecard practice and is a graduate of Mohammed Bin Rashid Program for Leadership Development.

Arif Abdulrahman Ahli – Director

Arif Abdulrahman Ahli is expected to be appointed to the Board with effect from the date of Listing. Ahli also serves as the Executive Director of Budget and Planning Division in the Department of Finance of the Government of Dubai, a position he has held since 2011.

Ahli has served in the government for a number of years, working for Dubai Municipality from 1989 through 2010. During that time, he also served as a financial expert in the courts of the United Arab Emirates from 1994 to 1996, and as a manager in the audit office from 1993 to 2001.

Ahli obtained a bachelor's degree in accounting in 1988/1989 from the United Arab Emirates University. He also holds a certificate in the Future Leaders Program from Mohammed Bin Rashid School of Government. He was also granted certificates of appreciation from His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the United Arab Emirates and Ruler of Dubai, for his nomination in the Dubai Government Excellence Program, for the category of "distinguished employee" in the financial field, 2002 and 2006. He has also obtained several different certificates in the fields of administration, finance, excellence and strategy along with professional and leadership certificates. Since 1993, Ahli has been a certified auditor by the Audit Department of Ministry of Economy, and an active member of the association of the UAE Accountants and Auditors, and a member of the International Arab Society of Certified Accountants.

Ahli has co-authored two books: "Government Administration" and "Calculating and Auditing Hotel Sales Fee in the Emirate of Dubai". He is a certified lecturer and presented several lectures and courses in financial and administrative fields. He is also the Knowledge Ambassador at the Mohammed bin Rashid School of Government.

Over the years, Ahli held several positions where he was a member of several committees at the level of the UAE government, including the Dubai Financial Support Fund Committee, the Dubai Educational Land Allocation Committee, the Board of Directors of Jumeirah Golf Estates Company, and the Knowledge Fund Committee. He was and still a member of various judicial committees and the Government Financial Policy Coordination Council at UAE level, the Real Estate Acquisition Committee, in addition to the membership of several committees within the general institutional framework such as the budget management committee for the budgets of strategic programs of government entities.

Executive Management

In addition to the members of the Board, the day-to-day management of the Company's operations, effective from the date of Listing, is expected to be conducted by the following executive management team.

Name	Year of birth	Nationality	Position	Year appointed
Abdulla Belhoul	1978	UAE	Chief Executive Officer	2022
Michael Wunderbaldinger	1963	Austria	Chief Financial Officer	2022
Ammar Al Malik	1984	UAE	Executive Vice President (Commercial Leasing)	2022

Name	Year of birth	Nationality	Position	Year appointed
Saud Abu Alshawareb	1984	UAE	Executive Vice President (Industrial Leasing)	2022
Haif Zamzam	1986	UAE	Senior Vice President (Strategy and Marketing)	2022
Abdulla Bahroozyan	1984	UAE	Senior Vice President (Engineering)	2022
Ahmad Al Mheiri	1977	UAE	Senior Vice President (Business Services)	2022

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

Abdulla Belhoul – Chief Executive Officer

Abdulla Belhoul is the Chief Executive Officer of the TECOM Group. Prior to his appointment as Chief Executive Officer, Abdulla was the Chief Commercial Officer of DHAM, where he managed an extensive portfolio of 10 business districts, 20 leading retail destinations and 15 residential communities. He also oversaw the functions and teams responsible for customer experience and smart services.

Abdulla was appointed Chief Executive Officer of Dubai Industrial City in 2013 and Chief Commercial Officer of TECOM in 2018 for the retail and residential portfolio under DHAM.

Between 2007 and 2013, Abdulla held various leadership positions in Dubai Holding, overseeing the construction of key projects that make up Dubai's skyline today. From 2002 to 2007, he held various managerial positions at Dubai World Trade Centre and the Dubai Department of Civil Aviation's Engineering.

Abdulla holds an MBA from the Higher Colleges of Technology (United Arab Emirates) and a Bachelor's in Engineering Management from the same institution. Abdulla has also completed several executive and board level programs, including the INSEAD Executive Development Programme.

Abdulla also serves or has served on the board of directors of several organisations which are set out below.

Position	Start Date	End Date (if applicable)
Member of the board of Emirates Integrated Telecommunication Company ("du")	Oct-2021	N/A
Member of the board of Dubai Hills Estate Retail LLC	Dec-2020	N/A
Member of the board of Axiom Limited	Jan-2019	N/A
Member of the board of Emirates Central Cooling Systems Corporation	Feb-2018	Oct-2021
Member of the board of Dubai Creek Harbour LLC	Apr-2014	Sep-2021

Michael Wunderbaldinger – *Chief Financial Officer*

Michael Wunderbaldinger is the Group Chief Financial Officer of the TECOM Group. Michael joined the TECOM Group in 2014 as the Chief Financial Officer and served as the Chief Financial Officer of DHAM from 2020 to June 2022. During this period, he also served as Member of the Investment & Allocation Committee of TECOM Group (from 2014 to 2017), Dubai Holding (from 2015 to 2017) and Jumeirah Group (from 2016 to 2017). Before this, Michael was the Chief Financial Officer at Unibail-Rodamco-Westfield from 2007 to 2013, a listed and fully integrated commercial real estate conglomerate in Europe, where he was responsible for operations in Central & Eastern Europe. Between 1997 and 2007, Michael held various chief financial officer and chief operating officer roles at General Electric (GE Capital) with various responsibilities for European wide operations in both, the banking and real estate industry. Prior to this, Michael held various senior analyst and financial roles at IBM Europe.

Michael has extensive experience across a range of finance and accounting, tax, investment and operations disciplines including M&A, real estate valuations, modelling, deal structuring and due diligence, asset and portfolio management as well as corporate governance and compliance.

Michael holds a Masters degree in Economics and Business from Vienna University of Economics and Business Administration (Austria), as well as an MBA in General Management from Erasmus University, Rotterdam School of Management (The Netherlands). He also holds an MBA (MBA Exchange Program) in Financial Management & Strategy from the University of Texas, Austin (United States).

Michael also serves or has served on the board of directors of several organisations which are set out below.

Position	**Start Date**	**End Date (if applicable)**
Member of the Advisory Board of Emirates REIT (CEIC) PLC, Dubai	Oct-2014	N/A
Member of the board of Arady Developments LLC	Aug-2020	N/A
Member of the board of Merex Investment Group LLC	Nov-2020	N/A
Member of the Investment and Allocation Committee of Jumeirah Group	Nov-2016	Apr-2017
Member of the board of Unibail-Rodamco Invest GmbH	Oct-2007	Oct-2013
Member of the board of General Electric Austria GmbH	Aug-2000	Sep-2007
Member of the board of GE Capital Bank GmbH	Apr-1997	Aug-2000
Member of the Supervisory Board of AVABANK AG	Oct-1997	Jun-1998
Member of the Supervisory Board of KREDITBANK GmbH	Nov-1998	Dec-2000

Ammar Al Malik – Executive Vice President (Commercial Leasing)

Ammar Al Malik is the Executive Vice President of Commercial Leasing at the TECOM Group. Ammar is responsible for the growth and development of nine business communities and for building an innovative ecosystem for companies and individuals.

Ammar joined the TECOM group in 2005, and most recently served as the Managing Director of Dubai Internet City Ammar began his career as a Strategic Planning Officer at the Dubai E-Government Department. In 2005 Ammar joined the TECOM group and in his 16 years at the TECOM group, Ammar has held a variety of leadership positions including Director of Operations, Director Business

Development and Managing Director of Dubai Internet City and Dubai Outsource City, where he assumed the leadership of the biological technology sector within the Group's portfolio and established the position of those districts until they have become the most significant forum for regional.

Ammar holds an MBA from the Kwansei Gakuin University (Japan) and a Bachelor's Degree in E-Commerce from Higher Colleges of Technology (United Arab Emirates). Ammar has also completed several executive programmes including the INSEAD Executive Development Programme.

Saud Abu Alshawareb– Executive Vice President (Industrial Leasing)

Saud Abu Alshawareb is the Executive Vice President of Industrial Leasing at the TECOM Group. In his current role he is responsible for nurturing relationships with customers and attracting new business, determining Dubai Industrial City's strategic vision, and planning and implementing the long-term business strategies to develop the sector as Dubai becomes a major destination for local, regional and global industrial and logistics companies. Saud has extensive experience and expertise in the food and beverage, machinery and equipment, transportation, minerals, base metals and chemical sectors.

Before being appointed Executive Vice President, Saud was Managing Director and Chief Operating Officer of Dubai Industrial City, where he was responsible for leading all aspects of the business operations from business development and facilities management to master planning. Saud commenced his career at Tatweer, a member of the Dubai Holding group in 2006 as a Civil Engineer and was promoted to a Project Manager in 2010, contributing to the project management of construction and design of Dubai Industrial City projects. Between 2011 and 2016 Saud held various leadership roles in Dubai Industrial City including Head of Operations and Executive Director of Partner Relations.

Saud holds a Masters degree in Engineering Management from the University of Wollongong in Dubai and a BSc in Civil Engineering from the University of Sharjah (United Arab Emirates).

Haif Zamzam – Senior Vice President (Strategy and Marketing)

Haif is the Senior Vice President of Strategy and Marketing at the TECOM group. Haif is responsible for leading the Strategy and Marketing team, which plans, manages and advances short and long term strategy development, product development, pricing, market intelligence, feasibility analysis, valuation, marketing and communications.

Haif joined the TECOM group in July 2020 as Executive Director of Business and Corporate Strategy. Between 2016 and 2020, Haif held various leadership positions in Abu Dhabi National Oil Company (ADNOC), including as Vice President Transformation & Business Support, Vice President Group Strategy and Manager of the Transformation's Project Management Office. Haif previously served on the board of ADNOC's Al Dhafra Petroleum during her time at ADNOC. Prior to 2016, Haif was responsible for overseeing and managing the energy assets within Mubadala Development Company's portfolio. Between 2013 and 2014, she was with the Boston Consulting Group and worked on a range of projects covering the GCC region in both the public and private sectors. Haif commenced her career in 2008 at Masdar Group and was there until 2012, where she was an active private equity investor and asset manager.

Haif holds an MBA from INSEAD (France) and a Bachelors Degree in Business Administration with concentration in Finance and Economics from the American University of Sharjah (United Arab Emirates). Haif also completed Hawkamah's Director Development Programme and the ADNOC Future Leaders Programme during her tenor at ADNOC.

Abdulla Bahroozyan – Senior Vice President (Engineering)

Abdulla is the Senior Vice President of Engineering at TECOM Group. Abdulla is responsible for the provision of state-of-the-art services and value-added engineering management solutions to TECOM Group in the areas of sustainable building solutions, facilities management, HSE, project delivery, interior design and overall property management.

Prior to that, Abdulla held the position of Executive Director of Facilities Management & HSE at Tamdeen LLC (which is part of TECOM) since 2013, where he was responsible for leading the facilities operations, the performance of all the assets and the health and safety of all stakeholders visiting or working within the portfolio. Abdulla joined TECOM Group in 2012 as Director of Facilities Management. Prior to that, between 2010 and 2012, Abdulla was in charge of facilities maintenance at National Petroleum Construction Company where in addition to facility maintenance, he was responsible for executing construction of offshore and onshore camp accommodation, office renovation and refurbishment. Abdulla commenced his career in 2007 as a Civil Engineer at Dubai Technology and Media Free Zone Authority working on construction permits and general civil work, a role he held until 2010.

Abdulla holds a Master's in Project Management from The British University in Dubai (United Arab Emirates) and a Bachelors Degree in Civil Engineering from Higher Colleges of Technology (United Arab Emirates).

Ahmad Al Mheiri – Senior Vice President (Business Services)

Ahmad is the Senior Vice President of Business Services at the TECOM Group. Ahmad is responsible for digitalising the customer journey through the continuous enhancement of the axs smart platform to provide a one-stop-shop to customers and business professionals, entrepreneurs, specialists and students across TECOM business districts.

Ahmad joined the TECOM group in 2017 as an Executive Director in axs and was responsible for leading digital transformation initiatives and the adoption of the state of the art technologies, enabling the platform to provide a smooth 24 hour experience. Prior to 2017, Ahmad held senior leadership roles at Twofour54. Between 2016 and 2017, Ahmad was the Executive Director of Business Development, Real Estate and Government Services at Twofour54, where he was responsible for leasing, partner relations and government relations. Between 2014 and 2016, Ahmad was the Executive Director of Business Development and Property Management at Twofour54. Ahmad has extensive experience with over 15 years working within free zones in the UAE. Prior to 2014, Ahmad worked at Khalifa Industrial Zone and Jebel Ali Free Zone Authority.

Ahmad holds a Bachelors Degree of Business Administration in Management from Dubai University College (United Arab Emirates).

Group Structure Chart

The Group's structure chart is appended to this Prospectus at Annex (5).

Employment positions held by the prospective Board members within any of the Company's subsidiaries and/or other joint stock companies in the UAE:

None of the prospective Board members hold any employment positions with the Company's subsidiaries.

Ahmed Al Qassim serves as the Senior Executive Vice President of Corporate and Institutional Banking at Emirates NBD Bank PJSC.

Employment positions held by the above-mentioned members of the executive management of the Company within any of the Company's subsidiaries and/or other joint stock companies in the UAE:

The above-mentioned members of the executive management of the Company are employed by the following subsidiaries:

Name	Legal Entity
Abdulla Belhoul	TECOM Investments FZ LLC
Abdulla Bahroozyan	TECOM Investments FZ LLC
Ammar Al Malik	TECOM Investments FZ LLC
Michael Wunderbaldinger	TECOM Investments FZ LLC
Ahmad Al Mheiri	AXS FZ LLC
Saud Abu Al Shawareb	Dubai Industrial City LLC
Haif Zamzam	TECOM Investments FZ LLC

Conditions of eligibility and election of the Board:

Board members will be elected by a General Assembly Meeting by cumulative voting through secret ballot (the "**Cumulative Voting Procedure**"). However, the first appointment of the Directors listed in the Fifth Section was made by the Selling Shareholder.

Director's competencies and responsibilities:

The principal duties of the Board are to provide the Company's strategic leadership, to determine the fundamental management policies of the Company and to oversee the performance of the Company's business. The Board is the principal decision-making body for all matters that are significant to the Company, whether in terms of their strategic, financial or reputational implications. The Board has final authority to decide on all issues save for those which are specifically reserved to the General Meeting of Shareholders by law or by the Company's Articles of Association.

The key responsibilities of the Board include:

- determining the Company's strategy, 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 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.

Members of the Board are appointed by the Shareholders for three-year terms. Board members may serve any number of consecutive terms.

All members of the Board will be formally appointed at the constitutive general assembly of the Company (the "**Constitutive General Assembly**") which will be held on 30 June 2022, electronically without physical attendance of the shareholders at 09:00 a.m.

The business address of each of the Directors is TECOM Group PJSC, Office No. 1, Umm Suqeim, P.O. Box 66000, Dubai, UAE.

Board Committees

On and following Listing, the Board intends to operate and constitute an Audit Committee, a Nomination and Remuneration Committee and a Risk Committee. The Chairman is not permitted to be a member of any of these Committees. If necessary, the Board may establish additional committees as appropriate.

The table below sets forth the expected membership on each of the committees of the Board on and following Listing.

Director	**Audit Committee**	**Nomination and Remuneration Committee**	**Risk Committee**
Chairperson	Arif Ahli	Ahmed Al Qassim	Arif Ahli
Member	Ahmed Al Qassim	Aisha Abdulla Miran	Ahmed Al Qassim
Member	Amit Kaushal	Omar Karim	Amit Kaushal
Member	n.a.	Fatma Hussain	n.a.

A high-level overview of the mandate of each of these committees, as at Listing, is set out below.

Audit Committee

On and following Listing, the Audit Committee intends to give due consideration to the applicable laws and regulations of the UAE, the SCA and the DFM, including the provisions of the Governance Rules.

From an audit perspective, the Audit Committee intends to assist the Board in discharging its responsibilities with regard to financial reporting, external and internal audits and controls, including reviewing and monitoring the integrity of the Company's annual and interim financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors, overseeing the relationship with the external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of the Company's internal audit function.

The ultimate responsibility for reviewing and approving the annual report and accounts is expected to remain with the Board. The Audit Committee intends to take appropriate steps to ensure that the Company's external auditors are independent of the Company as required by the Governance Rules 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 Governance Rules require that the Audit Committee must comprise at least three members who are Non-Executive Directors and have knowledge and expertise in financial and accounting matters, and at least two members must be independent. One of the independent members must be appointed as the Chairperson of the Audit Committee. On and following Listing, the members of the Audit Committee are expected to be Arif Ahli (Chairperson and independent Non-Executive Director), Ahmed Al Qassim (independent Non-Executive Director) and Amit Kaushal (Non-Executive Director). The Audit Committee is required to meet at least four times a year.

Nomination and Remuneration Committee

On and following Listing, the Nomination and Remuneration Committee intends to assist the Board in discharging its responsibilities relating to the composition and make-up of the Board and any committees of the Board. It is responsible for evaluating the balance of skills, knowledge and experience and the size, structure and composition of the Board and committees of the Board and, in particular, for monitoring the independent status of the independent Non-Executive Directors. It is also expected to be responsible for periodically reviewing the Board's structure and identifying potential candidates to be appointed as Directors or committee members as the need may arise. In addition, the Nomination and Remuneration Committee intends to assist the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Company's policy on executive remuneration, setting the over-arching principles, parameters and governance framework of the remuneration policy and determining the individual remuneration and benefits package of each of the Company's Directors and senior management.

The Governance Rules require that the Nomination and Remuneration Committee must comprise of at least three members who are Non-Executive Directors, of whom at least two must be independent. One of the independent members must be appointed as the Chairperson of the Nomination and Remuneration Committee. On and following Listing, the members of the Nomination and Remuneration Committee are expected to be Ahmed Al Qassim (Chairman and independent Non-Executive Director), Aisha Abdulla Miran (independent Non-Executive Director), Omar Karim (Non-Executive Director) and Fatma Hussain (Non-Executive Director). The Nomination and Remuneration Committee is required to meet not less than once a year.

Risk Committee

On and following Listing, the Risk Committee intends to assist the Board in discharging its responsibilities relating to the evaluation of current and potential future risk and compliance exposure of the Company. It is expected to be responsible for: (i) development and implementation of the Company's governance, risk management, internal control and compliance framework; (ii) development of risk management tools and monitoring the effectiveness of such tools; (iii) development and implementation of risk management strategies; (iv) compliance with regulatory requirements relating to risk management; (v) public reporting on risk management matters; and (vi) overseeing the development and implementation of the Company's business plan and strategic priorities and providing recommendations to the Board. It is expected that the Risk Committee will also be tasked with promoting a risk and compliance awareness culture throughout the Company.

On and following Listing, the Risk Committee's purview will also comprise a focus on ESG matters, which is intended to benefit its shareholders, host communities, employees and suppliers. From an ESG perspective, the primary objective of the Risk Committee is expected to involve assisting the Board in supporting the Company in fulfilling its responsibilities in respect to ESG matters, including: (i) setting the company's ESG framework and strategy, including financial and non-financial targets and key performance indicators; (ii) developing, implementing, reviewing and monitoring initiatives and policies based on the Company's ESG framework and strategy; (iii) overseeing internal and external communications with respect to ESG; and (iv) monitoring and assessing developments relating to, and improving the Company's understanding of, ESG.

From an ESG perspective, the principal duties of the Risk Committee are expected to include: (i) reviewing and overseeing the content of and approach to the Company's ESG framework and strategy taking into account the Company's core objectives; (ii) ensuring that the Company's ESG framework and strategy is considered by the Board as part of the overall business strategy of the Company; (iii) reviewing the Company's reporting of its sustainability performance, ESG framework and strategy, along with any proposed recommendations or actions; (iv) reviewing, challenging and approving annual sustainability KPIs and related targets in line with the Company's ESG framework and strategy; (v) assisting the Board in overseeing internal and external communications regarding the position and approach to ESG, including advising the Board regarding shareholder proposals and other significant shareholder concerns relating or connected to ESG, and ensuring external reporting of sustainability and ESG performance aligns to market good practice; and (vi) considering any other matters as may be requested by the Board.

On and following Listing, the members of the Risk Committee are expected to be Arif Ahli (Chairperson and independent Non-Executive Director), Ahmed Al Qassim (independent Non-Executive Director) and Amit Kaushal (Non-Executive Director). The Risk Committee is required to meet at least twice a year.

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, recommend by the Board and approved by the General Assembly.
- The priority right to subscribe for new shares in the case of a share capital increase of the Company 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.
- 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.

Memorandum of Association and Articles of Association

The full text of the Memorandum of Association and Articles of Association of the Company are annexed to the Prospectus in Annex (2).

Legal matters

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

- **Conversion**

The Company will be converted from a limited liability company into a public joint stock company prior to Listing. The Company's Memorandum of Association and Articles of Association referred to in this Prospectus are the Memorandum of Association and the Articles of Association which the Company will adopt upon conversion.

- **Articles of Association**

The Company's Articles of Association describe the rights and obligations associated with the ownership of the Shares in detail.

- **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 their Shares.

- **Share register**

Upon Listing on the DFM, the Shares will be dematerialised and the share register will be maintained by the DFM.

- **Financial information**

A Shareholder is entitled to request a copy of the annual audited consolidated 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. The first financial year of the Company will start upon incorporation of the Company as a public joint stock company and end on December 31 of the following year.

- **Dividends and liquidation proceeds**

The Company shall pay dividends on Shares in compliance with the regulations and decisions issued by SCA. 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 shareholders' approval, the Company may distribute interim dividends on a semi-annual or quarterly basis.

- **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 favour 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 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. In the event that there is an equality of votes by the directors, then the Chairman shall have a casting vote.

Independent Auditors

Deloitte & Touche (M.E.) audited the Company's special purpose carve-out financial statements as of and for the years ended 31 December 2019, 2020 and 2021 and reviewed the Company's special purpose condensed interim carve-out financial statements as of and for the three months ended 31 March 2021 and 2022, as described in their reports which are attached at Annex (1).

Deloitte & Touche (M.E.)
Emaar Square Building 3,
Downtown Dubai,
P.O. Box 4254,
Dubai, UAE

Details of any employee ownership scheme

The Company does not have any employee share ownership schemes.

Acknowledgement issued by the Founders' Committee

The members of the Founders' Committee of **TECOM Group PJSC** (a public joint stock company under incorporation in the Emirate of Dubai, UAE), in their joint and several capacity, hereby acknowledge full responsibility with respect to the validity of the data and information contained in this Prospectus. Having exercised the standard of care of a reasonable person, they confirm that there is no material fact or information the lack of which in this Prospectus will make any statement contained therein be misleading or influential in the investment decision of the Subscribers.

They are committed to the issuance and disclosure rules issued by the SCA and undertake to notify the SCA of any material events or changes that may affect the financial position of the Company as of the date of submitting to the SCA the application to offer the Shares for public subscription until the date that the subscription process starts. They also confirm that they applied adequate diligence in concluding agreements that determine the duties and responsibilities of the parties participating in the subscription process according to the best terms available at the contractual date and pursuant to the requirements issued by the SCA.

Upon any change or amendment in the subscription information or conditions, they undertake to notify the SCA immediately and to obtain the approval of the SCA on the advertisements, publication and promotional campaigns that the Company may wish to publish to promote and introduce the subscription.

Upon the completion of the subscription, they undertake to convene the constitutive general assembly on the date, time and place mentioned in this Prospectus and to complete the registration and Listing of the subscribed Shares with the competent bodies within a period not exceeding the time appointed by the SCA.

Annex (1) – Financial Statements

TECOM INVESTMENTS LLC AND ITS SUBSIDIARIES

CARVE-OUT FINANCIAL STATEMENTS
FOR THE YEARS ENDED
31 DECEMBER 2021, 2020 AND 2019

CARVE-OUT FINANCIAL STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 and 2019

Deloitte & Touche (M.E.)
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INDEPENDENT AUDITOR'S REPORT

The Shareholders
TECOM Investments LLC
Dubai
United Arab Emirates

Report on the audit of the carve-out financial statements

Opinion

We have audited the carve-out financial statements of TECOM Investments LLC (the "Company") and its subsidiaries (together, the "Group"), which comprise the carve-out balance sheet as at 31 December 2021, 2020 and 2019, and the carve-out statement of income, carve-out statement of comprehensive income, carve-out statement of changes in equity and carve-out statement of cash flows for the years then ended, and notes to the consolidated financial statements including a summary of significant accounting policies.

In our opinion, the accompanying carve-out financial statements present fairly, in all material respects, the carve-out financial position of the Group as at 31 December 2021, 2020 and 2019, and its financial performance and its cash flows for the years then ended, in accordance with the accounting policies described in note 2 to the carve-out financial statements.

Basis for opinion

We conducted our audits 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 carve-out financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the other ethical requirements that are relevant to our audit of the Group's carve-out financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter- basis of preparation

We draw attention to notes 1 and 2 to the carve-out financial statements, which describe the basis of accounting. The carve-out financial statements have been prepared to assist the Group to comply with the financial reporting provisions relating to the listing of the Group's shares on the Dubai Financial Market. As a result, the carve-out financial statements may not be suitable for another purpose.

Responsibilities of management and those charged with governance for the carve-out financial statements

Management is responsible for the preparation and fair presentation of the carve-out financial statements in accordance with the accounting policies described in note 2 of the carve-out financial statements, and for such internal control as management determines is necessary to enable the preparation of carve-out financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the carve-out financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Cont'd…

Deloitte.

INDEPENDENT AUDITOR'S REPORT

to the Shareholders of TECOM Investments LLC (continued)

Auditor's responsibilities for the audit of the carve-out financial statements

Our objectives are to obtain reasonable assurance about whether the carve-out 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 carve-out 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 carve-out financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with 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.

Deloitte & Touche (M.E.)

Musa Ramahi
Registration No.: 872
21 March 2022
Dubai
United Arab Emirates

CARVE-OUT BALANCE SHEET AS AT 31 DECEMBER 2021, 2020 AND 2019

	Note	As at 31 December 2021 AED'000	2020 AED'000	2019 AED'000
ASSETS				
Property and equipment	5	108,296	110,111	117,318
Investment property	6	13,368,160	13,188,221	12,770,291
Intangible assets	7	34,317	33,400	39,128
Derivative financial instruments	8	73,116	-	-
Trade and unbilled receivables	9	925,801	946,776	754,680
Other receivables	10	80,983	103,984	111,803
Due from related parties	11	527,054	379,219	384,424
Cash and bank balances	12	1,246,399	2,153,102	2,067,774
Total assets		**16,364,126**	**16,914,813**	**16,245,418**
EQUITY AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital	13	300	300	300
Legal reserve	14	171,518	171,518	154,945
Hedge reserve		7,441	(108,562)	(77,244)
Retained earnings		5,434,003	6,105,043	6,053,148
Total equity		**5,613,262**	**6,168,299**	**6,131,149**
LIABILITIES				
Government grants	15	-	28,375	45,760
Bank borrowings	16	3,965,120	3,933,750	3,287,283
Trade and other payables	17	3,101,937	3,109,594	3,249,042
Provision for other liabilities and charges	18	2,499,156	2,475,905	2,409,897
Due to related parties	11	1,095,031	1,044,195	1,012,167
Derivative financial instruments	8	89,620	154,695	110,120
Total liabilities		**10,750,864**	**10,746,514**	**10,114,269**
Total equity and liabilities		**16,364,126**	**16,914,813**	**16,245,418**

These carve-out financial statements were approved on 21 March 2022 and signed by:

…………………………………	…………………………………
Malek Sultan Rashed Almalek	**Michael Wunderbaldinger**
General Manager	Chief Financial Officer

CARVE-OUT STATEMENT OF INCOME FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019

		Year ended 31 December		
	Note	2021 AED'000	2020 AED'000	2019 AED'000
Revenue	20	1,765,629	1,766,707	1,840,113
Direct costs	21	(731,310)	(712,916)	(704,700)
Gross profit		**1,034,319**	**1,053,791**	**1,135,413**
Release of government grants	15	-	5,139	8,285
Other income	25	49,635	63,853	50,471
		1,083,954	**1,122,783**	**1,194,169**
Expenses				
General and administrative	22	(254,948)	(244,916)	(254,219)
Marketing and selling	24	(32,938)	(45,186)	(67,658)
Other expenses		-	(136)	(996)
		(287,886)	**(290,238)**	**(322,873)**
Operating profit		**796,068**	**832,545**	**871,296**
Finance income	26	31,682	33,080	71,768
Finance costs	26	(258,913)	(286,545)	(309,474)
Finance costs - net		**(227,231)**	**(253,465)**	**(237,706)**
Profit for the year		**568,837**	**579,080**	**633,590**
Profit attributable to:				
Owners of the parent		568,837	579,080	633,590
Non-controlling interests		-	-	-
		568,837	**579,080**	**633,590**
Earnings per share attributable to the Owners of the parent				
Basic and diluted	27	**1,896**	**1,930**	**2,112**

The notes on pages 9 to 66 are an integral part of these carve-out financial statements.

CARVE-OUT STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019

	Note	Year ended 31 December 2021 AED'000	2020 AED'000	2019 AED'000
Profit for the year		**568,837**	**579,080**	**633,590**
Other comprehensive income				
Items that may be reclassified to profit or loss				
Fair value loss on cash flow hedges	8	116,003	(31,318)	(91,329)
Other comprehensive income for the year		**116,003**	**(31,318)**	**(91,329)**
Total comprehensive income for the year		**684,840**	**547,762**	**542,261**
Attributable to				
Owners of the parent		684,840	547,762	542,261
Non-controlling interests		-	-	-
		684,840	**547,762**	**542,261**

CARVE-OUT STATEMENT OF CHANGES IN EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019

		Attributable to owners of the Parent Company				
	Note	Share capital AED'000	Legal reserve AED'000	Hedge reserve AED'000	Retained earnings AED'000	Total equity AED'000
At 1 January 2021		**300**	**171,518**	**(108,562)**	**6,105,043**	**6,168,299**
Comprehensive income:						
Profit for the year		-	-	-	568,837	568,837
Other comprehensive income:						
Fair value loss on cash flow hedges		-	-	116,003	-	116,003
Total comprehensive income for the year		**-**	**-**	**116,003**	**568,837**	**684,840**
Transactions with owners						
Increase as a result of the carve-out	2.2	-	-	-	172,945	172,945
Dividends declared	19	-	-	-	(1,400,000)	(1,400,000)
Transfer to Ultimate Shareholder		-	-	-	(12,822)	(12,822)
		-	**-**	**-**	**(1,239,877)**	**(1,239,877)**
At 31 December 2021		**300**	**171,518**	**7,441**	**5,434,003**	**5,613,262**
At 1 January 2020		**300**	**154,945**	**(77,244)**	**6,053,148**	**6,131,149**
Comprehensive income:						
Profit for the year		-	-	-	579,080	579,080
Other comprehensive income:						
Fair value loss on cash flow hedges		-	-	(31,318)	-	(31,318)
Total comprehensive income for the year		**-**	**-**	**(31,318)**	**579,080**	**547,762**
Transactions with owners						
Increase as a result of the carve-out	2.2	-	-	-	139,388	139,388
Transfer to legal reserve		-	16,573	-	(16,573)	-
Dividends declared	19	-	-	-	(650,000)	(650,000)
		-	**16,573**	**-**	**(527,185)**	**(510,612)**
At 31 December 2020		**300**	**171,518**	**(108,562)**	**6,105,043**	**6,168,299**

The notes on pages 9 to 66 are an integral part of these carve-out financial statements.

CARVE-OUT STATEMENT OF CHANGES IN EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

		Attributable to owners of the Parent Company				
	Note	Share capital AED'000	Legal reserve AED'000	Hedge reserve AED'000	Retained earnings AED'000	Total equity AED'000
At 1 January 2019		**300**	**112,829**	**14,085**	**6,665,662**	**6,792,876**
Comprehensive income:						
Profit for the year		-	-	-	633,590	633,590
Other comprehensive income:						
Fair value loss on cash flow hedges		-	-	(91,329)	-	(91,329)
Total comprehensive income for the year		**-**	**-**	**(91,329)**	**633,590**	**542,261**
Transactions with owners						
Increase as a result of the carve-out	2.2	-	-	-	265,592	265,592
Transfer to legal reserve		-	42,116	-	(42,116)	-
Dividends declared	19	-	-	-	(1,469,580)	(1,469,580)
		-	**42,116**	**-**	**(1,246,104)**	**(1,203,988)**
At 31 December 2019		**300**	**154,945**	**(77,244)**	**6,053,148**	**6,131,149**

CARVE-OUT STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019

	Note	2021 AED'000	2020 AED'000	2019 AED'000
Cash flows from operating activities				
Cash generated from operations	28	1,260,691	980,680	928,225
Payment of employees' end of service benefits and other liabilities and charges	18	(6,302)	(7,071)	(4,846)
Net cash generated from operating activities		**1,254,389**	**973,609**	**923,379**
Cash flows from investing activities				
Purchase of property and equipment	5	(8,854)	(6,069)	(8,169)
Payments for investment property, net of project and retention payables		(597,632)	(764,797)	(661,441)
Purchase of intangible assets	7	(13,877)	(13,062)	(19,394)
Movement in fixed deposits with maturities greater than three months		1,104,631	(138,232)	671,921
Interest received		9,494	33,080	71,768
Net cash generated from/(used in) investing activities		**493,762**	**(889,080)**	**54,685**
Cash flows from financing activities				
Proceeds from loans		118,861	650,002	2,889,825
Repayment of loans		(96,463)	(12,789)	(2,986,831)
Interest paid		(249,941)	(264,034)	(273,951)
Dividends paid		(1,400,000)	(650,000)	(500,000)
Funds transferred to Parent Company		(68,744)	-	-
Capital contribution		146,064	139,388	265,592
Net cash used in financing activities		**(1,550,223)**	**(137,433)**	**(605,365)**
Net increase/(decrease) in cash and cash equivalents		**197,928**	**(52,904)**	**372,699**
Cash and cash equivalents, beginning of the year	12	570,255	623,159	250,460
Cash and cash equivalents, end of the year		**768,183**	**570,255**	**623,159**

Significant non-cash transactions during the year include:

- Settlement of dividend of AED NIL (2020: AED NIL and 2019: AED 969,580,000) against the receivable balance from the Parent Company.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019

1. LEGAL STATUS AND ACTIVITIES

TECOM Investments LLC (the “Company” or “TECOM”) is a limited liability company incorporated in the Emirate of Dubai, United Arab Emirates (“UAE”) on 19 July 2005. The Company’s registered address is P.O. Box 73000, Dubai, United Arab Emirates.

The Company is a wholly-owned subsidiary of DHAM LLC (the “Parent Company”). Dubai Holding LLC is the ultimate parent company (“Ultimate Parent Company”). The Ultimate Shareholder of the Company is His Highness Sheikh Mohammed Bin Rashid Al Maktoum (the “Ultimate Shareholder”). The Company and its subsidiaries are collectively referred to as the Group (the “Group”).

During the year, the Ultimate Parent Company announced their intention to list certain percentage of their shares in the Company through an Initial Public Offering (“IPO”) and subsequently list the Company on the Dubai Financial Market (“DFM” or the “Exchange”). As part of the proposed IPO, the legal status of the Company will be converted from a Limited Liability Company (L.L.C.) to a Public Joint Stock Company (“PJSC”) and will be known as TECOM Investments PJSC upon receipt of the appropriate approval from the Ministry of Economy.

Pursuant to the announcement, the Ultimate Parent Company approved a group reorganization whereby the Company will transfer operations related to its property sales division and equity investments division (the “Divisions”) to entities under common control prior to the date of proposed IPO which will be accounted for as an adjustment to the statements of changes in equity.

As a result of the Group reorganisation, the operations remaining within TECOM after the IPO will include property development, leasing, facilities management, property management services and visa and incorporation services (the “IPO Perimeter”).

Accordingly, these represent the carve-out financial statements of the IPO Perimeter described in the previous paragraph and are prepared for the special purpose of inclusion in the IPO prospectus related to the listing of the shares of TECOM on DFM and in accordance with the requirements of DFM.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

The carve-out financial statements of the Group have been prepared in accordance with International Financial Reporting Standard (IFRS), except for the transfer of the operating activities of the Divisions as described in note 1 to the carve-out financial statements.

2.2 Basis of preparation

The carve-out financial statements of the Group have been prepared on a carve-out basis from the consolidated financial statements of the Group for the years ended 31 December 2021, 31 December 2020 and 31 December 2019 by excluding the operating activities of the Divisions and only reflecting the IPO Perimeter as described in Note 1. Any adjustments arising from the transfer out of Divisions within the statement of income and the balance sheet are reflected within equity of the carve-out financial statement.

The carve-out financial statements may not be indicative of Group’s future performance and they do not necessarily reflect what its carve-out result of operations, financial position and cashflows would have been, had the Divisions actually been transferred in prior years.

The carve-out financial statements are presented in United Arab Emirates (AED) which is the Company's functional currency and the Group's presentation currency. All amounts have been rounded to the nearest AED thousands (‘000s), unless stated otherwise.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of preparation (continued)

The carve-out financial statements have been prepared on the historical cost basis, except for the revaluation of financial instruments that are measured at fair values at the end of each reporting period and derivative financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these carve-out financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as value in use in IAS 36.

The preparation of carve-out financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the carve-out financial statements are disclosed in Note 4.

The principal accounting policies applied in the preparation of these carve-out financial statements are set out below. These policies have been consistently applied to all the years presented.

For the year ended 31 December 2021, the Group has applied a number of amendments to IFRS standards and interpretations issued by the IASB that are effective for an annual period that begins on or after 1 January 2021. Their adoption has not had any material impact on the disclosures or on the amounts report in these carve-out financial statements:

a) Interest Rate Benchmark Reform - Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Covid-19-Related Rent Concessions beyond 30 June 2021 Amendments to IFRS 16.

b) New standards and interpretations issued but not yet effective nor early adopted.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Group. None of these are expected to have a material impact on the carve-out financial statements of the Group.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Principles of consolidation

(a) Subsidiaries

The Group consolidates investments in the following principal subsidiaries:

		Ownership %		
Name of the entity	**Nature of business**	**2021**	**2020**	**2019**
Subsidiaries:				
TECOM Investments FZ LLC	Develop and lease properties	100	100	100
Dubai Industrial City LLC*	Develop and lease properties	100	100	100
Dubai Design District FZ LLC	Develop and lease properties	100	100	100
Tamdeen LLC*	Project management engineering and feasibility studies	100	100	100
Dubai Design District Hospitality FZ LLC	Lease of land and development of property within Dubai and value added real estate services	100	100	100
AXS FZ LLC	Incorporation and visa related services	100	100	100
DMC Butterfly Building FZ LLC	Real estate services	100	100	100
Innovation Hub FZ-LLC	Real estate services	100	100	100
IN5 FZ LLC	Regional headquarters for real estate services	100	100	100
DIC 1 FZ LLC	Develop properties and real estate services	100	100	100
DIC 2 FZ LLC	Develop properties and real estate services	100	100	100
DKV 1 FZ LLC	Develop properties and real estate services	100	100	100
Innovation Hub Phase 1 FZ-LLC	Real Estate services	100	100	100
Master Project 1 FZ-LLC	Real Estate services	100	100	100

*The ownership percentage represents the beneficial ownership of the Group in these subsidiaries.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s identifiable net assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Principles of consolidation (continued)

(a) Subsidiaries (continued)

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the carve-out statement of income.

Business combinations involving entities under common control do not fall under the scope of IFRS 3 “Business Combinations”. Transfer of businesses under common control is accounted for under the uniting of interest method. Under the uniting of interest method there is no requirement to fair value the assets and liabilities of the transferred entities and hence no goodwill is created as the balances remain at book value.

Where settlement of any part of the net identifiable assets acquired is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity’s incremental borrowing rate, being the rate at which similar borrowings could be obtained from independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in the carve-out statement of income.

(b) Eliminations on consolidation

Intercompany transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the carve-out statement of income, carve-out statement of comprehensive income, carve-out statement of changes in equity and carve-out balance sheet.

(c) Changes in ownership interests in subsidiaries without change in control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Principles of consolidation (continued)

(d) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the carve-out financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The carve-out financial statements are presented in United Arab Emirates Dirhams ("AED"), which is the Company's functional and Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the carve-out statement of income, except when deferred in other comprehensive income and accumulated in equity as qualifying cash flow hedges and qualifying net investment hedges.

Balances and transactions denominated in US dollars ("USD") have been translated into the presentation currency at a fixed rate as the exchange rate of AED to USD has been pegged since 1981.

Foreign exchange gains and losses that relate to borrowings are presented in the carve-out statement of income within 'Finance income' or 'Finance costs'. All other foreign exchange gains and losses are presented in the carve-out statement of income within 'Other operating expense'. Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as fair value through other comprehensive income are included in other comprehensive income.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Property and equipment

Property and equipment are stated at cost less accumulated depreciation. The cost of property and equipment is its purchase cost together with any incidental costs of acquisition. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance costs are charged to the carve-out statement of income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using straight-line method, at rates calculated to reduce the cost of assets to their estimated residual value over their expected useful lives, as follows:

Type of assets	Years
Buildings	20 - 50
Building interior improvements, furniture and fixtures	3 - 10
Computer hardware	3 - 5
Motor vehicles	5
Other assets	3 - 5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.9).

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are recognised within 'Other operating income/expense' in the carve-out statement of income.

2.6 Investment property

Investment property comprises property held for capital appreciation, rental yields or both, and is carried at cost less accumulated depreciation and impairment losses, if any. Investment property also includes related infrastructure and property that is being constructed or developed for future use as investment property. In addition, land held for undetermined use is classified as investment property and is not depreciated. Investment property is stated at cost less accumulated depreciation and impairment. The Group engages professionally qualified external valuers at least once every three years to determine the fair values for disclosure purposes. The fair values for all other years are updated by management by using models and bases similar to the external valuers.

When the development of investment property commences, it is classified under capital work-in-progress until development is complete, at which time it is transferred to the respective category, and depreciated on the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Type of assets	Years
Buildings and infrastructure	20 - 50

Any expenditure that results in the maintenance of property to an acceptable standard or specification is treated as repairs and maintenance and is expensed in the period in which it is incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Investment property (continued)

Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale or becomes owner-occupied, the property is transferred to property held for development sale or property and equipment respectively.

When investment property is sold, gains and losses on disposal are determined by reference to its carrying amount and are taken into account in determining operating profit.

Capital work in progress are properties or assets in the course of construction for production, supply or administrative purposes, are carried at cost, less any recognised impairment loss. Cost includes all direct costs attributable to the acquisition of the property including related staff costs, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. When the assets are ready for intended use, the capital work in progress is transferred to the appropriate investment property category and is accounted in accordance with the Group's policies.

2.7 Intangible assets

(a) Computer software

The Group's computer software comprises software acquired or software developed by the Group entities. Acquired computer software licenses are capitalised on the basis of the costs incurred to bring to use the specific software. Costs associated with maintaining computer software programs are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

i) it is technically feasible to complete the software product so that it will be available for use;

ii) management intends to complete the software product and use or sell it;

iii) there is an ability to use or sell the software product;

iv) it can be demonstrated how the software product will generate probable future economic benefits;

v) adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and

vi) the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. These costs are amortised over their estimated useful lives of 3 - 5 years. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Intangible assets which are in the course of development, are carried at cost, less any recognised impairment loss. When the assets are ready for intended use, the capital work in progress is transferred to the appropriate investment property category and is accounted in accordance with the Group's policies.

(b) Licenses

Separately acquired software licenses are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its property and equipment, investment property 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 to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Groups CGUs to which the individual assets are allocated.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years.

2.9. Investments and other financial assets

2.9.1 Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- Those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt instruments only when its business model for managing those assets changes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9. Investments and other financial assets (continued)

2.9.2 Recognition and derecognition

Purchases and sales of financial assets are recognised on the date on which the Group commits to purchase or sell the asset. The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

2.9.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in the carve-out statement of income.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the carve-out statement of income and presented in 'Other operating income/expense'.

Impairment losses are presented under 'General and administrative expenses' in the carve-out statement of income.

Fair value through other comprehensive income

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income.

Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the carve-out statement of income.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the carve-out statement of income and recognised in 'Other operating income/expenses'. Interest income from these financial assets is included in 'Finance income' using the effective interest rate method. Exchange gains and losses are presented in 'Other operating income/expenses' and impairment expenses are presented under 'General and administrative expenses' in the carve-out statement of income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investments and other financial assets (continued)

2.9.3 Measurement (continued)

Debt instruments (continued)

Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the carve-out statement of income within ‘Other operating income/expenses’ in the period they arise.

Equity instruments

The Group subsequently measures all equity investments at fair value. The Group’s management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group’s right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in ‘Other operating income/expenses’ in the carve-out statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

IFRS 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at fair value through profit or loss (FVTPL). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset’s original effective interest rate.

2.9.4 Impairment of financial assets

For trade and unbilled receivables and other receivables, the Group has applied the standard’s simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group’s historical credit loss experience, adjusted for forward-looking factors specific to the debtor’s general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting day, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9.4 Impairment of financial assets (continued)

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating.
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost.
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.
- An actual or expected significant deterioration in the operating results of the debtor.
- Significant increases in credit risk on other financial instruments of the same debtor.

An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default.
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term.
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts. The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9.4 Impairment of financial assets (continued)

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor.
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower
- A breach of contract, such as a default or past due event (see (ii) above)
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- The disappearance of an active market for that financial asset because of financial difficulties

(iv) Write-off policy

The Group writes off a financial asset considering various factors which includes but not limited to the information indicating debtor's severe financial difficulty and no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount of guaranteed debt that has been drawn down as at the reporting date, together with any additional guaranteed amounts expected to be drawn down by the borrower in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9.4 Impairment of financial assets (continued)

(v) Measurement and recognition of expected credit losses (continued)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16. For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used. The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve and does not reduce the carrying amount of the financial asset in the balance sheet.

2.10 Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship (see Hedge accounting policy). The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the ‘Other gains and losses' line item in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Financial liabilities and equity (continued)

***Financial liabilities** (continued)*

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for- trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.11 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the carve-out balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.12 Trade receivables

Trade receivables are amounts due from customers for land and properties sold or services performed in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances in current accounts, call accounts and term deposits with original maturity of three months or less with no withdrawal restrictions and which are subject to an insignificant risk of changes in value and cash pledged against guarantees.

2.14 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the carve-out statement of income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the carve-out statement of income.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed. Borrowings are classified as payable within 12 months unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.16 Government grants

Land granted to the Group by the Government of Dubai is initially recognised at fair value prevailing at the time of the grant, as determined by independent qualified appraisers, and recognised as an asset with a corresponding credit to deferred government grant. This is subsequently released to the carve-out statement of income as follows:

i. Where land is held for sale or lease after development, the grant is released when development of the land, in accordance with master plans approved by the Group, has commenced.
ii. Where land is held for leasing, the grant is released on commencement of the lease.
iii. Where land is granted with a specific condition, the grant is released when the condition is fulfilled.

Where plots of land are developed in phases, the elements of grants released to the carve-out statement of income are calculated by using the square footage of those plots of land on a pro-rata basis.

Returns of granted land on instructions of the Government of Dubai and impairment losses or reversals of impairment on granted land that arise prior to the conditions attached for release of government grants are met, are adjusted directly against government grant liability in the carve-out balance sheet.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Provisions (continued)

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. Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

2.18 Employee benefits

(a) End of service benefits to non-UAE nationals

Provision is made for the end of service benefits due to employees in accordance with the UAE Labour Law for their periods of service up to the balance sheet date. The provision is calculated as the present value of the obligations in accordance with the 'projected unit cost' method as per IAS 19 'Employee Benefits' taking into consideration the UAE Labour Laws. Under this method an assessment is made of the employee's expected service life with the Group and the expected basic salary at the date of leaving the service.

(b) Pension and social security policy within the UAE

The Group is a member of the pension scheme operated by the Federal Pension General and Social Security Authority. Contributions for eligible UAE National employees are made and charged to the carve-out statement of income, in accordance with the provisions of Federal Law No. 7 of 1999 relating to Pension and Social Security Law. The Group has no further payment obligations once the contributions have been paid.

2.19 Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities (fair value hedge) or hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions. Derivatives are only used by the Group for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria under IFRS, they are classified as 'held for trading' for accounting purposes only. The fair values of various derivative instruments used for hedging are disclosed in Note 10. Movements in the hedging reserve is disclosed in the carve-out statement of changes equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability when expected to be settled within 12 months; otherwise, they are classified as non-current.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Derivative financial instruments and hedging activities (continued)

The Group uses interest rate swaps for hedging, which are commitments to exchange one set of cash flows for another. Swaps result in an economic exchange of interest rates (for example, fixed rate for floating rate). No exchange of principal takes place. The Group's credit risk represents the potential cost to replace the interest rate swap contracts if counterparties fail to perform their obligation. This risk is monitored on an ongoing basis with reference to the current fair value, a proportion of the notional amount of the contracts and the liquidity of the market.

(a) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the carve-out statement of income within 'Finance income/costs.

Amounts accumulated in equity are recycled in the carve-out statement of income in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the carve-out statement of income within 'Finance costs'. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example inventory or fixed assets), the gains and losses previously recorded in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in direct costs.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss and deferred costs of hedging existing in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset (such as inventory) and is recognised when the forecast transaction is ultimately recognised in the carve-out statement of income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the carve-out statement of income within 'Finance income/costs'.

(b) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any these derivative instruments are recognised immediately in the carve-out statement of income within 'Finance income/costs'.

Derivatives are only used by the Group for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria under IFRS, they are classified as 'held for trading' for accounting purposes only. The fair values of various derivative instruments used for hedging are disclosed in Note 8.

2.20 Revenue recognition

The Group recognises revenue from contracts with customer based on five step model as outlined under IFRS 15:

Step 1 Identify the contract with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for each of those rights and obligations.

Step 2 Identify the performance obligations in the contract: A performance obligation in a contract is a promise to transfer a good or service to the customer.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Revenue recognition (continued)

Step 3 Determine the transaction price: Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods and services to a customer, excluding amounts collected on behalf of third parties.

Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5 Recognise revenue as and when the Group satisfies a performance obligation.

The Group recognises revenue over time if any one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance obligation completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied. When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance - unbilled receivables. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability – advances from customers.

Revenue is measured at the fair value of consideration received or receivable, taking into account the contractually agreed terms of payment excluding taxes and duties. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or an agent and has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the carve-out financial statements to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if and when applicable, can be measured reliably.

(a) Service charges

For investment properties held primarily to earn operating lease income, the Group enters as a lessor into lease agreements that fall within the scope of IFRS 16. Certain lease agreements include certain services offered to tenants (i.e., customers) including common area services (such as security, cleaning, maintenance, utilities) as well as other support services (e.g., customer service and management) The consideration charged to tenants for these services includes fees charged based on a percentage of the operating lease income and reimbursement of certain expenses incurred. These services are specified in the lease agreements and separately invoiced.

The Group has determined that these services constitute distinct non-lease components (transferred separately from the right to use the underlying asset) and are within the scope of IFRS 15. The contracts of the Group specifically highlight stand-alone price for the services. In respect of the revenue component, these services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Group. The Group applies the time elapsed method to measure progress.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Revenue recognition (continued)

(a) Service charges (continued)

Income arising from cost recharged to tenants is recognised in the period in which the cost can be contractually recovered. The Group arranges for third parties to provide certain of these services to its tenants. The Group concluded that it acts as a principal in relation to these services as it controls the specified services before transferring them to the customer. Therefore, the Group records revenue on a gross basis.

(b) Service income

Services revenue relates outsourcing services provided to a government authority in relation to incorporation, government and other related services. The revenue is recognised over time when the services are rendered.

2.21 Leases

(a) The Group as a Lessee

At inception of a contract, the Group 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 the Group 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 Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, where the contract is not separable into lease and non-lease component then the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group 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 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Leases (continued)

(a) The Group as a Lessee (continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. 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 Group'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 Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured 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 Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured 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.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Discounting of lease payments

The lease payments are discounted using the Group's incremental borrowing rate ("IBR"). For calculation of IBR, the Group has taken appropriate benchmarks after adjusting for Group's specific risk, term risk and underlying asset risk.

(b) The Group as a Lessor

The Group enters into lease arrangements as a lessor with respect to its investment properties. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Leases (continued)

(b) The Group as a Lessor *(continued)*

Operating lease income

The Group earns revenue from acting as a lessor in operating leases which do not transfer substantially all the risks and rewards incidental to ownership of an investment property. In addition, the Group subleases investment property acquired under head leases with lease terms exceeding 12 months at commencement. Subleases are classified as a finance lease or an operating lease by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying investment property. All the Group's subleases are classified as operating leases.

Operating lease income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term and is included in revenue in profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the underlying asset and recognised as an expense over the lease term on the same basis as the lease income.

Lease incentives that are paid or payable to the lessee are deducted from lease payments. Accordingly, tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Group is reasonably certain that the tenant will exercise that option. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in profit or loss when the right to receive them arises.

Finance leases

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying assets. 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 Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

Lease payments are payments made by a lessee to a lessor relating to the right to use an underlying asset during the lease term, comprising the fixed payments, less any lease incentives; variable lease payments; the exercise price for a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. When the Group is an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right of use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

Amounts from leases under finance lease are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases. When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's carve-out financial statements in the period in which the dividends are approved by the Company's shareholder.

2.23 Segment reporting

Reportable segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the reportable segments, has been identified as the Group's Chief Executive Officer that makes strategic decisions.

2.24 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.25 Interest income

Interest income is recognised in the carve-out statement of income on a time proportion basis using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivable is recognised using the original effective interest rate.

2.26 Dividend income

Dividend income is recognised when the right to receive the dividend is established.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities potentially expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the Group, with oversight from the Parent Company's Risk Management Department, under policies approved by the Executive Committee. The Risk Management Department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

The Executive Committee provides written principles for overall risk management, as well as written policies covering specific areas, such as market risk, credit risk and liquidity risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

The Group's risk management function continues to monitor the impact of COVID-19 and proactively manage any risk arising thereof.

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(a) Market Risk

i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Company's functional currency. The Group has no significant exposure to foreign exchange risk as majority of its transactions are in the respective functional currencies of the Group companies.

ii) Cash flow and interest rate risk

The Group is exposed to interest rate risk on its interest-bearing assets and liabilities. Borrowings at variable rates expose the Group to cash flow interest rate risk.

Based on the various scenarios, the Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating to fixed rates. In the case of long-term borrowings from banks and financial institutions the Group generally borrows funds at floating rates and swaps them into fixed rates. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional amounts.

At 31 December 2021, if interest rates on interest bearing financial assets had been 50 basis points (2020: 50 basis points and 2019: 50 basis points) higher/lower with all other variables held constant, post-tax profit for the year would have been AED 2,669,000 (2020: AED 8,727,000 and 2019: AED 12,848,000) higher/lower, mainly as a result of higher/lower interest income. In addition, at 31 December 2021 had the Group not entered in any interest rate swap agreements, if interest rates on borrowings had been 50 basis points (2020: 50 basis points and 2019: 50 basis points) higher/lower with all other variables held constant, post-tax profit for the year would have been AED 24,133,000 (2020: AED 13,715,000 and 2019: AED 19,264,000) lower/higher, mainly as a result of higher/lower interest expense.

(b) Credit risk

The Group is exposed to credit risk in relation to its monetary assets, mainly trade receivables, lease receivables, derivatives, unbilled receivables and bank deposits.

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. When such an event happens, it is considered as a default event. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management has established policies under which each new customer is analysed for creditworthiness before Group's standard payment and service delivery terms and conditions are offered.

The credit review can include customer reputation, customer segmentation, business plans, bank references and external credit worthiness databases when available. Derivative financial instruments and bank deposits are limited to high-credit-quality financial institutions. The Group has policies that limit the amount of credit exposure to any financial institution.

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

The credit quality of cash and bank balances at the balance sheet date can be assessed by reference to external credit ratings as illustrated in the table below:

Rating	2021 AED'000	2020 AED'000	2019 AED'000
A1	116,356	192,913	248,644
A3	1,118,306	1,387,167	1,083,174
Baa1	-	546,836	601,677
Baa3	-	-	115,123
Ba1	11,701	25,892	-
NA*	36	294	19,156
Total	**1,246,399**	**2,153,102**	**2,067,774**

**Balances maintained with banks having no formal credit rating. However, management views these banks to be high-credit-quality financial institutions.*

The rest of the carve-out balance sheet item, 'cash and bank balances' is cash on hand.

With respect to the credit risk arising from other financial assets of the Group, which comprise related party receivable, other receivables and deposits and financial assets at fair value through other comprehensive income the Group's exposure to credit risk arises from default of the counterparty, with maximum exposure equal to the carrying amount of these assets. The COVID-19 pandemic has increased the uncertainty over collectability of financial assets. Credit evaluation is performed by management on the financial condition of the counterparties to mitigate any increase in credit risk due to the pandemic.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available. Management reviews cash flows at regular intervals. The COVID-19 pandemic has also affected the liquidity in global and regional markets. The Group's management is continuously monitoring the liquidity position of the Group and taking necessary precautionary measures where needed.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the carve-out balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant:

	Less than 3 months AED'000	Between 3 months and 1 year	Between 1 and 5 years AED'000	More than 5 years AED'000
At 31 December 2021				
Bank borrowings	234,381	386,452	3,049,060	1,054,394
Trade and other payables	881,901	102,723	498,833	1,027,231
Derivative financial instruments	6,810	20,429	46,818	4,814
Due to related parties	1,095,030	-	-	-

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

	Less than 3 months AED'000	Between 3 months and 1 year	Between 1 and 5 years AED'000	More than 5 years AED'000
At 31 December 2020				
Bank borrowings	60,290	184,222	2,710,473	1,721,658
Trade and other payables	866,816	102,723	471,667	1,129,954
Derivative financial instruments	13,310	39,928	94,614	6,843
Due to related parties	1,044,195	-	-	-
At 31 December 2019				
Bank borrowings	52,025	161,014	2,119,036	2,291,575
Trade and other payables	847,802	102,723	429,886	1,335,400
Derivative financial instruments	5,008	15,023	71,536	18,533
Due to related parties	1,012,168	-	-	-

Note: Trade and other payables exclude unearned operating lease income and customer advances.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of gross debt (borrowings of the Group disclosed in note 16) and total equity of the Group

The Group has a target to keep its gearing ratio below 65%, which is determined as a proportion of gross debt to total capital (equity plus gross debt).

The gearing ratios at 31 December 2021, 2020 and 2019 were as follows:

	2021 AED'000	2020 AED'000	2019 AED'000
Total borrowings (Note 16)	3,965,120	3,933,750	3,287,283
Total equity	5,613,262	6,168,299	6,131,149
Total capital	**9,578,382**	**10,102,049**	**9,418,432**
Debt to total capital/ gearing ratio	**41.40%**	**38.94%**	**34.90%**

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the carve-out balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is based on valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, these instruments are included in level 2. All derivative financial instruments held by the Group have been categorised as level 2 as shown below, where the fair valuation of such instruments has been determined based on discounting future cash flows using observable discount factors. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties. There is no change in the valuation technique in comparison to prior years.

If one or more of the significant inputs is not based on observable market data, these instruments are included in level 3.

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2021:

	Level 2 AED'000
Assets	
Derivative designated as cash flow hedges	73,116
Liabilities	
Derivative designated as cash flow hedges	65,676
Derivatives held for trading	23,944

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2020:

	Level 2 AED'000
Liabilities	
Derivative designated as cash flow hedges	108,562
Derivatives held for trading	46,133

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2019:

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation (continued)

	Level 2 AED'000
Liabilities	
Derivative designated as cash flow hedges	77,244
Derivatives held for trading	32,876

There were no transfers between the levels for recurring fair value measured during the year.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. Other receivables and payables approximate their fair values.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Impact of COVID-19

In January 2020, the World Health Organization ("WHO") announced a global health emergency due to the outbreak of coronavirus ("COVID-19"). Based on the rapid increase in exposure and infections across the world, WHO, in March 2020, classified the COVID-19 outbreak as a pandemic. The pandemic nature of this disease has necessitated global travel restrictions and lockdowns in most countries of the world including the UAE, causing global disruption to business and economic activities

The Group is closely monitoring the situation to manage the impact on its operations and financial performance. The Group has considered the impact of the COVID-19 pandemic in the calculation of the recoverable amount of the non-financial assets and the estimated credit losses of the financial assets.

The unprecedented nature of the pandemic, the high degree of uncertainty related to its evolution, duration and impact on the economy in general and the Group's business in particular, requires that the Group continue to monitor the situation and keep adjusting its critical judgements and estimates, as necessary.

Income from leasing

As part of the Group's commitment to extend support to its tenants during the COVID-19 pandemic, the Group has offered voluntary arrangements of rent reliefs and incentives to its tenants, which are accounted for in accordance with the requirements of *IFRS 16: Leases*.

In addition, the pandemic has increased the uncertainty over collectability of the receivables. The Group considers that it is more appropriate to only recognise revenue and the corresponding receivables to the extent that the lease income is considered to be collectible. This approach reflects the uncertainty related to collectability of lease payments and addresses the concern of recognising income when collectability us uncertain.

There was no significant impact on the carve-out financial statements as a result of COVID-19 measures taken by the Group.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Key sources of estimation uncertainty (continued)

(b) Calculation of loss allowance

The Group assesses the impairment of its financial assets based on the expected credit loss ("ECL") model. Under the expected credit loss model, the Group accounts for expected credit losses and changes in those expected credit losses at the end of each reporting period to reflect changes in credit risk since initial recognition of the financial assets. The Group measures the loss allowance at an amount equal to lifetime ECL for its financial instruments.

When measuring ECL, the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The ECL model was reassessed for the impact of COVID-19 mainly the operational disruption faced by the tenants, volatility in potential economic conditions, incidence of defaults etc. which may likely lead to increase in the ECL allowance for trade receivables in line with the requirements of IFRS 9 Financial Instruments. This is mainly due to increase in the counterparty risk (risk of default) of tenants and customers. The Group will continue to monitor the situation and its impact on the ECL and make the necessary adjustments as and when required.

(c) Infrastructure estimates

The Group estimates the total costs to complete the projects and/or infrastructure. This requires the use of significant estimates and judgements to determine the quantum of infrastructure facilities required, the costs and time required to complete their construction, and the expected share of costs that may be recharged to the Group on account of infrastructure developed or under development by third parties or government authorities that are beyond the Group's control. The significant components of infrastructure include construction of roadworks and power stations to service the master planned communities. For the current year, the Group has performed assessment on the adequacy of the infrastructure estimates using internal specialists. The key input used, for roadworks related infrastructure estimates is information from traffic studies by Roads and Transport Authority (RTA) and the key input used for power stations related infrastructure estimates is the historical cost of constructing similar infrastructure assets, in addition to the stage of development of the master planned communities.

The estimate is based on management's best estimate at that date of the total costs to complete construction of the related infrastructure facilities, and the Group's final cost of infrastructure may ultimately be materially different.

(d) Useful lives of property and equipment and intangible assets

Management reviews the residual values and estimated useful lives of property and equipment and intangible assets at the end of each annual reporting period in accordance with IAS 16 and IAS 38. Management determined that current year expectations do not differ from previous estimates based on its review.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Key sources of estimation uncertainty (continued)

(e) Valuation of investment properties

The fair value of investment properties is determined by independent registered valuer or the internal valuation performed by the Group's finance department.

The fair values have been determined by taking into consideration market comparable and/or the discounted cash flows where the Group has on-going lease arrangements and operations. In this regard, the Group's current lease arrangements, which are entered into on an arm's length basis and which are comparable to those for similar properties in the same location, have been taken into account.

In case where the Group does not have any on-going lease arrangements, fair values have been determined, where relevant, having regard to recent market transactions for similar properties in the same location as the Group's investment properties. These values are adjusted for differences in key attributes such as property size.

The key assumptions on which management has based its cash flow projections when determining the fair value of the assets are as follows:

- Discount rate based on the Group's weighted average cost of capital with a risk premium reflecting the relative risks in the markets in which the businesses operate.
- Growth rate based on long-term rate of growth.

Management of the Group has reviewed the assumption and methodology used by the independent registered valuer and/or internal specialist and in their opinion these assumptions and methodology seems reasonable as at the reporting date considering the current economic and real estate outlook in UAE.

(f) Impairment of non-financial assets

Asset recoverability is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the higher of, the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate ("value in use"), and the assets' fair value less costs to sell.

No impairment charge has been recognised against property and equipment and investment property. The impairment charge has been determined as the difference between the carrying amount of the assets (before impairment charge) and their recoverable amount. The recoverable amount has been determined on the basis of "value in use".

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the management have mad e in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

(a) Identification of a cash generating unit

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Group determines the recoverable amount of the cash-generating unit ('CGU') to which the asset belongs (the asset's cash-generating unit). Where a reasonable and consistent basis of allocation can be identified, corporate assets (infrastructure costs) are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Critical judgements in applying the Group's accounting policies (continued)

(a) Identification of a cash generating unit (continued)

In identifying whether cash inflows from an asset (or group of assets) are largely independent of the cash inflows from other assets (or groups of assets), the Group considers various factors including how management monitors the Group's operations or how management makes decisions about continuing or disposing of the Group's assets and operations.

Certain assets developed to enhance the ecosystem of master planned communities do not generate cash inflows that are largely independent and generate incidental revenue only. Because these assets do not generate largely independent cash inflows, the recoverable amount of these assets cannot be determined. As a consequence, if there is an indication that these assets may be impaired, recoverable amount is determined for the cash-generating unit or group of cash-generating units to which these assets belong, and is compared with the carrying amount of this cash-generating unit or group of cash-generating units.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

5. PROPERTY AND EQUIPMENT

2021	Buildings AED'000	Building interior improvements, furniture and fixtures AED'000	Computer hardware AED'000	Motor vehicles AED'000	Other assets AED'000	Capital work in progress AED'000	Total AED'000
Cost							
At 1 January 2021	135,056	126,083	43,319	1,379	10,824	-	316,661
Additions	-	1,622	1,306	-	-	5,926	8,854
At 31 December 2021	135,056	127,705	44,625	1,379	10,824	5,926	325,515
Accumulated depreciation and impairment							
At 1 January 2021	43,726	114,302	39,763	462	8,297	-	206,550
Depreciation charge for the year	2,905	5,462	2,071	7	224	-	10,669
At 31 December 2021	46,631	119,764	41,834	469	8,521	-	217,219
Net book amount							
At 31 December 2021	88,425	7,941	2,791	910	2,303	5,926	108,296
2020							
Cost							
At 1 January 2020	135,056	122,973	43,161	1,379	8,049	-	310,618
Additions	-	3,110	184	-	2,775	-	6,069
Disposals	-	-	(26)	-	-	-	(26)
At 31 December 2020	135,056	126,083	43,319	1,379	10,824	-	316,661
Accumulated depreciation and impairment							
At 1 January 2020	41,026	106,984	37,051	453	7,786	-	193,300
Depreciation charge for the year	2,700	7,318	2,738	9	511	-	13,276
Disposals	-	-	(26)	-	-	-	(26)
At 31 December 2020	43,726	114,302	39,763	462	8,297	-	206,550
Net book amount							
At 31 December 2020	91,330	11,781	3,556	917	2,527	-	110,111

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

5. PROPERTY AND EQUIPMENT (CONTINUED)

2019	Note	Buildings AED'000	Building interior improvements, furniture and fixtures AED'000	Equipment and machinery AED'000	Computer hardware AED'000	Motor vehicles AED'000	Other assets AED'000	Capital work in progress AED'000	Total AED'000
Cost									
At 1 January 2019		**135,056**	**63,307**	**31,479**	**43,174**	**1,036**	**7,374**	**40**	**281,466**
Additions		-	6,772	-	732	-	605	60	8,169
Disposals		-	-	-	(101)	(112)	-	-	(213)
Transfers from investment property	6	-	21,196	-	-	-	-	-	21,196
Transfers within other captions of property and equipment		-	100	-	-	-	-	(100)	-
Reclassifications		-	31,598	(31,479)	(644)	455	70	-	-
At 31 December 2019		**135,056**	**122,973**	**-**	**43,161**	**1,379**	**8,049**	**-**	**310,618**
Accumulated depreciation and impairment									
At 1 January 2019		**38,326**	**62,635**	**24,222**	**34,449**	**1,011**	**6,911**	**-**	**167,554**
Depreciation charge for the year		2,700	7,461	-	2,703	9	875	-	13,748
Disposals		-	-	-	(101)	(112)	-	-	(213)
Transfers from investment property	6	-	12,211	-	-	-	-	-	12,211
Reclassifications		-	24,677	(24,222)	-	(455)	-	-	-
At 31 December 2019		**41,026**	**106,984**	**-**	**37,051**	**453**	**7,786**	**-**	**193,300**
Net book amount At 31 December 2019		**94,030**	**15,989**	**-**	**6,110**	**926**	**263**	**-**	**117,318**

The depreciation charge for the year is recognised under general and administrative expenses (Note 22) amounting to AED 10,669,000 (2020: AED 13,276,000 and 2019: AED 13,748,000).

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

6. INVESTMENT PROPERTY

2021	Note	Land AED'000	Buildings AED'000	Infrastructure AED'000	Capital work-in progress AED'000	Total AED'000
Cost						
At 1 January 2021		**3,940,983**	**9,380,275**	**4,422,476**	**4,353,727**	**22,097,461**
Government grants returned		(2,356)	-	-	(12,822)	(15,178)
Additions		-	58,233	-	482,051	540,284
Transfers from related parties		2,794	-	3,726	-	6,520
Transfers		-	196,765	260,761	(457,526)	-
At 31 December 2021		**3,941,421**	**9,635,273**	**4,686,963**	**4,365,430**	**22,629,087**
Accumulated depreciation and impairment						
At 1 January 2021		**1,946,344**	**3,698,624**	**1,236,298**	**2,027,974**	**8,909,240**
Depreciation charge for the year	21	-	266,232	85,455	-	351,687
Transfers		-	41,386	-	(41,386)	-
At 31 December 2021		**1,946,344**	**4,006,242**	**1,321,753**	**1,986,588**	**9,260,927**
Net book amount						
At 31 December 2021		**1,995,077**	**5,629,031**	**3,365,210**	**2,378,842**	**13,368,160**

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

6. INVESTMENT PROPERTY (CONTINUED)

2020	Note	Land AED'000	Buildings AED'000	Infras-tructure AED'000	Capital work-in-progress AED'000	Total AED'000
Cost						
At 1 January 2020		**3,936,897**	**8,688,511**	**4,113,916**	**4,588,744**	**21,328,068**
Government grants returned		-	-	-	(12,213)	(12,213)
Additions		-	124,917	804	655,885	781,606
Transfers		4,086	566,847	307,756	(878,689)	-
At 31 December 2020		**3,940,983**	**9,380,275**	**4,422,476**	**4,353,727**	**22,097,461**
Accumulated depreciation and impairment						
At 1 January 2020		**1,946,344**	**3,205,869**	**1,155,301**	**2,250,263**	**8,557,777**
Depreciation charge for the year	21	-	270,466	80,997	-	351,463
Transfers		-	222,289	-	(222,289)	-
At 31 December 2020		**1,946,344**	**3,698,624**	**1,236,298**	**2,027,974**	**8,909,240**
Net book amount						
At 31 December 2020		**1,994,639**	**5,681,651**	**3,186,178**	**2,325,753**	**13,188,221**

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

6. INVESTMENT PROPERTY (CONTINUED)

2019	Note	Land AED'000	Buildings AED'000	Infrastructure AED'000	Capital work-in-progress AED'000	Total AED'000
Cost						
At 1 January 2019		**3,929,625**	**8,071,118**	**3,851,681**	**4,651,801**	**20,504,225**
Additions		-	129,349	60	750,948	880,357
Write offs		-	-	-	(35,318)	(35,318)
Transfers to property and equipment	5	-	(21,196)	-	-	(21,196)
Transfers		7,272	509,240	262,175	(778,687)	-
At 31 December 2019		**3,936,897**	**8,688,511**	**4,113,916**	**4,588,744**	**21,328,068**
Accumulated depreciation and impairment						
At 1 January 2019		**1,946,344**	**2,783,268**	**1,065,087**	**2,485,112**	**8,279,811**
Depreciation charge for the year	21	-	246,057	78,460	-	324,517
Write offs		-	-	-	(34,340)	(34,340)
Transfers to property and equipment	5	-	(12,211)	-	-	(12,211)
Transfers		-	188,755	11,754	(200,509)	-
At 31 December 2019		**1,946,344**	**3,205,869**	**1,155,301**	**2,250,263**	**8,557,777**
Net book amount						
At 31 December 2019		**1,990,553**	**5,482,642**	**2,958,615**	**2,338,481**	**12,770,291**

The net book value of capital work-in-progress includes buildings of AED 867,262,000 (2020: of AED 711,255,000 and 2019: AED 810,592,000), land of AED 842,373,000 (2020: AED 842,586,000 and 2019: AED 855,252,000) and infrastructure of AED 54,429,000 (2020: AED 157,134,000 and 2019: AED 57,859,000).

The depreciation charge for the year is recognised under the 'direct costs' line item (Note 21).

During the year, borrowing costs amounting to AED NIL (2020: AED NIL and 2019: AED 6,579,000) have been capitalised in capital work-in-progress.

Certain investment property having a net book amount of AED 993,208,000 (2020: AED 1,013,081,000 and 2019: AED1,022,268,000) have been pledged as security against loan facilities obtained by the Group (Note 16).

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

6. INVESTMENT PROPERTY (CONTINUED)

The following amounts have been recognised in the carve-out statement of income in respect of investment property:

	Note	2021 AED'000	2020 AED'000	2019 AED'000
Operating lease income	20	1,610,458	1,674,049	1,720,182
Direct costs (including depreciation) arising from investment property that generated operating lease income		647,600	640,183	627,670

Valuation techniques underlying management's estimation of fair value

The 'Income capitalisation method' has been applied for the fair valuation of income generating properties.

The sales comparison and residual price methods have been applied for the valuation of land held by the Group.

'Income capitalisation method' is a growth implicit valuation technique. The term (current/passing) income is based on the gross income generated from the contracted lease agreement(s) in place (including any anticipated changes at future rent reviews) and the reversionary income stream is based on the estimated market rent of the property at the valuation date. The hypothetical purchaser's operating costs associated with ownership of the property (including current and future anticipated void periods) are deducted to arrive at the term and reversionary net operating income streams ("NOI"). The NOI streams are then capitalised over the term of the lease agreement(s) in place or in perpetuity respectively using a market related yield. The significant unobservable inputs used in the fair value measurement categorised within level 3 of the fair value hierarchy using income capitalisation method are stabilised average monthly market rent and capitalisation rate.

'Sales comparison method' involves determination of the value of the investment property with reference to comparable market transactions for properties in close proximity. These values are adjusted for differences in key attributes such as size, gross floor area and location. The valuation method adopted for these properties fall under level 3. The significant unobservable input used in the fair value measurement categorised within level 3 of the fair value hierarchy using sales comparison method is sales rate per Gross Floor Area ("GFA").

'Residual price method' involves determination of the estimated selling price of a project development on the respective plots of land; reduced by the estimated construction and other costs to completion that would be incurred by a market participant and an estimated profit margin that a market participant would require to hold and develop the plots to completion. The significant inputs into this valuation approach are the estimated selling prices, costs to complete and developers' margins. The significant inputs into this valuation approach are the estimated selling prices, costs to complete and developers' margins. The valuation method adopted for these land plots fall under level 3.

There were no changes to the valuation techniques during the years presented.

For all investment properties, their current use approximately equates to the highest and best use.

As at 31 December 2021, the fair value estimates of the Group's investment property are AED 19,132,000,000 (2020: AED 18,933,000,000 and 2019: AED 19,273,000,000).

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

6. INVESTMENT PROPERTY (CONTINUED)

Stabilised average monthly market rent - The projections for the operating performance are based on market analysis, past performance, budgeted performance, and market data, keeping in view the competitive landscape.

Capitalisation rate - A capitalisation rate from 8% to 14% was determined based on the quality and location of the properties.

Discount rate - A discount rate from 8% to 14% was determined based on the quality and location of the properties.

7. INTANGIBLE ASSETS

2021	Licenses AED'000	Computer software AED'000	Others AED'000	Total AED'000
Cost				
At 1 January 2021	**54,444**	**125,427**	**12,939**	**192,810**
Additions	1,391	11,945	541	13,877
Reclassifications within other captions	4,100	-	(4,100)	-
At 31 December 2021	**59,935**	**137,372**	**9,380**	**206,687**
Accumulated amortisation and impairment				
At 1 January 2021	**53,391**	**99,572**	**6,447**	**159,410**
Amortisation charge for the year	2,910	10,050	-	12,960
At 31 December 2021	**56,301**	**109,622**	**6,447**	**172,370**
Net book value				
At 31 December 2021	**3,634**	**27,750**	**2,933**	**34,317**

2020	Licenses AED'000	Computer software AED'000	Others AED'000	Total AED'000
Cost				
At 1 January 2020	**54,365**	**112,365**	**13,018**	**179,748**
Additions	-	13,062	-	13,062
Reclassifications within other captions	79	-	(79)	-
At 31 December 2020	**54,444**	**125,427**	**12,939**	**192,810**
Accumulated amortisation and impairment				
At 1 January 2020	**48,927**	**85,246**	**6,447**	**140,620**
Amortisation charge for the year	4,464	14,326	-	18,790
At 31 December 2020	**53,391**	**99,572**	**6,447**	**159,410**
Net book value				
At 31 December 2020	**1,053**	**25,855**	**6,492**	**33,400**

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

7. INTANGIBLE ASSETS (CONTINUED)

2019	Licenses AED'000	Computer software AED'000	Others AED'000	Total AED'000
Cost				
At 1 January 2019	**46,720**	**97,922**	**15,712**	**160,354**
Additions	7,645	11,221	528	19,394
Reclassifications within other captions	-	3,222	(3,222)	-
At 31 December 2019	**54,365**	**112,365**	**13,018**	**179,748**
Accumulated amortisation and impairment				
At 1 January 2019	**39,655**	**65,384**	**10,102**	**115,141**
Amortisation charge for the year	9,272	16,207	-	25,479
Reclassifications within other captions	-	3,655	(3,655)	-
At 31 December 2019	**48,927**	**85,246**	**6,447**	**140,620**
Net book value				
At 31 December 2019	**5,438**	**27,119**	**6,571**	**39,128**

The amortisation charge for the year has been included within 'General and administrative expenses' (Note 22).

8. DERIVATIVE FINANCIAL INSTRUMENTS

	Notional amount AED '000	Asset AED '000	Liabilities AED '000
2021			
Derivatives			
Interest rate swap contracts	545,000	-	23,944
Designated as cash flow hedges			
Interest rate swap contracts	5,793,837	73,116	65,676
Total	**6,338,837**	**73,116**	**89,620**
2020			
Derivatives			
Interest rate swap contracts	613,000	-	46,133
Designated as cash flow hedges			
Interest rate swap contracts	2,043,170	-	108,562
Total	**2,656,170**	**-**	**154,695**
2019			
Derivatives			
Interest rate swap contracts	676,500	-	32,876
Designated as cash flow hedges			
Interest rate swap contracts	2,346,068	-	77,244
Total	**3,022,568**	**-**	**110,120**

8. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

As described in Note 2.20, the Group uses derivatives only for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria under IFRS, they are classified as 'held for trading' for accounting purposes as required by IFRS. In particular, the Group uses interest rate swaps to minimise the effect of interest rate fluctuations on its borrowings. The contracts entered into by the Group are principally denominated in USD and AED. The fair value of these contracts are recorded in the carve-out balance sheet and is determined by reference to valuations by reputable external financial institutions.

Interest rate swaps are commitments to exchange one set of cash flows for another. The swaps result in an economic exchange of interest rates, no exchange of principal takes place. These swap transactions entitle the Group to receive or pay amounts derived from interest rate differentials between an agreed fixed interest rate and the applicable floating rate prevailing at the beginning of each interest period.

At 31 December 2021, the fixed interest rates vary from 0.57% to 4.32%per annum (2020: 0.38% to 2.15% per annum and 2019: 1.4% to 4.32% per annum). The main floating rates are linked to London Interbank Offered Rate ("LIBOR") and Emirates Interbank Offered Rate ("EIBOR").

Changes in the fair market values of interest rate swaps that are considered effective and designated as cash flow hedges are recognised in the hedge reserve in other comprehensive income. Amounts are reclassified to profit or loss when the associated hedged transaction affects profit or loss. There was no ineffectiveness to be recorded from the cash flow hedges. The change in fair values of interest rate swaps designated as cash flow hedges for the year ended 31 December 2021 amounted to a profit of AED 116,003,000 (2020: loss AED 31,318,000 AED and 2019: loss of AED 91,329,000).

Changes in the fair market values of other interest rate swaps which have not been designated and do not qualify as cash flow hedges are recorded in the carve-out statement of income. During the current period, the fair value gain on derivatives recognised in 'Finance income/costs' amounts to AED 22,188,000 (2020: loss AED 13,257,000 and 2019: loss AED 25,987,000) (Note 26).

9. TRADE AND UNBILLED RECEIVABLES

	2021 AED'000	2020 AED'000	2019 AED'000
Trade receivables	355,551	333,623	185,276
Less: loss allowance	(153,353)	(145,427)	(101,571)
	202,198	**188,196**	**83,705**
Less: receivable after 12 months	-	(5,765)	(35,309)
Receivable within 12 months	**202,198**	**182,431**	**48,396**
Unbilled receivables – operating leases	985,408	985,863	865,745
Less: loss allowance	(261,805)	(227,283)	(194,770)
	723,603	**758,580**	**670,975**
Less: receivable after 12 months	(723,603)	(758,580)	(670,975)
Receivable within 12 months	**-**	**-**	**-**
Trade and unbilled receivables			
Receivable within 12 months	202,198	182,431	48,396
Receivable after 12 months	723,603	764,345	706,284
	925,801	**946,776**	**754,680**

The fair values of trade and unbilled receivables approximate their carrying amounts.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

9. TRADE AND UNBILLED RECEIVABLES (CONTINUED)

The Group has a broad base of customers with no concentration of credit risk within trade receivables at 31 December 2021, 2020 and 2019.

	2021 AED'000	2020 AED'000	2019 AED'000
Trade receivables and unbilled receivables			
Not past due	984,344	981,174	832,836
Up to 3 months	119,042	131,718	15,323
3 to 6 months	36,083	49,189	53,827
Over 6 months	201,490	157,405	149,035
	1,340,959	**1,319,486**	**1,051,021**

	2021 AED'000	2020 AED'000	2019 AED'000
Loss allowance against trade and unbilled receivables			
Not past due	261,805	228,642	193,290
Up to 3 months	20,453	9,006	4,614
Up to 6 months	13,369	11,666	15,981
Over 6 months	119,531	123,396	82,456
	415,158	**372,710**	**296,341**

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable.

The provision against not past due receivables reflect loss allowance against specific customers considered having a higher probability of default.

The movement in the Group's loss allowance on trade receivables is as follows:

	2021 AED'000	2020 AED'000	2019 AED'000
At 1 January	**145,427**	**101,571**	**85,974**
Loss allowance	7,926	43,856	12,634
Transfer	-	-	2,963
At 31 December	**153,353**	**145,427**	**101,571**

The creation and release of the loss allowance on receivables have been included in the carve-out statement of income under general and administrative expenses. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash. The majority of the Group's trade and unbilled receivables are denominated in AED.

The movement in the Group's loss allowance on unbilled receivables is as follows:

	2021 AED'000	2020 AED'000	2019 AED'000
At 1 January	**227,283**	**194,770**	**196,832**
Loss allowance	54,873	34,399	22,982
Receivables written off	(20,351)	(1,886)	(25,044)
At 31 December	**261,805**	**227,283**	**194,770**

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

10. OTHER RECEIVABLES

	2021 AED'000	2020 AED'000	2019 AED'000
Advances to contractors	28,180	52,489	67,343
Prepayments	13,206	14,048	3,850
Other receivables	15,486	9,040	8,402
Finance lease receivables (i)	24,111	28,407	32,208
	80,983	**103,984**	**111,803**

(i) Finance lease receivables

Finance lease receivables relate to property leases with a lease term of up to 50 years. The lease term generally provides an option to lessees to buy the properties after initial period (usually 10 years). The leases carry interest rate linked to LIBOR.

A summary of the gross repayment schedule for the finance lease receivable is presented below:

	2021 AED'000	2020 AED'000	2019 AED'000
Within one year	4,121	4,121	4,121
After one year but not more than five years	20,340	24,705	25,115
More than five years	-	-	3,522
	24,461	**28,826**	**32,758**
Unearned future finance income on finance leases	(350)	(419)	(550)
Net investment in finance leases	**24,111**	**28,407**	**32,208**

Fair value of long-term finance receivables has been estimated by discounting the gross value of finance lease receivables using a borrowing rate of 6% (2020: 6% and 2019: 6%).

11. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties comprise shareholders, Ultimate Parent Company, Parent Company, associates and key management personnel and businesses which are controlled directly, by the shareholders or key management personnel.

(a) Due from related parties comprises:

	2021 AED'000	2020 AED'000	2019 AED'000
Other subsidiaries of Parent Company	108,080	33,364	8,816
Parent Company	254,086	304,896	338,127
Intermediate parent company	78,192	8,196	8,192
Other related parties	86,696	32,763	29,289
	527,054	**379,219**	**384,424**

The due from related parties as of 31 December 2021, 2020 and 2019 is receivable within 12 months in the carve-out balance sheet. The receivables are unsecured in nature and bear no interest. The maximum exposure to credit risk at the reporting date is the fair value of each of the amount receivable from related parties. The intermediate parent company of the Company is Dubai Holding Commercial Operations Group LLC (the "intermediate parent company"), which is the immediate parent company of the Company's Parent Company.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

11. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

(a) Due from related parties comprises (continued)

During the year a dividend of AED NIL (2020: AED NIL and 2019: AED (969,580,000) has been adjusted against the balance receivable from the Parent Company (Note 19).

The fair values of due from related parties approximate their carrying amounts and are fully performing at 31 December 2021, 2020 and 2019.

b) Due to related parties

	2021 AED'000	2020 AED'000	2019 AED'000
Ultimate Parent Company	146,757	103,721	76,875
Other subsidiaries of Parent Company	948,239	940,312	934,443
Other related parties	35	162	849
	1,095,031	**1,044,195**	**1,012,167**

The payables to related parties arise mainly from purchase transactions and are non-interest bearing.

(c) Related party transactions

Break up of other significant transactions with related parties in the normal course of the business is as follows:

	2021 AED'000	2020 AED'000	2019 AED'000
Services provided to related parties included in revenue:			
Operating lease income from fellow subsidiaries and others	30,728	28,386	33,866
Services income from the Parent Company and fellow subsidiaries	17,856	12,380	12,513
	48,584	**40,766**	**46,379**

	2021 AED'000	2020 AED'000	2019 AED'000
Services provided by related parties included in expenses:			
Direct costs - operation and maintenance costs			
Entities under common control	94,279	94,790	75,536
Other related parties	57,238	52,411	56,507
General and administrative expenses - communication			
Other related parties	4,111	3,056	3,983
General and administrative expenses - cost recharges			
Ultimate Parent Company	8,600	20,661	25,968
	164,228	**170,918**	**161,994**

The Group has incurred cost relating to shared services and has been recharged to its related parties.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

11. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

(d) Remuneration of key management personnel

The compensation to key management personnel for employee services is shown below:

	2021 AED'000	2020 AED'000	2019 AED'000
Salaries and other short-term employee benefits	7,738	7,936	15,351
End of service, termination and other post-employment	1,476	714	839
	9,214	**8,650**	**16,190**

12. CASH AND BANK BALANCES

	2021 AED'000	2020 AED'000	2019 AED'000
Cash on hand	871	766	552
Cash at banks			
- Current account	686,829	408,490	326,881
- Fixed deposits	558,699	1,743,846	1,740,341
	1,246,399	**2,153,102**	**2,067,774**

Cash and cash equivalents include the following for the purposes of the carve-out statement of cashflows:

	2021 AED'000	2020 AED'000	2019 AED'000
Cash and bank balances	1,246,399	2,153,102	2,067,774
Fixed deposits with maturities greater than 3 months	(478,216)	(1,582,847)	(1,444,615)
	768,183	**570,255**	**623,159**

Bank accounts are held with locally incorporated banks and branches of international banks. Fixed deposits carry interest in the range of 0.30% to 1.25% (2020: 0.38% to 2.15% and 2019: 2.10 % to 3.85%%) per annum.

13. SHARE CAPITAL

The total authorised and issued share capital of the company comprises 300 shares (2020: 300 shares and 2019: 300 shares) of AED 1,000 each. All shares are fully paid-up.

14. LEGAL RESERVE

In accordance with the Articles of Association, 10% of the profit for the year in each UAE limited liability registered company is transferred to a legal reserve, which is not distributable. Transfers to this reserve are required to be made until such time as it equals at least 50% of the paid up share capital of the respective companies. Transfers to the legal reserve have accordingly been made by the individual entities within the Group. Consequently, the cumulative balance of legal reserve exceeds 50% of the paid up share capital of the company.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

15. GOVERNMENT GRANTS

	2021 AED'000	2020 AED'000	2019 AED'000
At 1 January	**28,375**	**45,760**	**55,824**
Released to statement of income	-	(5,139)	(8,285)
Transfers to related party	(27,088)	(33)	(1,779)
Transfers from related party	1,069	-	-
Returned	(2,356)	(12,213)	-
	-	**28,375**	**45,760**

16. BANK BORROWINGS

	2021 AED'000	2020 AED'000	2019 AED'000
Bank borrowings	4,022,884	4,000,486	3,363,273
Unamortised issue costs	(57,764)	(66,736)	(75,990)
Carrying amount	**3,965,120**	**3,933,750**	**3,287,283**
Payable within 12 months	(302,015)	(15,676)	(3,237)
Payable after 12 months	**3,663,105**	**3,918,074**	**3,284,046**

On 6 February 2014, the Group entered into a loan facility amounting to AED 140,000,000. The purpose of the loan is project finance.

On 31 January 2019, the Group entered into a conventional and Ijara facility with a syndicate of banks for AED 606,000,000 loan facility. The purpose of the loan is to finance four projects of the Group. The loan will cover around 75% of the total construction cost in line with the agreement.

On 27 February 2019, the Group entered into a conventional and Ijara facility with a syndicate of banks for AED 7,000,000,000 loan facility. The purpose of the loan is to repay existing facilities and for general corporate purposes of the Group

The Group has undrawn floating rate borrowing amounting to AED 3,500,000,000 from the above facilities (2020: AED 3,682,512,000 from the above facilities and 2019: AED 4,332,512,000).

The Group has sufficient headroom to enable it to conform to covenants on its existing borrowings and sufficient working capital and undrawn financing facilities to service its operating activities and ongoing investments as at 31 December 2021, 2020 and 2019.

The Group has complied with all covenants in line with the borrowing facility agreements at each reporting period. The Group has not had any defaults of principal, interest or redemption amounts during the periods on its borrowed funds. Interest rates on the above bank borrowings ranged from 2.27% to 3.39% (31 December 2020: 2.83% to 4.33% and 31 December 2019: 4.51% to 5.85%) per annum.

Total borrowings of AED 3,965,120,000 (2020: AED 3,933,750,000 and 2019: AED 3,287,283,000) are subject to re-pricing within three months of the balance sheet date.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

16. BANK BORROWINGS (CONTINUED)

The maturity profile of the borrowings is as follows:

	2021 AED'000	2020 AED'000	2019 AED'000
Within one year	302,015	15,676	2,876
After one year but not more than five years	3,647,266	1,242,596	838,563
More than five years	73,603	2,742,214	2,521,834
	4,022,884	**4,000,486**	**3,363,273**

The fair value of borrowings payable within 12 months equals their carrying amount, as the impact of discounting is not significant.

Bank borrowings are denominated in the following currencies:

	2021 AED'000	2020 AED'000	2019 AED'000
UAE Dirham	3,189,198	3,157,828	2,655,891
US Dollar	775,922	775,922	631,392
	3,965,120	**3,933,750**	**3,287,283**

Total value of secured borrowings is AED 515,200,000 (2020: AED 491,559,000 and 2019: AED 503,202,000). The nature of securities provided in respect of bank borrowings by the subsidiaries of the Group include the following:

(a) Certain assets having a net book amount of AED 993,208,000 pledged as security (Note 6); and

(b) Assignment of operating lease income from the mortgaged land and associated leases.

17. TRADE AND OTHER PAYABLES

	2021 AED'000	2020 AED'000	2019 AED'000
Operating lease advances	1,118,389	1,100,611	1,168,733
Project payables	1,032,088	1,064,045	1,104,682
Contract advances	40,823	35,745	26,304
Retention payables	149,977	180,567	189,512
Accrued expenses	409,284	421,863	435,581
Refundable deposits	199,482	202,121	194,265
Trade payables	112,848	78,678	107,133
Other payables	39,046	25,964	22,832
	3,101,937	**3,109,594**	**3,249,042**
Less: payable after 12 months	(1,591,578)	(1,617,638)	(1,651,292)
Payable within 12 months	**1,510,359**	**1,491,956**	**1,597,750**

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

17. TRADE AND OTHER PAYABLES (CONTINUED)

Fair value of liabilities payable after 12 months has been estimated by discounting using a risk free rate plus liability specific discount rate of 6.49% (2020: 6.49% and 2019: 6.49%) and is based on inputs that are not based on observable market data and fall under level 3.

Movement of contract advances:

	2021 AED'000	2020 AED'000	2019 AED'000
At 1 January	**35,745**	**26,304**	**22,458**
Amount billed during the year	118,100	95,441	106,463
Revenue recognised during the year	(113,022)	(86,000)	(102,617)
	40,823	**35,745**	**26,304**

	2021 AED'000	2020 AED'000	2019 AED'000
Payable after 12 months			
Operating lease advances	671,476	946,298	652,501
Project payables	907,109	645,864	982,929
Contract advances	-	-	-
Retentions payable	12,993	25,476	15,862
	1,591,578	**1,617,638**	**1,651,292**

Fair value of retentions payable after 12 months has been estimated by discounting the gross value of these liabilities using a risk-free rate plus liability specific discount rate of 4.38% (2020: 3.80% and 2019: 4.80%) and is based on inputs that fall under the level 3 of the fair value hierarchy.

18. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	2021 AED'000	2020 AED'000	2019 AED'000
Provision for infrastructure cost	2,404,953	2,399,754	2,333,363
Provision for terminations and legal claims	22,213	15,796	15,650
Employee end of service benefits	71,990	60,355	60,884
	2,499,156	**2,475,905**	**2,409,897**

Analysis of total provisions:

2021

	Employees' end of service benefits AED'000	Provision for terminations and legal claims AED'000	Provision for infrastructure cost AED'000	Total AED'000
At 1 January	**60,355**	**15,796**	**2,399,754**	**2,475,905**
Charge	8,493	6,417	5,199	20,109
Transfers	9,444	-	-	9,444
Payments	(6,302)	-	-	(6,302)
At 31 December	**71,990**	**22,213**	**2,404,953**	**2,499,156**

18. PROVISIONS FOR OTHER LIABILITIES AND CHARGES (CONTINUED)

Analysis of total provisions *(continued):*

2020

	Employees' end of service benefits AED'000	Provision for terminations and legal claims AED'000	Provision for infrastructure cost AED'000	Total AED'000
At 1 January	**60,884**	**15,650**	**2,333,363**	**2,409,897**
Charge	6,542	146	66,391	73,079
Payments	(7,071)	-	-	(7,071)
At 31 December	**60,355**	**15,796**	**2,399,754**	**2,475,905**

2019

	Employees' end of service benefits AED'000	Provision for terminations and legal claims AED'000	Provision for infrastructure cost AED'000	Total AED'000
At 1 January	**60,009**	**16,029**	**2,250,184**	**2,326,222**
Charge/ (reversals)	5,721	(379)	83,179	88,521
Payments	(4,846)	-	-	(4,846)
At 31 December	**60,884**	**15,650**	**2,333,363**	**2,409,897**

(a) Employees' end of service benefits

In accordance with the provisions of IAS 19 'Employee Benefits', management has carried out an exercise to assess the present value of its obligations as at 31 December 2021, 2020 and 2019, using the projected unit credit method, in respect of employees' end of service benefits payable under the UAE labour law. Under this method an assessment has been made of the employee's expected service life with the Group and the expected basic salary at the date of leaving the service.

The principal actuarial assumptions used were as follows:

	2021 AED'000	2020 AED'000	2019 AED'000
Discount rate	4%	4%	4%
Salary increases	4%	4%	4%

(b) Provision for terminations/legal claims

In management's opinion, after taking appropriate legal advice, the outcome of the legal claim will not give rise to an outflow significantly higher than the amount provided as of 31 December 2021.

(c) Provision for infrastructure costs

Provision for infrastructure representing management's best estimate of the expected share of cost on account of infrastructure developed or under development by government authorities mainly pertaining to power stations and road works.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

19. DIVIDENDS

A dividend for the year ended 31 December 2021 of AED 1,400,000,000 (2020: AED 650,000,000 and 2019: AED 1,469,580,000) was approved by the shareholders of the Company on 28 December 2020. The dividend per share amounted to AED 4,709,407 (2020: AED 2,166,667 and 2019: AED 4,89,860). This dividend has been adjusted against the balance receivable from the Parent Company (Note 11).

20. REVENUE

	2021 AED'000	2020 AED'000	2019 AED'000
Operating lease income (Note 6)	1,610,458	1,674,049	1,720,182
Service income	155,171	92,658	119,931
	1,765,629	**1,766,707**	**1,840,113**

The payments for service income are received in advance and have no significant financing component.

The aggregate amount of sale price allocated to performance obligations that are unsatisfied/partially satisfied as at 31 December 2021 amounted to AED 40,823,000 (2020: AED 35,745,000 and 2019: AED 26,304,000). The Group expects to recognise revenue from these unsatisfied performance obligations over a period of 2 years.

21. DIRECT COSTS

	2021 AED'000	2020 AED'000	2019 AED'000
Depreciation (Note 6)	351,687	351,463	324,517
Operation and maintenance costs	333,674	318,456	337,818
Payroll and related costs (Note 23)	45,949	42,997	42,365
	731,310	**712,916**	**704,700**

22. GENERAL AND ADMINISTRATIVE EXPENSES

	2021 AED'000	2020 AED'000	2019 AED'000
Payroll and related costs (Note 23)	137,096	103,928	142,673
Loss allowance on receivables (Note 9)	62,799	78,255	35,616
Depreciation and amortisation (Notes 5 and 7)	23,629	32,066	39,227
Consultancy	20,619	21,172	21,578
Communication	6,529	3,416	5,427
Others	4,276	6,079	9,698
	254,948	**244,916**	**254,219**

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

23. PAYROLL AND RELATED COSTS

	2021 AED'000	2020 AED'000	2019 AED'000
Salaries and allowances	176,777	157,412	200,443
End of service benefits and pension	14,912	11,807	10,550
	191,689	**169,219**	**210,993**

	2021 AED'000	2020 AED'000	2019 AED'000
Payroll and related costs are split as follows:			
Direct costs (Note 21)	45,949	42,997	42,365
General and administrative expenses (Note 22)	137,096	103,928	142,673
Marketing and selling expenses (Note 24)	8,644	22,294	25,955
	191,689	**169,219**	**210,993**

24. MARKETING AND SELLING EXPENSES

	2021 AED'000	2020 AED'000	2019 AED'000
Promotions	21,062	20,802	36,829
Payroll and related costs (Note 23)	8,644	22,294	25,955
Advertising	3,232	2,090	4,874
	32,938	**45,186**	**67,658**

25. OTHER INCOME

	2021 AED'000	2020 AED'000	2019 AED'000
Lease termination and other penalties	-	19,786	19,986
Terminations and legal claims	-	-	20,216
Others	16,865	-	508
Cost recovery (i)	32,770	44,067	9,761
	49,635	**63,853**	**50,471**

(i) Cost recovery income relates to expenses recharged based on a cost sharing agreement with entities outside the Group.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

26. FINANCE COSTS - NET

	2021 AED'000	2020 AED'000	2019 AED'000
Finance costs on:			
Bank borrowings	(155,840)	(183,192)	(237,919)
Derivative financial instruments	(74,516)	(61,143)	(14,161)
Unwinding of discount on liabilities	(28,557)	(28,953)	(31,407)
Fair value loss on derivatives	-	(13,257)	(25,987)
Total finance costs	**(258,913)**	**(286,545)**	**(309,474)**
Finance income from:			
Short-term bank deposits	6,549	28,586	63,139
Fair value gain on derivatives	22,188	-	-
Others	2,945	4,494	8,629
Total finance income	**31,682**	**33,080**	**71,768**
Finance costs - net	**(227,231)**	**(253,465)**	**(237,706)**

27. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical. The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2021 AED'000	2020 AED'000	2019 AED'000
Earnings			
Earnings for the purpose of basic and diluted earnings per share (profit for the year attributable to owners of the Company)	**568,837**	**579,080**	**633,590**
Weighted average number of shares			
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	**300**	**300**	**300**
Basic and diluted earnings per share attributable to Owners of the Company in AED	**1,896**	**1,930**	**2,112**

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

28. CASH GENERATED FROM OPERATIONS

	Year ended 31 December		
	2021 AED'000	2020 AED'000	2019 AED'000
Profit for the year before income tax	568,837	579,080	633,590
Adjustments for:			
Depreciation on property and equipment (Note 5)	10,669	13,276	13,748
Depreciation on investment property (Note 6)	351,687	351,463	324,517
Amortisation of intangibles (Note 7)	12,960	18,790	25,479
Loss allowance on trade and other receivables (Note 9)	62,799	78,255	35,616
Release of government grants (Note 15)	-	(5,139)	(8,285)
Provisions for other liabilities and charges (Note 18)	14,910	6,688	5,342
Finance cost (Note 26)	258,913	286,545	309,474
Finance income (Note 26)	(31,682)	(33,080)	(71,768)
Changes in working capital			
Trade and other receivables before provision and write offs (Note 9)	(18,821)	(262,532)	(64,983)
Due from related parties (Note 11)	320,909	5,205	912,478
Trade and other payables excluding project payables (Note 17)	54,890	(89,866)	(371,626)
Due to related parties (Note 11)	(345,380)	31,995	(815,357)
Cash generated from operations	**1,260,691**	**980,680**	**928,225**

29. FINANCIAL INSTRUMENTS BY CATEGORY

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

	Financial assets at amortised cost AED'000	Financial assets at fair value through other comprehensive income AED'000	Financial assets at fair value through profit and loss AED'000	Total AED'000
31 December 2021				
Assets as per balance sheet				
Derivative financial instruments (Note 8)	-	73,116	-	73,116
Trade and other receivables (Note 9)	949,912	-	-	949,912
Due from related parties (Note 11)	527,054	-	-	527,054
Cash and cash equivalents (Note 12)	768,183	-	-	768,183
Total	**2,245,149**	**73,116**	**-**	**2,318,265**

Note: Trade and other receivables exclude advances to contractors, prepayments and other receivables.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

29. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

	Liabilities at fair value through profit and loss AED'000	Derivatives used for hedging AED'000	Other financial liabilities AED'000	Total AED'000
31 December 2021				
Liabilities as per balance sheet				
Trade and other payables (Note 17)	-	-	1,942,725	1,942,725
Derivative financial instruments (Note 8)	23,944	65,676	-	89,620
Due to related parties (Note 11)	-	-	1,095,030	1,095,030
Bank borrowings (Note 16)	-	-	3,965,120	3,965,120
Total	**23,944**	**65,676**	**7,002,875**	**7,092,495**

Note: Trade and other payables exclude operating lease advances and contract advances.

	Financial assets at amortised cost AED'000	Financial assets at fair value through other comprehensive income AED'000	Financial assets at fair value through profit and loss AED'000	Total AED'000
31 December 2020				
Assets as per balance sheet				
Trade and other receivables (Note 9)	975,183	-	-	975,183
Due from related parties (Note 11)	379,219	-	-	379,219
Cash and cash equivalents (Note 12)	570,255	-	-	570,255
Total	**1,924,657**	**-**	**-**	**1,924,657**

Note: Trade and other receivables exclude advances to contractors, prepayments and other receivables.

	Liabilities at fair value through profit and loss AED'000	Derivatives used for hedging AED'000	Other financial liabilities AED'000	Total AED'000
31 December 2020				
Liabilities as per balance sheet				
Trade and other payables (Note 17)	-	-	1,973,238	1,973,238
Derivative financial instruments (Note 8)	46,133	108,562	-	154,695
Due to related parties (Note 11)	-	-	1,044,195	1,044,195
Bank borrowings (Note 16)	-	-	3,933,750	3,933,750
Total	**46,133**	**108,562**	**6,951,183**	**7,105,878**

Note: Trade and other payables exclude operating lease advances and contract advances.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

29. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

	Financial assets at amortised cost AED'000	Financial assets at fair value through other comprehensive income AED'000	Financial assets at fair value through profit and loss AED'000	Total AED'000
31 December 2019				
Assets as per balance sheet				
Trade and other receivables (Note 9)	786,888	-	-	786,888
Due from related parties (Note 11)	384,424	-	-	384,424
Cash and cash equivalents (Note 12)	623,159	-	-	623,159
Total	**1,794,471**	**-**	**-**	**1,794,471**

Note: Trade and other receivables exclude advances to contractors, prepayments and other receivables.

	Liabilities at fair value through profit and loss AED'000	Derivatives used for hedging AED'000	Other financial liabilities AED'000	Total AED'000
31 December 2019				
Liabilities as per balance sheet				
Trade and other payables (Note 17)	-	-	2,054,005	2,054,005
Derivative financial instruments (Note 8)	32,876	77,244	-	110,120
Due to related parties (Note 11)	-	-	1,012,168	1,012,168
Bank borrowings (Note 16)	-	-	3,287,283	3,287,283
Total	**32,876**	**77,244**	**6,353,456**	**64,63,576**

Note: Trade and other payables exclude operating lease advances and contract advances.

30. NET DEBT RECONCILIATION

	2021 AED'000	2020 AED'000	2019 AED'000
Cash and bank balances	1,246,399	2,153,102	2,067,774
Borrowings - repayable within one year	(302,015)	(15,676)	(3,237)
Borrowings - repayable after one year	(3,663,105)	(3,918,074)	(3,284,046)
Net Debt	**(2,718,721)**	**(1,780,648)**	**(1,219,509)**

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

30. NET DEBT RECONCILIATION (CONTINUED)

	Cash and bank* AED'000	Borrowing due within 1 year AED'000	Borrowing due after 1 year AED'000	Total AED'000
Net debt as at 1 January 2021	**2,153,102**	**(15,676)**	**(3,918,074)**	**(1,780,648)**
Cash flows	(906,703)	96,463	(118,861)	(929,101)
Other non-cash movement	-	(382,802)	373,830	(8,972)
Net debt as at 31 December 2021	**1,246,399**	**(302,015)**	**(3,663,105)**	**(2,718,721)**
Net debt as at 1 January 2020	**2,067,774**	**(3,237)**	**(3,284,046)**	**(1,219,509)**
Cash flows	85,328	12,789	(650,002)	(551,885)
Other non-cash movement	-	(25,228)	15,974	(9,254)
Net debt as at 31 December 2020	**2,153,102**	**(15,676)**	**(3,918,074)**	**(1,780,648)**
Net debt as at 1 January 2019	**2,366,997**	**(352,135)**	**(3,016,124)**	**(1,001,262)**
Cash flows	(299,223)	12,785	84,221	(202,217)
Other non-cash movement	-	336,113	(352,143)	(16,030)
Net debt as at 31 December 2019	**2,067,774**	**(3,237)**	**(3,284,046)**	**(1,219,509)**

*The presentation of cash and bank balances within the net debt reconciliation is a voluntary inclusion in addition to the reconciliation of liabilities arising from financing activities as disclosed in the carve-out statement of cashflows.

31. COMMITMENTS

(a) Capital commitments

	2021 AED'000	2020 AED'000	2019 AED'000
Property and equipment	2,319,000	2,573,000	7,755,000
Intangible assets	8,416,000	9,915,000	18,275,000
Investment properties	291,037,000	667,967,000	676,906,000

(b) Operating lease arrangements - the Group as lessor

Operating non-cancellable leases relate to the investment property owned by the Group with lease terms of between 1 to 5 years for building leases and between 20 to 50 years for land leases.

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

	2021 AED'000	2020 AED'000	2019 AED'000
Later than 5 years	11,877,427	11,484,046	11,981,847
Later than 1 year and not later than 5 years	2,596,967	2,327,171	2,384,557
Not later than 1 year	816,312	756,791	850,679
	15,290,706	**14,568,008**	**15,217,083**

31. COMMITMENTS (CONTINUED)

c) Guarantees

In 2007, a subsidiary of the Group entered into an agreement with the Government of Malta in connection with an investment made through a related party SmartCity (Malta) Limited ("SCM") for real estate development in Kalkara, Malta. Under the agreement, the subsidiary constituted itself as guarantor of SCM in favor of Government of Malta for SCM's obligations.

The Group is negotiating with the Government of Malta the substitution of the subsidiary with a new guarantor SmartCity (Dubai) FZ-LLC ("SCD"), the Parent Company of SCM, subject to the approval of Ma5ltese Parliament.

In the interim, the subsidiary has entered into a back-to-back guarantee agreement with SCD, whereby SCD has irrevocably and unconditionally undertaken to pay any amount that becomes due and payable by the subsidiary under the agreement.

d) Letters of credit

Letters of credit have been issued of AED 41,265,000 (2020: AED 55,412,000 and 2019: AED 115,840,000) for construction of certain infrastructure projects.

32. SEGMENT REPORTING

Information regarding the Group's reportable segments is set out below in accordance with IFRS 8 Operating Segments. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Group's Chief Executive Officer, as the chief operating decision maker, in order to allocate resources to the segment and to assess its performance. Information reported to the Group's Chief Executive Officer for the purpose of resource allocation and assessment of segment performance focuses on the financial performance of each business segments only. No information that includes the segments' assets and liabilities are reported to the Group's Chief Executive Officer.

The Group is organised into four reportable segments: (i) commercial leasing, (ii) industrial leasing, (iii) land leasing and (iv) services and others. The following describes the types of properties, products or services that fall within each of our financial segments:

- Commercial leasing consists of built to lease and built to suit properties. Built to lease properties are our commercial properties which are typically developed for multiple tenants and are leased out to customers, and include office, [retail space] and business centres (built to lease). Built to suit properties typically represent our commercial properties where we were able to identify customers in advance of developing the property in order to build a single-tenant customised property that meet a customer's specifications, which are then leased out to them upon completion or similar properties (built to suit). Within our commercial leasing segment, our properties are classified as CBD or non-CBD properties.
- Industrial leasing consists of warehouses and staff accommodation (housing for businesses to use to accommodate their workers).
- Land leasing consists of land leases. Our land leases represent land available within our business districts that already has or is expected to develop the necessary infrastructure (such as connecting roads, water, electricity and sewage) that allows us to lease the land. We have intentionally retained such land in order to be able to lease it to customers to suit their specific needs, such as manufacturing, commercial, retail, residential or academic purposes.
- Services consist of fees from the services that we provide, including those generated from our [AXS platform, venue management services, property management and leasing agreements and our in5 platform].
- Other segments include businesses that individually do not meet the criteria or a reportable segment. This segment include operations and support functions.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

32. SEGMENT REPORTING (CONTINUED)

The Group operates primarily in United Arab Emirates and accordingly no further geographical analysis of revenues, profit, assets and liabilities is given. Segment revenue reported represents revenue generated from external customers and there were no intersegment revenue.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2. Segment results represents the profit earned by each segment before interest, depreciation and amortisation. This is the measure reported to the Group's Chief Executive Officer for the purpose of resource allocation and assessment of segment performance.

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

32. SEGMENT REPORTING (CONTINUED)

Information regarding these segments are as follows:

	Commercial leasing AED'000	Industrial leasing AED'000	Land leasing AED'000	Services and others AED'000	Total AED'000
31 December 2021					
Revenue	900,389	243,962	438,798	182,480	1,765,629
Direct costs	(266,373)	(49,734)	-	(39,887)	(355,994)
Other income	48,218	577	368	472	49,635
Other expenses	(162,261)	(25,486)	(71,304)	(28,835)	(287,886)
Segment results before interest and depreciation and amortisation	519,973	169,319	367,862	114,230	1,171,384
Depreciation and amortisation	(284,421)	(84,722)	-	(6,173)	(375,316)
Unallocated net finance cost	-	-	-	-	(227,231)
Profit for the year					568,837
31 December 2020					
Revenue	940,320	251,111	421,563	153,713	1,766,707
Direct costs	(251,309)	(47,278)	-	(30,803)	(329,390)
Other income	65,348	8	2,548	1,088	68,992
Other expenses	(163,310)	(24,486)	(68,251)	(34,191)	(290,238)
Segment results before interest and depreciation and amortisation	591,049	179,355	355,860	89,807	1,216,071
Depreciation and amortisation	(291,337)	(84,722)	-	(7,467)	(383,526)
Unallocated net finance cost	-	-	-	-	(253,465)
Profit for the year					579,080

NOTES TO THE CARVE-OUT FINANCIAL STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2021, 2020 AND 2019 (continued)

32. SEGMENT REPORTING (CONTINUED)

	Commercial leasing AED'000	Industrial leasing AED'000	Land leasing AED'000	Services and others AED'000	Total AED'000
31 December 2029					
Revenue	**905,583**	**292,524**	**449,290**	**192,716**	**1,840,113**
Direct costs	**(268,537)**	**(37,130)**	**-**	**(35,289)**	**(340,956)**
Other income	**52,182**	**-**	**6,484**	**90**	**58,756**
Other expenses	**(192,469)**	**(24,486)**	**(70,298)**	**(35,620)**	**(322,873)**
Segment results before interest and depreciation and amortisation	**496,759**	**230,908**	**385,476**	**121,897**	**1,235,040**
Depreciation and amortisation	(270,292)	(84,722)	-	(8,730)	(363,744)
Unallocated net finance cost	-	-	-	-	(237,706)
Profit for the year					**633,590**

(b) Management primarily relies on net finance cost, not the gross finance income and finance cost in managing all segments and does not allocate to segments. Therefore, unallocated net finance cost is disclosed.

There was no single customer that contributed 10 per cent or more to the Group's revenue.

TECOM INVESTMENTS LLC AND ITS SUBSIDIARIES

REVIEW REPORT AND CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2022

CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2022

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REVIEW REPORT ON CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS

The Shareholders
TECOM Investments LLC
Dubai
United Arab Emirates

Introduction

We have reviewed the accompanying condensed interim carve-out balance sheet of TECOM Investments LLC (the "Company") and its subsidiaries (together, the "Group"), as at 31 March 2022 and the related statements of income, comprehensive income, changes in equity and cash flows for the three month periods ended 31 March 2022 and 2021. Management is responsible for the preparation and presentation of this interim financial information in accordance with the accounting policies described in note 2 of the interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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

Emphasis of matter- basis of preparation

We draw attention to notes 1 and 2 to the condensed interim carve-out financial statements, which describe the basis of accounting. The condensed interim carve-out financial statements have been prepared to assist the Group to comply with the financial reporting provisions relating to the listing of the Group's shares on the Dubai Financial Market. As a result, the condensed interim carve-out financial statements may not be suitable for another purpose.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim carve-out financial statements are not prepared, in all material respects, in accordance with the accounting policies described in note 2 of the condensed interim carve-out financial statements.

Deloitte & Touche (M.E.)

Musa Ramahi
Registration No.: 872
20 May 2022
Dubai
United Arab Emirates

CONDENSED INTERIM CARVE-OUT BALANCE SHEET
AS AT 31 MARCH 2022

	Note	31 March 2022 (Reviewed)	31 December 2021 (Audited)
		AED'000	AED'000
ASSETS			
Property and equipment	5	115,261	108,296
Investment property	6	11,931,021	13,368,160
Intangible assets		28,298	34,317
Derivative financial instruments	7	137,980	73,116
Trade and unbilled receivables	8	896,052	925,801
Other receivables	9	143,904	80,983
Due from related parties	10	380,870	527,054
Cash and bank balances	11	1,017,123	1,246,399
Total assets		**14,650,509**	**16,364,126**
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	12	500,000	300
Legal reserve	13	171,518	171,518
Hedge reserve		117,590	7,441
Retained earnings		5,474,861	5,434,003
Total equity		**6,263,969**	**5,613,262**
LIABILITIES			
Borrowings	14	4,031,380	3,965,120
Trade and other payables	15	3,137,684	3,101,937
Provision for other liabilities and charges	16	903,336	2,427,166
Employee end of service benefits	17	71,975	71,990
Due to related parties	10	197,829	1,095,031
Derivative financial instruments	7	44,336	89,620
Total liabilities		**8,386,540**	**10,750,864**
Total equity and liabilities		**14,650,509**	**16,364,126**

These condensed interim carve-out financial statements were approved by the General Manager on 20 May 2022 and were signed by:

…………………………………………
Malek Sultan Rashed Almalek
General Manager

…………………………………………
Michael Wunderbaldinger
Chief Financial Officer

The notes on pages 7 to 45 are an integral part of these condensed interim carve-out financial statements.

CONDENSED INTERIM CARVE-OUT STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2022

	Note	Three months ended 31 March 2022 AED'000 (Reviewed)	2021 AED'000 (Reviewed)
Revenue	19	485,111	428,904
Direct costs		(188,290)	(162,403)
Gross profit		**296,821**	**266,501**
Other operating income		11,705	13,766
		308,526	**280,267**
Expenses			
General and administrative		(54,255)	(71,277)
Marketing and selling		(6,843)	(6,518)
		(61,098)	**(77,795)**
Operating profit		**247,428**	**202,472**
Finance income		60,950	5,169
Finance costs		(118,116)	(63,344)
Finance costs - net		**(57,166)**	**(58,175)**
Profit for the period		**190,262**	**144,297**
Earnings per share attributable to the Owners of the Company			
Basic and diluted	20	**0.003**	**481**

The notes on pages 7 to 45 are an integral part of these condensed interim carve-out financial statements.

CONDENSED INTERIM CARVE-OUT STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2022

	Note	Three months ended 31 March 2022 AED'000 (Reviewed)	2021 AED'000 (Reviewed)
Profit for the period		**190,262**	**144,297**
Other comprehensive income			
Item that may be subsequently reclassified to profit or loss			
Fair value gain on cash flow hedges	7	110,149	90,853
Other comprehensive income for the period		**110,149**	**90,853**
Total comprehensive income for the period		**300,411**	**235,150**

The notes on pages 7 to 45 are an integral part of these condensed interim carve-out financial statements.

CONDENSED INTERIM CARVE-OUT STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2022

		Attributable to owners of the Company				
	Note	Share capital AED'000	Legal reserve AED'000	Hedge reserve AED'000	Retained earnings AED'000	Total equity AED'000
At 1 January 2022 (Audited)		**300**	**171,518**	**7,441**	**5,434,003**	**5,613,262**
Comprehensive income:						
Profit for the period		-	-	-	190,262	190,262
Other comprehensive income:						
Fair value gain on cash flow hedges		-	-	110,149	-	110,149
Total comprehensive income for the period		**-**	**-**	**110,149**	**190,262**	**300,411**
Transactions with owners						
Dividends declared	18	-	-	-	(53,997)	(53,997)
Increase in share capital	12	499,700	-	-	(499,700)	-
Capital contribution	10	-	-	-	404,293	404,293
		499,700	**-**	**-**	**(149,404)**	**350,296**
At 31 March 2022 (Reviewed)		**500,000**	**171,518**	**117,590**	**5,474,861**	**6,263,969**
At 1 January 2021 (Audited)		**300**	**171,518**	**(108,562)**	**6,105,043**	**6,168,299**
Comprehensive income:						
Profit for the period		-	-	-	144,297	144,297
Other comprehensive income:						
Fair value gain on cash flow hedges		-	-	90,853	-	90,853
Total comprehensive income for the period		**-**	**-**	**90,853**	**144,297**	**235,150**
Transactions with owners						
Increase as a result of the carve-out	2.2	-	-	-	90,445	90,445
		-	**-**	**-**	**90,445**	**90,445**
At 31 March 2021 (Reviewed)		**300**	**171,518**	**(17,709)**	**6,339,785**	**6,493,894**

The notes on pages 7 to 45 are an integral part of these condensed interim carve-out financial statements.

CONDENSED INTERIM CARVE-OUT STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2022

	Note	Three months ended 31 March 2022 AED'000 (Reviewed)	2021 AED'000 (Reviewed)
Cash flows from operating activities			
Cash generated from operations	21	329,211	239,161
Payment of employees' end of service benefits and other liabilities and charges		-	(233)
Net cash generated from operating activities		**329,211**	**238,928**
Cash flows from investing activities			
Purchase of property and equipment	5	(9,275)	(309)
Payments for investment property, net of project and retention payables		(294,895)	(108,625)
Purchase of intangible assets		-	(4,244)
Movement in fixed deposits with maturities greater than three months		256,087	463,286
Interest received		1,537	5,169
Net cash (used in)/generated from investing activities		**(46,546)**	**355,277**
Cash flows from financing activities			
Net Proceeds from borrowings		77,116	117,293
Interest paid		(128,972)	(63,344)
Dividends paid		(53,997)	-
Capital contribution		-	90,445
Funds transferred to Parent Company		(150,000)	(600,000)
Net cash used in financing activities		**(255,853)**	**(455,606)**
Net increase in cash and cash equivalents		**26,812**	**138,599**
Cash and cash equivalents, beginning of the period	11	768,183	570,255
Cash and cash equivalents, end of the period		**794,995**	**708,854**

Significant non-cash transactions during the period include:

- During the period ended 31 March 2022, the Group capitalised AED 499,700,000 of retained earnings into share capital of the Company.
- During the period ended 31 March 2022, the Group recycled hedge reserve amounting of AED 59,413,000 through condensed interim carve-out statement of income.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2022

1. LEGAL STATUS AND ACTIVITIES

TECOM Investments LLC (the "Company" or "TECOM") is a limited liability company incorporated in the Emirate of Dubai, United Arab Emirates ("UAE") on 19 July 2005. The Company's registered address is P.O. Box 73000, Dubai, United Arab Emirates.

The Company is a wholly-owned subsidiary of DHAM LLC (the "Parent Company"). Dubai Holding LLC is the ultimate parent company ("Ultimate Parent Company"). The Ultimate majority shareholder of the Company is His Highness Sheikh Mohammed Bin Rashid Al Maktoum (the "Ultimate Shareholder"). The Company and its subsidiaries are collectively referred to as the Group (the "Group").

During the year ended 31 December 2021, the Ultimate Parent Company announced their intention to list certain percentage of their shares in the Company through an Initial Public Offering ("IPO") and subsequently list the Company on the Dubai Financial Market ("DFM" or the "Exchange"). As part of the proposed IPO, the legal status of the Company will be converted from a Limited Liability Company (L.L.C.) to a Public Joint Stock Company ("PJSC") and will be known as TECOM Group PJSC upon receipt of the appropriate approval from the Ministry of Economy.

Pursuant to the announcement, the Ultimate Parent Company approved a group reorganisation, whereby the Company transferred operations related to its property sales division and equity investments division (the "Divisions") to entities under common control.

The transfer of Divisions was executed during April 2022 with an effective date of transferring beneficial and economic interest on 1 January 2022. As a result of the group reorganization, the operations remaining within TECOM from 1 January 2022 include property development, leasing, facilities management, property management services and visa and incorporation services (the "IPO Perimeter").

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

The condensed interim carve-out financial statements of the Group have been prepared in accordance with the requirements of International Accounting Standard 34 'Interim Financial Reporting' ("IAS 34"), except for the transfer of the operating activities of the Divisions as described in note 1 to the condensed interim carve-out financial statements from the comparative period ended 31 March 2021. This transfer should have been accounted for as a transfer on 1 January 2022 without changing the comparative information for 2021.

2.2 Basis of preparation

The comparatives for the three months period ended 31 March 2021, within the condensed interim carve-out financial statements of the Group have been prepared on a carve-out basis by excluding the operating activities of the Divisions and only reflecting the IPO Perimeter as described in Note 1. Any adjustments arising from the transfer out of Divisions within the statement of income and the balance sheet were reflected within equity of the carve-out financial statement. No such adjustment was required for the period ended 31 March 2022 as the transfer has been legally executed effective 1 January 2022.

The condensed interim carve-out financial statements may not be indicative of Group's future performance and they do not necessarily reflect what its carve-out result of operations, financial position and cashflows would have been, had the Divisions actually been transferred in prior years.

The condensed interim carve-out financial statements are presented in United Arab Emirates (AED) which is the Company's functional currency and the Group's presentation currency. All amounts have been rounded to the nearest AED thousands ('000s), unless stated otherwise.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of preparation (continued)

The condensed interim carve-out financial statements have been prepared on the historical cost basis, except for the revaluation of financial instruments that are measured at fair values at the end of each reporting period and derivative financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these condensed interim carve-out financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as value in use in IAS 36.

The preparation of condensed interim carve-out financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the condensed interim carve-out financial statements are disclosed in Note 4.

The principal accounting policies applied in the preparation of these condensed interim carve-out financial statements are set out below. These policies have been consistently applied to all the periods presented.

(a) New standards and interpretations effective for periods beginning on or after 1 January 2022

In the current period, the Group has applied a number of amendments to IFRS standards and interpretations issued by the IASB that are effective for an annual period that begins on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in the condensed interim carve-out financial statements of the Group.

(b) New standards and interpretations issued but not yet effective nor early adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the condensed interim consolidated financial statements of the Group and have not been early adopted by the Group. None of these are expected to have a significant effect on the condensed interim carve-out financial statements of the Group.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Principles of consolidation

(a) Subsidiaries

The Group consolidates investments in the following principal subsidiaries:

Name of the entity	Nature of business	Ownership %	
		2022	2021
Subsidiaries:			
TECOM Investments FZ LLC	Develop and lease properties	100	100
Dubai Industrial City LLC*	Develop and lease properties	100	100
Dubai Design District FZ LLC	Develop and lease properties	100	100
Tamdeen LLC*	Project management engineering and feasibility studies	100	100
Dubai Design District Hospitality FZ LLC	Lease of land and development of property within Dubai and value added real estate services	100	100
AXS FZ LLC	Incorporation and visa related services	100	100
DMC Butterfly Building FZ LLC	Real estate services	100	100
Innovation Hub FZ-LLC	Real estate services	100	100
IN5 FZ LLC	Regional headquarters for real estate services	100	100
DIC 1 FZ LLC	Develop properties and real estate services	100	100
DIC 2 FZ LLC	Develop properties and real estate services	100	100
DKV 1 FZ LLC	Develop properties and real estate services	100	100
Innovation Hub Phase 1 FZ-LLC	Real Estate services	100	100
Master Project 1 FZ-LLC	Real Estate services	100	100

*The ownership percentage represents the beneficial ownership of the Group in these subsidiaries.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Principles of consolidation (continued)

(a) Subsidiaries (continued)

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the condensed interim carve-out statement of income.

Business combinations involving entities under common control do not fall under the scope of IFRS 3 “Business Combinations”. Transfer of businesses under common control is accounted for under the uniting of interest method. Under the uniting of interest method there is no requirement to fair value the assets and liabilities of the transferred entities and hence no goodwill is created as the balances remain at book value.

Where settlement of any part of the net identifiable assets acquired is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity’s incremental borrowing rate, being the rate at which similar borrowings could be obtained from independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in the condensed interim carve-out statement of income.

(b) Eliminations on consolidation

Intercompany transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the condensed interim carve-out statement of income, condensed interim carve-out statement of comprehensive income, condensed interim carve-out statement of changes in equity and condensed interim carve-out balance sheet.

(c) Changes in ownership interests in subsidiaries without change in control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(d) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the condensed interim carve-out financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The condensed interim carve-out financial statements are presented in United Arab Emirates Dirhams ("AED"), which is the Company's functional and Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the condensed interim carve-out statement of income, except when deferred in other comprehensive income and accumulated in equity as qualifying cash flow hedges and qualifying net investment hedges.

Balances and transactions denominated in US dollars ("USD") have been translated into the presentation currency at a fixed rate as the exchange rate of AED to USD has been pegged since 1981.

Foreign exchange gains and losses that relate to borrowings are presented in the condensed interim carve-out statement of income within 'Finance income' or 'Finance costs'. All other foreign exchange gains and losses are presented in the condensed interim carve-out statement of income within 'Other operating expense'. Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as fair value through other comprehensive income are included in other comprehensive income.

2.5 Property and equipment

Property and equipment are stated at cost less accumulated depreciation. The cost of property and equipment is its purchase cost together with any incidental costs of acquisition. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance costs are charged to the condensed interim carve-out statement of income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using straight-line method, at rates calculated to reduce the cost of assets to their estimated residual value over their expected useful lives, as follows:

Type of assets	Years
Buildings	20 - 50
Building interior improvements, furniture and fixtures	3 - 10
Computer hardware	3 - 5
Motor vehicles	5
Other assets	3 - 5

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Property and equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.8).

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are recognised within 'Other operating income/expense' in the condensed interim carve-out statement of income.

2.6 Investment property

Investment property comprises property held for capital appreciation, rental yields or both, and is carried at cost less accumulated depreciation and impairment losses, if any. Investment property also includes related infrastructure and property that is being constructed or developed for future use as investment property. In addition, land held for undetermined use is classified as investment property and is not depreciated. Investment property is stated at cost less accumulated depreciation and impairment. The Group engages professionally qualified external valuers at least once every three years to determine the fair values for disclosure purposes. The fair values for all other years are updated by management by using models and bases similar to the external valuers.

When the development of investment property commences, it is classified under capital work-in-progress until development is complete, at which time it is transferred to the respective category, and depreciated on the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Type of assets	Years
Buildings and infrastructure	20 - 50

Any expenditure that results in the maintenance of property to an acceptable standard or specification is treated as repairs and maintenance and is expensed in the period in which it is incurred.

Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale or becomes owner-occupied, the property is transferred to property held for development sale or property and equipment respectively.

When investment property is sold, gains and losses on disposal are determined by reference to its carrying amount and are taken into account in determining operating profit.

Capital work in progress are properties or assets in the course of construction for production, supply or administrative purposes, are carried at cost, less any recognised impairment loss. Cost includes all direct costs attributable to the acquisition of the property including related staff costs, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. When the assets are ready for intended use, the capital work in progress is transferred to the appropriate investment property category and is accounted in accordance with the Group's policies.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Intangible assets

(a) Computer software

The Group's computer software comprises software acquired or software developed by the Group entities. Acquired computer software licenses are capitalised on the basis of the costs incurred to bring to use the specific software. Costs associated with maintaining computer software programs are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

i) it is technically feasible to complete the software product so that it will be available for use;

ii) management intends to complete the software product and use or sell it;

iii) there is an ability to use or sell the software product;

iv) it can be demonstrated how the software product will generate probable future economic benefits;

v) adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and

vi) the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. These costs are amortised over their estimated useful lives of 3 - 5 years. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Intangible assets which are in the course of development, are carried at cost, less any recognised impairment loss. When the assets are ready for intended use, the capital work in progress is transferred to the appropriate investment property category and is accounted in accordance with the Group's policies.

(b) Licenses

Separately acquired software licenses are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

2.8 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its property and equipment, investment property 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 to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Impairment of non-financial assets (continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Groups CGUs to which the individual assets are allocated.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years.

2.9. Investments and other financial assets

2.9.1 Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- Those to be measured at amortised cost.

The classification depends on the Group’s business model for managing the financial assets and contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group reclassifies debt instruments only when its business model for managing those assets changes.

2.9.2 Recognition and derecognition

Purchases and sales of financial assets are recognised on the date on which the Group commits to purchase or sell the asset. The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

2.9.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in the condensed interim carve-out statement of income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9. Investments and other financial assets (continued)

2.9.3 Measurement (continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the condensed interim carve-out statement of income and presented in 'Other operating income/expense'.

Impairment losses are presented under 'General and administrative expenses' in the condensed interim carve-out statement of income.

Fair value through other comprehensive income

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income.

Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the condensed interim carve-out statement of income.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the condensed interim carve-out statement of income and recognised in 'Other operating income/expenses'. Interest income from these financial assets is included in 'Finance income' using the effective interest rate method. Exchange gains and losses are presented in 'Other operating income/expenses' and impairment expenses are presented under 'General and administrative expenses' in the condensed interim carve-out statement of income.

Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the condensed interim carve-out statement of income within 'Other operating income/expenses' in the period they arise.

Equity instruments

The Group subsequently measures all equity investments at fair value. The Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payment is established.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investments and other financial assets (continued)

2.9.3 Measurement (continued)

Equity instruments (continued)

Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other operating income/expenses' in the condensed interim carve-out statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through other comprehensive income are not reported separately from other changes in fair value.

IFRS 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at fair value through profit or loss (FVTPL). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

2.9.4 Impairment of financial assets

For trade and unbilled receivables and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtor's, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting day, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investments and other financial assets (continued)

2.9.4 Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating.
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost.
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.
- An actual or expected significant deterioration in the operating results of the debtor.
- Significant increases in credit risk on other financial instruments of the same debtor.

An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default.
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term.
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts. The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor.
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9.4 Impairment of financial assets (continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower
- A breach of contract, such as a default or past due event (see (ii) above)
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- The disappearance of an active market for that financial asset because of financial difficulties

(iv) Write-off policy

The Group writes off a financial asset considering various factors which includes but not limited to the information indicating debtor's severe financial difficulty and no realistic prospect of recovery~~.~~ Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount of guaranteed debt that has been drawn down as at the reporting date, together with any additional guaranteed amounts expected to be drawn down by the borrower in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16. For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used. The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve and does not reduce the carrying amount of the financial asset in the balance sheet.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship (see Hedge accounting policy). The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the ‘Other gains and losses' line item in profit or loss.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for- trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the condensed interim carve-out balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.12 Trade receivables

Trade receivables are amounts due from customers for land and properties sold or services performed in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances in current accounts, call accounts and term deposits with original maturity of three months or less with no withdrawal restrictions and which are subject to an insignificant risk of changes in value and cash pledged against guarantees.

2.14 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the condensed interim carve-out statement of income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the condensed interim carve-out statement of income.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed. Borrowings are classified as payable within 12 months unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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. Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

2.17 Employee benefits

(a) End of service benefits to non-UAE nationals

Provision is made for the end of service benefits due to employees in accordance with the UAE Labour Law for their periods of service up to the balance sheet date. The provision is calculated as the present value of the obligations in accordance with the 'projected unit cost' method as per IAS 19 'Employee Benefits' taking into consideration the UAE Labour Laws. Under this method an assessment is made of the employee's expected service life with the Group and the expected basic salary at the date of leaving the service.

(b) Pension and social security policy within the UAE

The Group is a member of the pension scheme operated by the Federal Pension General and Social Security Authority. Contributions for eligible UAE National employees are made and charged to the condensed interim carve-out statement of income, in accordance with the provisions of Federal Law No. 7 of 1999 relating to Pension and Social Security Law. The Group has no further payment obligations once the contributions have been paid.

2.18 Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities (fair value hedge) or hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions. Derivatives are only used by the Group for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria under IFRS, they are classified as 'held for trading' for accounting purposes only.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 Derivative financial instruments and hedging activities (continued)

The fair values of various derivative instruments used for hedging are disclosed in Note 7. Movements in the hedging reserve is disclosed in the condensed interim carve-out statement of changes equity. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability when expected to be settled within 12 months; otherwise, they are classified as non-current.

The Group uses interest rate swaps for hedging, which are commitments to exchange one set of cash flows for another. Swaps result in an economic exchange of interest rates (for example, fixed rate for floating rate). No exchange of principal takes place. The Group's credit risk represents the potential cost to replace the interest rate swap contracts if counterparties fail to perform their obligation. This risk is monitored on an ongoing basis with reference to the current fair value, a proportion of the notional amount of the contracts and the liquidity of the market.

(a) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the condensed interim carve-out statement of income within 'Finance income/costs.

Amounts accumulated in equity are recycled in the condensed interim carve-out statement of income in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the condensed interim carve-out statement of income within 'Finance costs'. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example inventory or fixed assets), the gains and losses previously recorded in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in direct costs.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss and deferred costs of hedging existing in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset (such as inventory) and is recognised when the forecast transaction is ultimately recognised in the condensed interim carve-out statement of income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the condensed interim carve-out statement of income within 'Finance income/costs'.

(b) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any these derivative instruments are recognised immediately in the condensed interim carve-out statement of income within 'Finance income/costs'.

Derivatives are only used by the Group for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria under IFRS, they are classified as 'held for trading' for accounting purposes only. The fair values of various derivative instruments used for hedging are disclosed in Note 8.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Revenue recognition

The Group recognises revenue from contracts with customer based on five step model as outlined under IFRS 15:

Step 1 Identify the contract with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for each of those rights and obligations.

Step 2 Identify the performance obligations in the contract: A performance obligation in a contract is a promise to transfer a good or service to the customer.

Step 3 Determine the transaction price: Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods and services to a customer, excluding amounts collected on behalf of third parties.

Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5 Recognise revenue as and when the Group satisfies a performance obligation.

The Group recognises revenue over time if any one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance obligation completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied. When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance - unbilled receivables. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability – advances from customers.

Revenue is measured at the fair value of consideration received or receivable, taking into account the contractually agreed terms of payment excluding taxes and duties. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or an agent and has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the condensed interim carve-out financial statements to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if and when applicable, can be measured reliably.

(a) Service charges

For investment properties held primarily to earn operating lease income, the Group enters as a lessor into lease agreements that fall within the scope of IFRS 16. Certain lease agreements include certain services offered to tenants (i.e., customers) including common area services (such as security, cleaning, maintenance, utilities) as well as other support services (e.g., customer service and management) The consideration charged to tenants for these services includes fees charged based on a percentage of the operating lease income and reimbursement of certain expenses incurred. These services are specified in the lease agreements and separately invoiced.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Revenue recognition (continued)

(a) Service charges (continued)

The Group has determined that these services constitute distinct non-lease components (transferred separately from the right to use the underlying asset) and are within the scope of IFRS 15. The contracts of the Group specifically highlight stand-alone price for the services. In respect of the revenue component, these services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Group. The Group applies the time elapsed method to measure progress.

Income arising from cost recharged to tenants is recognised in the period in which the cost can be contractually recovered. The Group arranges for third parties to provide certain of these services to its tenants. The Group concluded that it acts as a principal in relation to these services as it controls the specified services before transferring them to the customer. Therefore, the Group records revenue on a gross basis.

(b) Service income

Services revenue relates outsourcing services provided to a government authority in relation to incorporation, government and other related services. The revenue is recognised over time when the services are rendered.

2.20 Leases

(a) The Group as a Lessee

At inception of a contract, the Group 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 the Group 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 Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, where the contract is not separable into lease and non-lease component then the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Leases (continued)

(a) The Group as a Lessee *(continued)*

The Group 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 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 using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. 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 Group'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 Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured 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 Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured 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.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Discounting of lease payments

The lease payments are discounted using the Group's incremental borrowing rate ("IBR"). For calculation of IBR, the Group has taken appropriate benchmarks after adjusting for Group's specific risk, term risk and underlying asset risk.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Leases (continued)

(b) The Group as a Lessor

The Group enters into lease arrangements as a lessor with respect to its investment properties. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Operating lease income

The Group earns revenue from acting as a lessor in operating leases which do not transfer substantially all the risks and rewards incidental to ownership of an investment property. In addition, the Group subleases investment property acquired under head leases with lease terms exceeding 12 months at commencement. Subleases are classified as a finance lease or an operating lease by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying investment property. All the Group's subleases are classified as operating leases.

Operating lease income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term and is included in revenue in profit or loss due to its operating nature, except for contingent operating lease income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income.

Lease incentives that are paid or payable to the lessee are deducted from lease payments. Accordingly, tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Group is reasonably certain that the tenant will exercise that option. Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in profit or loss when the right to receive them arises.

Amounts from leases under finance lease are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases. When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

Finance leases

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying assets. 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 Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

Lease payments are payments made by a lessee to a lessor relating to the right to use an underlying asset during the lease term, comprising the fixed payments, less any lease incentives; variable lease payments; the exercise price for a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. When the Group is an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right of use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's condensed interim carve-out financial statements in the period in which the dividends are approved by the Company's shareholders.

2.22 Segment reporting

Reportable segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the reportable segments, has been identified as the Group's Chief Executive Officer that makes strategic decisions.

2.23 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.24 Interest income

Interest income is recognised in the condensed interim carve-out statement of income on a time proportion basis using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivable is recognised using the original effective interest rate.

2.25 Dividend income

Dividend income is recognised when the right to receive the dividend is established.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's operations and borrowings expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements.

3.2 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available. Management reviews cash flows at regular intervals.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 31 March 2022:

	Level 2 AED'000
Assets	
Derivative designated as cash flow hedges	137,980
Liabilities	
Derivative designated as cash flow hedges	44,336
Derivates held for trading	-

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2021:

	Level 2 AED'000
Assets	
Derivative designated as cash flow hedges	73,116
Liabilities	
Derivative designated as cash flow hedges	65,676
Derivatives held for trading	23,944

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Impact of COVID-19

In January 2020, the World Health Organization ("WHO") announced a global health emergency due to the outbreak of coronavirus ("COVID-19"). Based on the rapid increase in exposure and infections across the world, WHO, in March 2020, classified the COVID-19 outbreak as a pandemic. The pandemic nature of this disease has necessitated global travel restrictions and lockdowns in most countries of the world including the UAE, causing global disruption to business and economic activities

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Key sources of estimation uncertainty (continued)

(a) Impact of COVID-19 (continued)

The Group is closely monitoring the situation to manage the impact on its operations and financial performance. The Group has considered the impact of the COVID-19 pandemic in the calculation of the recoverable amount of the non-financial assets and the estimated credit losses of the financial assets.

The unprecedented nature of the pandemic, the high degree of uncertainty related to its evolution, duration and impact on the economy in general and the Group's business in particular, requires that the Group continue to monitor the situation and keep adjusting its critical judgements and estimates, as necessary.

Income from leasing

As part of the Group's commitment to extend support to its tenants during the COVID-19 pandemic, the Group has offered voluntary arrangements of rent reliefs and incentives to its tenants, which are accounted for in accordance with the requirements of *IFRS 16: Leases*.

In addition, the pandemic has increased the uncertainty over collectability of the receivables. The Group considers that it is more appropriate to only recognise revenue and the corresponding receivables to the extent that the lease income is considered to be collectible. This approach reflects the uncertainty related to collectability of lease payments and addresses the concern of recognising income when collectability us uncertain.

There was no significant impact on the condensed interim carve-out financial statements as a result of COVID-19 measures taken by the Group.

(b) Calculation of loss allowance

The Group assesses the impairment of its financial assets based on the expected credit loss ("ECL") model. Under the expected credit loss model, the Group accounts for expected credit losses and changes in those expected credit losses at the end of each reporting period to reflect changes in credit risk since initial recognition of the financial assets. The Group measures the loss allowance at an amount equal to lifetime ECL for its financial instruments.

When measuring ECL, the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The ECL model was reassessed for the impact of COVID-19 mainly the operational disruption faced by the tenants, volatility in potential economic conditions, incidence of defaults etc. which may likely lead to increase in the ECL allowance for trade receivables in line with the requirements of IFRS 9 Financial Instruments. This is mainly due to increase in the counterparty risk (risk of default) of tenants and customers. The Group will continue to monitor the situation and its impact on the ECL and make the necessary adjustments as and when required.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Key sources of estimation uncertainty (continued)

(c) Provision for infrastructure costs

The Group recognizes provisions for infrastructure based on assessments by third party specialists.. This requires the use of significant estimates and judgements to determine the quantum of infrastructure required, the costs and time related to the construction, and the expected share of costs that may be recharged to the master developer. Infrastructure developed or under development by third parties or government authorities will be recharged to the master developer and subsequently to the Group based on its share of such costs. The significant components of infrastructure include construction of roadworks and power stations to service the master planned communities.

The provision for infrastructure costs are based on management's best estimate of the future costs of construction of the related infrastructure facilities and the total costs to be actually incurred will be determined based on inputs from the relevant authorities and cost structures prevalent at each such future date. Hence, the Group's actual cost of infrastructure may be materially different to the current estimates as advised by third party specialists.

Change in accounting estimate

The Group's periodical assessment of the infrastructure cost estimates in the current period using third party specialists has resulted in a reduction in the carrying value of investment property and provision for infrastructure cost as of 1 January 2022 by AED 1,262,622,000.

Revisions to key assumptions and inputs have contributed to the change in estimates. The expected timing of incurring the infrastructure cost is one such key variable which has been revised. In this regard, management estimates the cost to be incurred over a period of up to 15 years in a phased manner. For roadworks related infrastructure estimates, key variables used are information from traffic impact studies performed by third party specialists. For power stations related infrastructure estimates, the key variables used are the historical costs of constructing similar infrastructure assets and the stage of development of the master planned communities to which the infrastructure costs relate.

(d) Useful lives of property and equipment and intangible assets

Management reviews the residual values and estimated useful lives of property and equipment and intangible assets at the end of each annual reporting period in accordance with IAS 16 and IAS 38. Management determined that current period expectations do not differ from previous estimates based on its review.

(e) Valuation of investment properties

The fair value of investment properties is determined by independent registered valuer or the internal valuation performed by the Group's finance department.

The fair values have been determined by taking into consideration market comparable and/or the discounted cash flows where the Group has on-going lease arrangements and operations. In this regard, the Group's current lease arrangements, which are entered into on an arm's length basis and which are comparable to those for similar properties in the same location, have been taken into account.

In case where the Group does not have any on-going lease arrangements, fair values have been determined, where relevant, having regard to recent market transactions for similar properties in the same location as the Group's investment properties. These values are adjusted for differences in key attributes such as property size.

The key assumptions on which management has based its cash flow projections when determining the fair value of the assets are as follows:

- Discount rate based on the Group's weighted average cost of capital with a risk premium reflecting the relative risks in the markets in which the businesses operate.
- Growth rate based on long-term rate of growth.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Key sources of estimation uncertainty (continued)

Management of the Group has reviewed the assumption and methodology used by the independent registered valuer and/or internal specialist and in their opinion these assumptions and methodology seems reasonable as at the reporting date considering the current economic and real estate outlook in UAE.

(f) Impairment of non-financial assets

Asset recoverability is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the higher of, the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate ("value in use"), and the assets' fair value less costs to sell.

No impairment charge has been recognised against property and equipment and investment property. The impairment charge has been determined as the difference between the carrying amount of the assets (before impairment charge) and their recoverable amount. The recoverable amount has been determined on the basis of "value in use".

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the management have mad e in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in condensed interim carve-out financial statements.

(a) Identification of a cash generating unit

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Group determines the recoverable amount of the cash-generating unit ('CGU') to which the asset belongs (the asset's cash-generating unit). Where a reasonable and consistent basis of allocation can be identified, corporate assets (infrastructure costs) are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In identifying whether cash inflows from an asset (or group of assets) are largely independent of the cash inflows from other assets (or groups of assets), the Group considers various factors including how management monitors the Group's operations or how management makes decisions about continuing or disposing of the Group's assets and operations.

Certain assets developed to enhance the ecosystem of master planned communities do not generate cash inflows that are largely independent and generate incidental revenue only. Because these assets do not generate largely independent cash inflows, the recoverable amount of these assets cannot be determined. As a consequence, if there is an indication that these assets may be impaired, recoverable amount is determined for the cash-generating unit or group of cash-generating units to which these assets belong, and is compared with the carrying amount of this cash-generating unit or group of cash-generating units.

(b) Seasonality of operations

No income of a seasonal nature was recorded in the condensed interim carve-out financial information for the three-month period ended 31 March 2022. However, the Group's financial results for any period are not necessarily indicative of results to be expected for the full year.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

5. PROPERTY AND EQUIPMENT

2022	Buildings AED'000	Building interior improvements, furniture and fixtures AED'000	Computer hardware AED'000	Motor vehicles AED'000	Other assets AED'000	Capital work in progress AED'000	Total AED'000
Cost							
At 1 January 2022	135,056	127,705	44,625	1,379	10,824	5,926	325,515
Additions	-	659	374	-	-	8,242	9,275
At 31 March 2022	135,056	128,364	44,999	1,379	10,824	14,168	334,790
Accumulated depreciation and impairment							
At 1 January 2022	46,631	119,764	41,834	469	8,521	-	217,219
Depreciation charge for the period	675	1,192	432	1	10	-	2,310
At 31 March 2022	47,306	120,956	42,266	470	8,531	-	219,529
Net book amount							
At 31 March 2022	87,750	7,408	2,733	909	2,293	14,168	115,261

2021	Buildings AED'000	Building interior improvements, furniture and fixtures AED'000	Computer hardware AED'000	Motor vehicles AED'000	Other assets AED'000	Capital work in progress AED'000	Total AED'000
Cost							
At 1 January 2021	135,056	126,083	43,319	1,379	10,824	-	316,661
Additions	-	1,622	1,306	-	-	5,926	8,854
At 31 December 2021	135,056	127,705	44,625	1,379	10,824	5,926	325,515
Accumulated depreciation and impairment							
At 1 January 2021	43,726	114,302	39,763	462	8,297	-	206,550
Depreciation charge for the year	2,905	5,462	2,071	7	224	-	10,669
At 31 December 2021	46,631	119,764	41,834	469	8,521	-	217,219
Net book amount							
At 31 December 2021	88,425	7,941	2,791	910	2,303	5,926	108,296

The depreciation charge for the period is recognised under general and administrative expenses amounting to AED 2,310,000 (2021: AED 2,953,000).

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

6. INVESTMENT PROPERTY

2022	Note	Land AED'000	Buildings AED'000	Infrastructure AED'000	Capital work-in progress AED'000	Total AED'000
Cost						
At 1 January 2022		**3,941,421**	**9,635,273**	**4,686,963**	**4,365,430**	**22,629,087**
Additions		-	187,861	598	100,591	289,050
Cost adjustments*		-	-	-	(1,262,622)	(1,262,622)
Transfers to related parties		(253,953)	-	(1,918,085)	1,008,506	(1,163,532)
Transfers		-	424,970	(7,053)	(417,917)	-
At 31 March 2022		**3,687,468**	**10,248,104**	**2,762,423**	**3,793,988**	**20,491,983**
Accumulated depreciation and impairment						
At 1 January 2022		**1,946,344**	**4,006,241**	**1,321,753**	**1,986,588**	**9,260,926**
Depreciation charge for the period		-	72,563	21,170	-	93,733
Transfers to related parties		-	-	(332,837)	(460,860)	(793,697)
At 31 March 2022		**1,946,344**	**4,078,804**	**1,010,086**	**1,525,728**	**8,560,962**
Net book amount						
At 31 March 2022		**1,741,124**	**6,169,300**	**1,752,337**	**2,268,260**	**11,931,021**

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

6. INVESTMENT PROPERTY (CONTINUED)

2021	Note	Land AED'000	Buildings AED'000	Infrastructure AED'000	Capital work-in progress AED'000	Total AED'000
Cost						
At 1 January 2021		**3,940,983**	**9,380,275**	**4,422,476**	**4,353,727**	**22,097,461**
Government grants returned		(2,356)	-	-	(12,822)	(15,178)
Additions		-	58,233	-	482,051	540,284
Transfers from related parties		2,794	-	3,726	-	6,520
Transfers		-	196,765	260,761	(457,526)	-
At 31 December 2021		**3,941,421**	**9,635,273**	**4,686,963**	**4,365,430**	**22,629,087**
Accumulated depreciation and impairment						
At 1 January 2021		**1,946,344**	**3,698,624**	**1,236,298**	**2,027,974**	**8,909,240**
Depreciation charge for the year		-	266,232	85,455	-	351,687
Transfers		-	41,386	-	(41,386)	-
At 31 December 2021		**1,946,344**	**4,006,242**	**1,321,753**	**1,986,588**	**9,260,927**
Net book amount						
At 31 December 2021		**1,995,077**	**5,629,031**	**3,365,210**	**2,378,842**	**13,368,160**

*Effective from 1 January 2022, the Group has revised its estimated provision for infrastructure cost. The change in estimate decreased the carrying value of investment property by AED 1,262,622,000.

The capital work-in-progress includes buildings under construction, land and infrastructure under construction for investment properties.

The depreciation charge for the period is recognised under the 'direct costs' line item.

During the period, borrowing costs amounting to AED NIL (31 March 2021: AED NIL) have been capitalised in capital work-in-progress.

As at 31 March 2022, the fair value of estimates of the Group's investment property is AED 19,409,654,000 (2021: AED19,132,000,000)

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

6. INVESTMENT PROPERTY (CONTINUED)

The following amounts have been recognised in the condensed interim carve-out statement of income in respect of investment property:

	31 March 2022 AED'000	31 March 2021 AED'000
Operating lease income (Note 19)	435,040	391,802
Direct costs (including depreciation) arising from investment property that generated operating lease income	159,066	143,958

7. DERIVATIVE FINANCIAL INSTRUMENTS

	Notional amount AED '000	Asset AED '000	Liabilities AED '000
2022			
Derivatives			
Interest rate swap contracts	-	-	-
Designated as cash flow hedges			
Interest rate swap contracts	6,242,957	137,980	44,336
Total	**6,242,957**	**137,980**	**44,336**
2021			
Derivatives			
Interest rate swap contracts	545,000	-	23,944
Designated as cash flow hedges			
Interest rate swap contracts	5,793,837	73,116	65,676
Total	**6,338,837**	**73,116**	**89,620**

As described in Note 2.18, the Group uses derivatives only for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria under IFRS, they are classified as 'held for trading' for accounting purposes as required by IFRS. In particular, the Group uses interest rate swaps to minimise the effect of interest rate fluctuations on its borrowings. The contracts entered into by the Group are principally denominated in USD and AED. The fair value of these contracts are recorded in the condensed interim carve-out balance sheet and is determined by reference to valuations by reputable external financial institutions.

Interest rate swaps are commitments to exchange one set of cash flows for another. The swaps result in an economic exchange of interest rates, no exchange of principal takes place. These swap transactions entitle the Group to receive or pay amounts derived from interest rate differentials between an agreed fixed interest rate and the applicable floating rate prevailing at the beginning of each interest period.

At 31 March 2022, the fixed interest rates vary from 1.47% to 4.32% per annum (2021: 0.57% to 4.32% per annum). The main floating rates are linked to London Interbank Offered Rate ("LIBOR") and Emirates Interbank Offered Rate ("EIBOR").

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

7. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

Changes in the fair market values of interest rate swaps that are considered effective and designated as cash flow hedges are recognised in the hedge reserve in other comprehensive income. Amounts are reclassified to profit or loss when the associated hedged transaction affects profit or loss. There was no ineffectiveness to be recorded from the cash flow hedges. The change in fair values of interest rate swaps designated as cash flow hedges for the period ended 31 March 2022 amounted to a gain of AED 110,149,000 (31 March 2021: profit AED 90,853,000).

During the period, certain derivatives designated as hedging instruments were settled, and therefore hedge accounting is discontinued prospectively on these items. The amount of AED 59,413,000, had been accumulated in the hedge reserve has been recycled through condensed interim profit or loss.

Changes in the fair market values of other interest rate swaps which have not been designated and do not qualify as cash flow hedges are recorded in the condensed interim carve-out statement of income. During the current period, the fair value loss on derivatives recognised in 'Finance income/costs' amounts to AED NIL (31 March 2021: AED 4,887,000).

8. TRADE AND UNBILLED RECEIVABLES

	31 March 2022 AED'000	31 December 2021 AED'000
Trade receivables	317,442	355,551
Less: loss allowance	(170,826)	(153,353)
	146,616	**202,198**
Less: receivable after 12 months	-	-
Receivable within 12 months	**146,616**	**202,198**
Unbilled receivables – operating leases	1,020,874	985,408
Less: loss allowance	(271,438)	(261,805)
	749,436	**723,603**
Less: receivable after 12 months	(749,436)	(723,603)
Receivable within 12 months	**-**	**-**
Trade and unbilled receivables		
Receivable within 12 months	146,616	202,198
Receivable after 12 months	749,436	723,603
	896,052	**925,801**

The fair values of trade and unbilled receivables approximate their carrying amounts.

The Group has a broad base of customers with no concentration of credit risk within trade receivables at 31 March 2022 and 2021.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable.

The provision against not past due receivables reflect loss allowance against specific customers considered having a higher probability of default.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

8. TRADE AND UNBILLED RECEIVABLES (CONTINUED)

The movement in the Group's loss allowance on trade receivables is as follows:

	31 March 2022 AED'000	31 December 2021 AED'000
At 1 January	**153,353**	**145,427**
Loss allowance	922	7,926
Transfer	16,551	-
	170,826	**153,353**

The creation and release of the loss allowance on receivables have been included in the condensed interim carve-out statement of income under general and administrative expenses. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash. The majority of the Group's trade and unbilled receivables are denominated in AED.

The movement in the Group's loss allowance on unbilled receivables is as follows:

	31 March 2022 AED'000	31 December 2021 AED'000
At 1 January	**261,805**	**227,283**
Loss allowance	9,633	54,873
Receivables written off	-	(20,351)
	271,438	**261,805**

9. OTHER RECEIVABLES

	31 March 2022 AED'000	31 December 2021 AED'000
Advances to contractors	37,665	28,180
Prepayments	14,877	13,206
Other receivables	67,591	15,486
Finance lease receivables	23,771	24,111
	143,904	**80,983**

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties comprise shareholders, ultimate parent company, parent company, associates and key management personnel and businesses which are controlled directly, by the shareholders or key management personnel.

(a) Due from related parties comprises:

	31 March 2022 AED'000	31 December 2021 AED'000
Other subsidiaries of Parent Company	127,990	108,080
Parent Company	-	254,086
Intermediate Parent Company	150,000	78,192
Other related parties	102,880	86,696
	380,870	**527,054**

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

(a) Due from related parties comprises (continued)

The due from related parties as of 31 March 2022 and 31 December 2021 is receivable within 12 months in the condensed interim carve-out balance sheet. The receivables are unsecured in nature and bear no interest. The maximum exposure to credit risk at the reporting date is the fair value of each of the amount receivable from related parties. The intermediate parent company is Dubai Holding Commercial Operations Group.

During the period a dividend of AED NIL (31 March 2021: AED 400,000,000) has been adjusted against the balance receivable from the parent company (Note 18).

The fair values of due from related parties approximate their carrying amounts and are fully performing at 31 March 2022 and 31 December 2021.

Due from and due to related party balances are offset and the net amount is reported in the condensed interim carve-out balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the due from and due to balances simultaneously.

(b) Due to related parties

	31 March 2022 AED'000	31 December 2021 AED'000
Ultimate Parent Company	147,751	146,757
Other subsidiaries of Parent Company	-	948,239
Other related parties	50,078	35
	197,829	**1,095,031**

The payables to related parties arise mainly from purchase transactions and are non-interest bearing.

(c) Related party transactions

Break up of other significant transactions with related parties in the normal course of the business is as follows:

	31 March 2022 AED'000	31 March 2021 AED'000
Transactions between related parties:		
Transfer of investment property to Parent Company	369,835	13,802
Transfer of trade receivable from customers (net of provisions)	20,481	-
Settlement of balances as a result of reorganisation	404,293	-
Dividends declared to Parent Company	53,997	-
	848,606	**13,802**
Services provided to related parties included in revenue:		
Operating lease income from fellow subsidiaries and others	3,986	7,595
Services income from the Parent Company and fellow subsidiaries	-	2,255
	3,986	**9,850**

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

10. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

(c) Related party transactions (continued)

	31 March 2022 AED'000	31 March 2021 AED'000
Services provided by related parties included in expenses:		
Direct costs - operation and maintenance costs		
- Entities under common control	25,183	23,542
- Parent company	-	2,171
- Other related parties	6,438	8,800
General and administrative expenses - cost recharged		
- Other related parties	-	-
- Ultimate Parent Company	8,606	7,599
	40,227	**42,112**

The Group has incurred cost related to shared services and has been recharged to its related parties.

(d) Capital contribution

Capital contribution during the period ended 31 March 2022 amounting to AED 404,293,000 represents dividends declared from entities outside the IPO perimeter and are adjusted against balance payable to the related parties.

11. CASH AND BANK BALANCES

	31 March 2022 AED'000	31 December 2021 AED'000
Cash on hand	1,000	871
Cash at banks		
- Current account	793,995	686,829
- Fixed deposits	222,128	558,699
	1,017,123	**1,246,399**

Cash and cash equivalents include the following for the purposes of the condensed interim carve-out statement of cashflows:

	31 March 2022 AED'000	31 December 2021 AED'000
Cash and bank balances	1,017,123	1,246,399
Fixed deposits with maturities greater than 3 months	(222,128)	(478,216)
	794,995	**768,183**

Bank accounts are held with locally incorporated banks and branches of international banks. Fixed deposits carry interest in the range of 0.85% to 1.25% (2021: 0.30% to 1.25%) per annum.

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

12. SHARE CAPITAL

On 31 March 2022, the total authorised and issued share capital of the Company was increased to 5,000,000,000 shares (2021: 300 shares) of AED 0.1 (2021: AED 1,000) each. All shares were fully paid-up. This increase was made by capitalising retained earnings of the Company amounting to AED 499,700,000 (2021: NIL).

13. LEGAL RESERVE

In accordance with the Articles of Association, 10% of the profit for the year in each UAE limited liability registered company is transferred to a legal reserve, which is not distributable. Transfers to this reserve are required to be made until such time as it equals at least 50% of the paid up share capital of the respective companies. Transfers to the legal reserve have accordingly been made by the individual entities within the Group. Consequently, the cumulative balance of legal reserve exceeds 50% of the paid up share capital of the Company.

14. BORROWINGS

	31 March 2022 AED'000	31 December 2021 AED'000
Bank borrowings	4,100,000	4,022,884
Unamortised issue costs	(68,620)	(57,764)
Carrying amount	**4,031,380**	**3,965,120**
Payable within 12 months	-	(302,015)
Payable after 12 months	**4,031,380**	**3,663,105**

On 6 February 2014, the Group entered into a loan facility amounting to AED 140,000,000. The purpose of the loan was project finance.

On 31 January 2019, the Group entered into a conventional and Ijara facility with a syndicate of banks for AED 606,000,000 loan facility. The purpose of the loan was to finance four projects of the Group. The loan will cover around 75% of the total construction cost in line with the agreement.

On 27 February 2019, the Group entered into a conventional and Ijara facility with a syndicate of banks for AED 7,000,000,000 loan facility. The purpose of the loan was to repay existing facilities and for general corporate purposes of the Group

On 30 March 2022, the Group refinanced and consolidated its existing bank facilities through a new facility aggregating to AED 7,600,000,000 with multiple tranches from consortium of banks, in exchange of settlement of existing obligation, referred above. On account of the settlement, the Group has derecognised the existing liability which has resulted in the release of unamortised issue costs of AED 57,764,000 in finance cost. The unamortised issue costs incurred on the new facility, amounting to AED 68,620,000 are amortised over the term of the new facility.

The purpose of the new loan facility is to repay existing facilities and for general corporate purposes of the Group. The new facility is repayable over two instalments in 2026 and 2027.

As at 31 March 2022, the Group has undrawn floating rate borrowing amounting to AED 3,500,000,0000 from the above facility (31 December 2021: AED 3,500,000,000 from the above facilities).

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

14. BORROWINGS (CONTINUED)

The Group has sufficient headroom to enable it to conform to covenants on its existing borrowings and sufficient working capital and undrawn financing facilities to service its operating activities and ongoing investments as at 31 March 2022 and 31 December 2021.

Below are major financial covenants as required by the terms of the facility:

i) Leverage for each period not to exceed certain ratios as specified in the facility agreement.

ii) Debt Service Cover Ratio not to be less than 1.20:1.

iii) Minimum Net Worth in respect of any relevant period not to be less than AED 3,673,000,000 (or its equivalent in any other currency).

iv) Maintenance of minimum balance in the bank account of the Group held for the purposes of the facility.

The Group has complied with all covenants in line with the borrowing facility agreements at each reporting period. The Group has not had any defaults of principal, interest or redemption amounts during the periods on its borrowed funds. Interest rates on the above bank borrowings ranged from 2.81% to 4.00% (31 December 2021: 2.27% to 3.39%) per annum.

Total borrowings of AED 4,100,000,000 (2021: AED 3,965,120,000) are subject to re-pricing within three months of the condensed interim carve-out balance sheet date.

15. TRADE AND OTHER PAYABLES

	31 March 2022 AED'000	31 December 2021 AED'000
Operating lease advances	1,136,692	1,118,389
Project payables	1,038,326	1,032,088
Contract advances	41,400	40,823
Retention payables	137,894	149,977
Accrued expenses	412,997	409,284
Refundable deposits	203,915	199,482
Trade payables	118,160	112,848
Other payables	48,300	39,046
	3,137,684	**3,101,937**
Less: payable after 12 months	(1,594,428)	(1,591,578)
Payable within 12 months	**1,543,256**	**1,510,359**

16. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	31 March 2022 AED'000	31 March 2021 AED'000
Provision for infrastructure cost [Note 4 (c)]	881,124	2,404,953
Provision for terminations and legal claims	22,212	22,213
	903,336	**2,427,166**

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

17. EMPLOYEE END OF SERVICE BENEFITS

The Group is in the process of transferring some of the employees (and the related provision for EOSB) related to transfer of Divisions which is expected to be completed before listing. Hence, the employees related provisions disclosed in these carve-out condensed interim financial statements would subsequently decrease to reflect the transfer of employees.

18. DIVIDENDS

A dividend for the period ended 31 March 2022 of AED 53,997,000 (31 December 2021: AED 1,400,000,000) was approved by the shareholders of the Company. The dividend per share amounted to AED NIL (2021: AED 4,709,407). The dividend payable for 2021 was adjusted against the balance receivable the parent company (Note 10).

19. REVENUE

	31 March 2022 AED'000	31 March 2021 AED'000
Operating lease income (Note 6)	435,040	391,802
Service income	50,071	37,102
	485,111	**428,904**

The payments for service income are received in advance and have no significant financing component.

The aggregate amount of sale price allocated to performance obligations that are unsatisfied/partially satisfied as at 31 March 2021 amounted to AED 41,400,273 (2021: AED 36,813,000). The Group expects to recognise revenue from these unsatisfied performance obligations over a period of 2 years.

20. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical. The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	31 March 2022	31 March 2021
Earnings		
Earnings for the purpose of basic and diluted earnings per share (profit for the period attributable to owners of the Company) rounded to the nearest AED thousands	**190,262**	**144,297**
Weighted average number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	**55,555,852**	**300**
Basic and diluted earnings per share attributable to Owners of the Company rounded to the nearest AED thousands	**0.003**	**481**

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

21. CASH GENERATED FROM OPERATIONS

	Period ended 31 March	
	2022 AED'000	2021 AED'000
Profit for the period before income tax	190,262	144,297
Adjustments for:		
Depreciation on property and equipment (Note 5)	2,310	2,953
Depreciation on investment property (Note 6)	93,733	85,080
Amortisation of intangibles	5,964	2,831
Loss allowance on trade and other receivables (Note 8)	27,106	29,404
Release of government grants	-	1,068
Provision for other liabilities and charges	-	1,665
Fair value gain on derivative	-	(4,887)
Finance cost	107,260	63,344
Amortisation of issue cost	10,856	-
Finance income	(60,950)	(5,169)
Changes in working capital		
Trade and other receivables before provision and write offs	(867)	(89,232)
Due from related parties	296,241	(40,993)
Trade and other payables excluding project payables	41,592	43,096
Due to related parties	(384,296)	5,704
Cash generated from operations	**329,211**	**239,161**

22. COMMITMENTS

(a) Capital commitments

	31 March 2022 AED'000	31 December 2021 AED'000
Property and equipment	3,943	2,319
Intangible assets	8,336	8,416
Investment properties	266,249	291,037

(b) Operating lease arrangements - the Group as lessor

Operating non-cancellable leases relate to the investment property owned by the Group with lease terms of between 1 to 5 years for building leases and between 20 to 50 years for land leases.

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

	31 March 2022 AED'000	31 December 2021 AED'000
Later than 5 years	12,852,176	11,877,427
Later than 1 year and not later than 5 years	2,762,319	2,596,967
Not later than 1 year	906,753	816,312
	16,521,248	**15,290,706**

NOTES TO THE CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (continued)

22. COMMITMENTS (CONTINUED)

(c) Letter of credit

Letters of credit of AED 28,680,000 (2021: AED 41,265,000) issued for construction of certain infrastructure costs.

23. SEGMENT REPORTING

Information regarding the Group's reportable segments is set out below in accordance with IFRS 8 Operating Segments. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Group's Chief Executive Officer, as the chief operating decision maker, in order to allocate resources to the segment and to assess its performance. Information reported to the Group's Chief Executive Officer for the purpose of resource allocation and assessment of segment performance focuses on the financial performance of each business segments only. No information that includes the segments' assets and liabilities are reported to the Group's Chief Executive Officer.

The Group is organised into four reportable segment: (i) commercial leasing, (ii) industrial leasing, (iii) land leasing and (iv) services and others. The following describes the types of properties, products or services that fall within each of our financial segments:

- Commercial leasing consists of built to lease and built to suit properties. Built to lease properties are our commercial properties which are typically developed for multiple tenants and are leased out to customers, and include office, retail space and business centres (built to lease). Built to suit properties typically represent our commercial properties where we were able to identify customers in advance of developing the property in order to build a single-tenant customised property that meet a customer's specifications, which are then leased out to them upon completion or similar properties (built to suit). Within our commercial leasing segment, our properties are classified as Commercial Business District ("CBD") or non-CBD properties.
- Industrial leasing consists of warehouses and staff accommodation (housing for businesses to use to accommodate their workers).
- Land leasing consists of land leases. Our land leases represent land available within our business districts that already has or is expected to develop the necessary infrastructure (such as connecting roads, water, electricity and sewage) that allows us to lease the land. We have intentionally retained such land in order to be able to lease it to customers to suit their specific needs, such as manufacturing, commercial, retail, residential or academic purposes.
- Services consist of fees from the services that we provide, including those generated from our AXS platform, venue management services, property management and leasing agreements and our in5 platform.
- Other segments include businesses that individually do not meet the criteria of a reportable segment. This segment include operations and support functions.

The Group operates primarily in United Arab Emirates and accordingly no further geographical analysis of revenue and profit are given. Segment revenue reported represents revenue generated from customers and there were no intersegment sales.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2. Segment results represents the profit earned by each segment before interest, depreciation and amortisation. This is the measure reported to the Group's Chief Executive Officer for the purpose of resource allocation and assessment of segment performance

23. SEGMENT REPORTING (CONTINUED)

Information regarding these segments are as follows:

	Commercial leasing AED'000	Land leasing AED'000	Industrial leasing AED'000	Services and others AED'000	Total AED'000
31 March 2022					
Revenue	252,734	112,175	63,036	57,166	485,111
Direct cost	(68,730)	-	(10,832)	(14,995)	(94,557)
Other operating income	8,867	231	75	2,532	11,705
Other expenses	(17,989)	(19,032)	(13,436)	(2,367)	(52,824)
Segment results before interest and depreciation and amortisation	**174,882**	**93,374**	**38,843**	**42,336**	**349,435**
Depreciation and amortisation	(81,324)	-	(19,662)	(1,021)	(102,007)
Unallocated net finance cost	-	-	-	-	(57,166)
Profit for the period	**93,558**	**93,374**	**19,181**	**41,315**	**190,262**
31 March 2021					
Revenue	222,728	108,312	55,102	42,762	428,904
Direct cost	(58,664)	-	(8,779)	(9,880)	(77,323)
Other operating income	13,384	303	59	20	13,766
Other expenses	(40,698)	(17,826)	(6,371)	(7,116)	(72,011)
Segment results before interest and depreciation and amortisation	**136,750**	**90,789**	**40,011**	**25,786**	**293,336**
Depreciation and amortisation	(68,003)	-	(21,181)	(1,680)	(90,864)
Unallocated net finance cost	-	-	-	-	(58,175)
Profit for the year	**68,747**	**90,789**	**18,830**	**24,106**	**144,297**

Management primarily relies on net finance cost, not the gross finance income and finance cost in managing all segments and does not allocate to segments. Therefore, unallocated net finance cost is disclosed.

No single customer contributed 10 percent or more to the Group's revenue.

Annex (2) – Memorandum of Association and Articles of Association

MEMORANDUM OF ASSOCIATION	**عقد تأسيس**
OF	**لشركة**
TECOM Group PJSC **(Public Joint-Stock Company)**	**مجموعة تيكوم ش.م.ع** **(شركة مساهمة عامة)**
In this day "[*Insert day*]" of "[*Insert Month*]" of 2022, it has been agreed between the signatories below:	انه في هذا اليوم "(*ادخل اليوم*)" من شهر "(*ادخل الشهر*)" لسنة 2022، تم الاتفاق فيما بين الموقعين أدناه:
DHAM L.L.C., a limited liability company registered at the Department of Economic Development Dubai, under the license number 915964, P.O Box 66000, Dubai, United Arab Emirates; and	**دي اتش إيه إم ذ.م.م،** شركة ذات مسؤولية محدودة مسجلة لدى دائرة التنمية الاقتصادية في دبي بالرخصة رقم 915964 ص.ب 66000، دبي، دولة الإمارات العربية المتحدة.
(hereinafter referred to as the "**First Founder**"); and	(يشار إليه فيما بعد "**المؤسس الأول**")؛ و
DHAM FZ-L.L.C., a free zone limited liability company incorporated in the Dubai Development Authority, under the commercial license no.97887, P.O Box 66000, Dubai, United Arab Emirates.	**دي اتش إيه إم منطقة حرة ذ.م.م،** وهي شركة منطقة حرة ذات مسؤولية محدودة، مؤسسة أصولياً لدى سلطة دبي للتطوير، وتحمل رخصة تجارية رقم 97887 ص.ب. 66000، دبي، دولة الإمارات العربية المتحدة.
(hereinafter referred to as the "**Second Founder**").	(يشار إليها فيما بعد" **المؤسس الثاني**").
Referred to herein collectively as the "**Founders**")	يشار إليهما مجتمعين بـ "**المؤسسون**")
TECOM Group L.L.C, is a limited liability company duly on 14 February 2006 in the Emirate of Dubai under the trade license number 577858 issued by the Dubai Department of Economic Development. pursuant to its Memorandum of Association executed at the Dubai Notary Public on 16/11/2020 under reference number 190615/1/2020, and its addendum of amendment of Memorandum of Association executed at the Dubai Notary Public on 12/05/2022 under reference number 2022/1/120286.	حيث إن **مجموعة تيكوم (ذ.م.م)،** هي شركة ذات مسؤولية محدودة مؤسسة بتاريخ 14 فبراير 2006 في إمارة دبي، بموجب الرخصة التجارية رقم 577858 (ش.ذ.م.م.) مسجلة لدى دائرة التنمية الاقتصادية في دبي، وبموجب عقد التأسيس المصدق لدى الكاتب العدل في إمارة دبي بتاريخ2020/11/16بمحرر رقم 2020/1/190615، وبموجب ملحق تعديل عقد التأسيس المصدق لدى الكاتب العدل في إمارة دبي بتاريخ 2022/05/12 بمحرر رقم 2022/1/120286.
Whereas the partners in **TECOM Group L.L.C.** wish to convert the legal form of the aforementioned company from a limited liability company to a public joint stock company and the Founders of the Company approved on 2 March 2022 (i) such conversion from a limited liability company to a public joint stock company and (ii) an offer of part of the Company's capital to the public.	وحيث أن الشركاء في **مجموعة تيكوم (ذ.م.م)** يرغبان في تحويل الشكل القانوني للشركة من شركة ذات مسؤولية محدودة إلى شركة مساهمة عامة، فقد وافق مؤسسون الشركة بتاريخ 2 مارس 2022 على (1) تحويل الشركة من شركة ذات مسؤولية محدودة إلى شركة مساهمة عامة؛ و(2) طرح جزء من رأس مال الشركة للاكتتاب العام.

Accordingly, the Founders, signatories to this Memorandum of Association, established a public joint stock company subject to the Federal Decree Law No 32 of 2021 on Commercial Companies (as amended) (the "**Law**").

على إثر ذلك، قام المؤسسون الموقعون على هذا العقد بتأسيس شركة مساهمة عامة طبقاً لأحكام المرسوم بقانون إتحادي رقم (32) لسنة 2021 بشأن الشركات التجارية (كما يتم تعديله) ("**القانون**").

Article 1

المادة 1

The name of the Company is "**TECOM Group PJSC" (**a public joint stock company), (hereinafter referred to as (the "**Company**")).

اسم الشركة هو "**مجموعة تيكوم ش.م.ع" (شركة مساهمة عامة)**، (ويشار إليها فيما بعد بلفظ ("**الشركة**")).

Article 2

المادة 2

The head office of the Company and its legal place of business shall be in the Emirate of Dubai. The Board of Directors may establish branches, offices and agencies for the Company inside and outside the State.

مكتب الشركة الرئيسي ومحلها القانوني في إمارة دبي، ويجوز لمجلس الإدارة أن ينشئ لها فروعاً ومكاتب ووكالات في داخل الدولة وخارجها.

Article 3

المادة 3

The fixed term of the Company shall be 100 hundred Gregorian years commencing from the date the Company is registered in the commercial register.

المدة المحددة لهذه الشركة هي (100) مئة سنة ميلادية تبدأ من تاريخ إشهار الشركة في السجل التجاري.

Such term shall be automatically renewed for similar successive terms unless a Special Resolution of the General Assembly is issued to amend the term of the Company or terminate the same.

وتجدد هذه المدة بعد ذلك تلقائياً لمدد متعاقبة ومماثلة ما لم يصدر قرار خاص من الجمعية العمومية بتعديل مدة الشركة أو انهائها.

Article 4

المادة 4

4.1 The objects that the Company is established for shall be in compliance with the provisions of the laws and regulations in force in the State and shall be:

a. invest in, incorporate, and manage commercial, industrial, technological, media, entertainment, academic and agricultural projects;

b. buy, sell, rent, manage and advise on commercial and residential real estate including (without limitation) performing the services of a real estate agent and providing real estate management services;

4.1 تكون الأغراض التي أسست من أجلها الشركة متفقة مع أحكام القوانين والقرارات المعمول بها داخل الدولة، وهي:

أ. الاستثمار في وتأسيس؛ وإدارة المشاريع التجارية والصناعية والتقنية والإعلامية والترفيهية والأكاديمية والزراعية؛

ب. شراء، بيع، تأجير، إدارة وتقديم المشورة حول العقارات التجارية والسكنية بما في ذلك (دون تحديد) تقديم الخدمات التي يدها الوكيل العقاري وخدمات إدارة العقاريات؛

c. establish, manage, promote, market and conduct the business of hospitality and leisure services including, without limitation, hotels, commercial offices, retail premises, shopping malls, resorts, restaurants, motels, flats, residential houses, sports and recreational clubs and catering services, catering and hospitality services, recruitment services, educational services, and the lease, maintenance, improvement administration and management services related to all the same;

ت. تأسيس وإدارة وترويج وتسويق وممارسة العمل في مجال خدمات الضيافة والترفيه ويشمل ذلك دون تحديد الفنادق والمكاتب التجارية ومراكز البيع بالتجزئة ومراكز التسوق والمنتجعات والمطاعم والموتيلات والشقق والمنازل والأندية الرياضية والترفيهية وخدمات تقديم وتزويد الطعام وخدمات الضيافة وخدمات التوظيف والمؤسسات التعليمية وخدمات التأجير والصيانة والتطوير والإدارة المتعلقة بكل ذلك؛

d. organize and manage exhibitions, conferences and seminars, auctions;

ث. تنظيم وإدارة المعارض والمؤتمرات والندوات والمزادات العلنية؛

e. provide managerial and other executive, supervisory and consultancy services for or in relation to any company in which the Company is interested;

ج. تقديم خدمات الإدارة وغيرها من الخدمات التنفيذية والإشرافية والاستشارية لأي وفيما يتعلق بأي شركة يكون للشراكة اهتمام فيها؛

f. real estate development;

ح. التطوير العقاري؛

g. buying and selling real estate;

خ. شراء الأراضي والعقارات؛

h. self-owned property management services;

د. خدمات تأجير وإدارة العقارات الخاصة؛

i. real estate consultancies;

ذ. الاستشارات العقارية؛

j. leasing property brokerage agents;

ر. الوساطة في تأجير العقارات؛

k. facilities management services;

ز. خدمات إدارة منشآت؛

l. real estate buying & selling brokerage;

س. الوساطة في بيع العقارات وشرائها؛

m. real estate management supervision services; and

ش. خدمات الإشراف الإداري على العقارات؛ و

n. leasing and management of other people's property.

ص. خدمات تأجير وإدارة العقارات للغير.

4.2 Furthermore, the Company shall be entitled to carry on any other activities incidental to or conducive to the attainment of any of its objects.

4.2 علاوةً على ذلك، يجوز للشركة مزاولة أية أنشطة أخرى تتعلق بأي من أغراضها أو تؤدي إلى تحقيقها.

4.3 In the course of carrying out its objects, the Company may:

4.3 يجوز للشركة، ضمن مسار القيام بأغراضها:

a. carry on business inside or outside the United Arab Emirates;

أ. ممارسة الأعمال داخل وخارج دولة الإمارات العربية المتحدة؛

b. acquire, own, possess, sell, lease or otherwise dispose of such real estates, assets, equipment and facilities as may be necessary or conducive to the attainment of its principal objects;

ب. الحصول على أو امتلاك أو حيازة أو بيع أو تأجير أو بشكل آخر التصرف بالعقارات، الأصول أو المعدات والتجهيزات كما قد يكون ذلك ضرورياً أو مؤدياً إلى تحقيق أغراضها الرئيسية؛

c. carry on all business related directly or indirectly to the said objects or incidental thereto; and

ت. مزاولة كافة أعمالها التي تتعلق بشكل مباشر أو غير مباشر بالأغراض المذكورة أو المتعلقة بها؛ و

d. attain its objects and exercise its powers either as principal, contractor, sub-contractor or otherwise.

ث. تحقيق أغراضها وممارسة سلطاتها سواءً كأصيل أو مقاول أو مقاول من الباطن أو بأي شكل أخر.

4.4 The Company may not carry on the business of insurance, banking or the investment of funds on behalf of third parties

4.4 لا يجوز للشركة أن تزاول أعمال التأمين أو الأعمال المصرفية أو استثمار الأموال نيابةً عن الغير.

4.5 The Company may have an interest, enter into joint ventures, establish, acquire or participate with other entities, establishments or companies in the State or outside the State, in projects, establishments and companies pursing objects and exercising activities similar to its own objects and activities.

4.5 ويجوز للشركة أن تكون لها مصلحة أو أن تدخل في مشاريع مشتركة أو تؤسس أو تستحوذ أو تشترك مع الشركات والمؤسسات والجهات داخل الدولة أو خارجها في مشاريع ومؤسسات وشركات تزاول أغراضاً واعمالاً شبيهة بأغراضها وأعمالها.

4.6 In fulfillment of its objects above, the Company may, enter into commercial and financial transactions, execute and implement contracts and other obligations, draw, accept and negotiate negotiable instruments, open and operate bank accounts and borrow money for any period of time with or without security on any of all of the assets of the Company, issue guarantees, invest monies and deal with such investments on its own account and generally to institute, participate in or promote commercial and mercantile enterprises and operations of all kinds in relation to or for the purpose of the business of the company, and to do all such other Businesses as may be considered to be incidental to the above objects.

4.6 وللشركة في سبيل تحقيق أغراضها المحددة لها السابق ذكرها، أن تقوم بالعمليات التجارية والمالية وإنجاز والتوقيع على العقود والالتزامات الأخرى وسحب وقبول وحسم الأوراق التجارية القابلة للتداول وفتح وإدارة الحسابات البنكية واقتراض الأموال لأية فترة زمنية سواء مقابل ضمانات أو دون ضمانات على أي وجميع موجودات الشركة وإصدار الضمانات واستثمار الأموال والتعامل مع هذه الاستثمارات لحسابها الخاص وعلى وجه العموم إقامة أو الإسهام في أو تطوير الأعمال أو العمليات التجارية من جميع الأشكال المتعلقة بأغراض الشركة أو التي تخدم أغراضها وكذلك القيام بجميع الأعمال التي تكون مرتبطة مع الأغراض المذكورة

4.7 The Company shall not carry out any activity for which a license is required from the competent regulatory authority in or outside the State, unless it obtains such license. A copy of such license should be provided to the Authority and the Competent Authority.

4.7 لا يجوز للشركة القيام بأي نشاط يُشترط لمزاولته صدور ترخيص من الجهة الرقابية المشرفة على النشاط بالدولة أو خارج الدولة إلا بعد الحصول على الترخيص من تلك الجهة وتقديم نسخة من هذا التراخيص للهيئة والسلطة المختصة.

Article 5

المادة 5

5.1 The issued capital of the Company has been fixed at AED 500,000,000 (Five hundred million

5.1 حدد رأس مال الشركة المصدر بمبلغ 500,000,000 (خمسمائة مليون) درهم موزع على 5,000,000,000

Dirhams) divided into 5,000,000,000 (Five billion) shares with a value of 10 (ten) Fils for each share, All the Company's shares are fully paid and are of the same class and are equal in their rights and obligations.

(خمسة مليار) سهم، قيمة كل سهم عشرة (10) فلس، مدفوعة بالكامل. وتكون جميع أسهم الشركة متساوية مع بعضها البعض من كافة الحقوق.

5.2 T`he Founders have subscribed for the entire capital of the Company for 5,000,000,000 (Five billion) shares with a nominal value of 10 (ten) Filseach, for a total amount of AED 500,000,000 (Five hundred million Dirhams) , as follows

5.2 اكتتب المؤسسون في رأس مال الشركة بالكامل بأسهم عددها (خمسة مليار) سهم بقيمة اسميّة قدرها عشرة (10) فلس للسهم الواحد، بقيمة إجمالية بمبلغ 500,000,000 (خمسمائة مليون) درهم، على النحو التالي:

نسبة الملكية% Ownership Percentage%	عدد الأسهم Shares	الجنسية Nationality	المؤسسون Founders	رقم
99 99	4,950,000,000	الإمارات UAE	**دي اتش إيه إم ذ.م.م** **DHAM L.L.C**	1
1 1	50,000,000	سلطة دبي للتطوير- منطقة الحرة Dubai Development Authority Free zone	**دي اتش إيه إم منطقة حرة ذ.م.م** **DHAM FZ-L.L.C.**	2
100%	5,000,000,000		**المجموع** **Total**	

Article 6

The Founders, signatories to this Memorandum, undertake to do all necessary acts with a view to completing the incorporation of the Company. For this purpose, they have delegated powers to a committee comprising the persons whose names are mentioned below to apply, individually or jointly, for obtaining an authorization for the incorporation of the Company and to take all legal procedures and complete the necessary documents to finalize the incorporation of the Company and introduce such amendments as deemed necessary by the Competent Authorities to this Memorandum or to the Articles of Association of the Company attached hereto and to sign the same before the notary public, if necessary.

المادة 6

يتعهد المؤسسون الموقعون على هذا العقد بالقيام بجميع الإجراءات اللازمة لإتمام تأسيس الشركة. ولهذا الغرض وكلوا عنهم اللجنة المكونة من السادة الواردة أسماؤهم أدناه ليقوموا منفردين أو مجتمعين بالتقدم بطلب للترخيص بتأسيس الشركة واتخاذ جميع الإجراءات القانونية وإعداد وتقديم المستندات اللازمة لاكتمال تأسيسها وإدخال التعديلات التي تراها الجهات المختصة لازمة سواء على هذا العقد أو على النظام الأساسي للشركة المرفق به، والتوقيع عليها أمام الكاتب العدل، إن لزم الأمر.

Article 7

The Founders shall bear all expenses, costs, fees and other charges required to be paid by the Company due to its incorporation as a public joint stock company.

المادة 7

يتحمل المؤسسون المصروفات والنفقات والأجور والتكاليف الأخرى اللازمة لتأسيسها كشركة مساهمة عامة.

Article 8

The provisions of the Law shall apply to any matter not specifically covered in the Memorandum of Association or these articles of association, provided that the Company shall not be subject to Article 121(2) of the Law.

المادة 8

تطبق أحكام القانون فيما لم يرد في شأنه نص خاص في عقد التأسيس أو النظام الأساسي شريطة أنه لا تخضع الشركة للمادة 121(2) من القانون.

Article 9

The Articles of Association attached to this Memorandum shall be deemed an integral part thereof and complementary thereto.

المادة 9

يعتبر النظام الأساسي المرفق بهذا العقد جزءاً لا يتجزأ منه ومكملاً له.

Article 10

In case of a discrepancy between the Arabic and the English text, the Arabic text shall prevail

المادة 10

في حال وجود أي تعارض بين النص العربي والنص الإنجليزي، يؤخذ بالنصوص الواردة في النسخة العربية.

Article 11

This Memorandum is made of several copies for submission to the relevant authorities upon application for the licenses necessary for the establishment of the Company. Each Founder may apply for a certified copy thereof from the Notary Public.

المادة 11

حرر هذا العقد من عدة نسخ لتقديمها إلى الجهات المختصة عند طلب التراخيص اللازمة لتأسيس الشركة، ويجوز لكل مؤسس طلب الحصول على نسخة معتمدة من الكاتب العدل.

Name of Founder: DHAM L.L.C

أسم المؤسس: دي اتش إيه إم ذ.م.م

Signature:

التوقيع:

____

Name of Founder: DHAM FZ-L.L.C

أسم المؤسس: دي اتش إيه إم منطقة حرة ذ.م.م.

Signature:

التوقيع:

____

The Articles of Association
of
TECOM Group PJSC

(Public Joint-Stock Company)

النظام الأساسي

مجموعة تيكوم ش.م.ع

(شركة مساهمة عامة)

PART ONE
ESTABLISHING THE COMPANY

الباب الأول
في تأسيس الشركة

TECOM Group L.L.C, was duly established as a limited liability company on 14 February 2006 in the Emirate of Dubai under the trade license number 577858 issued by the Dubai Department of Economic Development, pursuant to its Memorandum of Association executed at the Dubai Notary Public on 16/11/2020 under reference number 2020/1/190615, and pursuant to amendment of Memorandum of Association executed at the Dubai Notary Public on 12/05/2022 under reference number 120286/1/2022.

Whereas the partners in **TECOM Group L.L.C.** wish to convert the form of the aforementioned company from a limited liability company to a public joint stock company, they approved on 2 March 2022 (i) such conversion from a limited liability company to a public joint stock company and (ii) an offer of part of the Company's capital to the public.

Whereas it has been agreed to offer to the public a part of the share capital of the Company.

Therefore, it has been agreed that the following shall be the Articles of Association of the Company:

DEFINITIONS

The following terms and expressions, when mentioned in the provisions of these Articles, shall have the following meanings:

Affiliated Company: means a company associated with another company under a cooperation and coordination agreement, in accordance with the resolution No. (3 R.M)

تأسست **مجموعة تيكوم (ش.ذ.م.م)**، شركة ذات مسؤولية محدودة بتاريخ 14 فبراير 2006 في إمارة دبي، بموجب الرخصة التجارية رقم 577858 (ش.ذ.م.م.) مسجلة لدى دائرة التنمية الاقتصادية في دبي، وبموجب عقد التأسيس المصدق لدى الكاتب العدل في إمارة دبي بتاريخ 2020/11/16 بمحرر رقم2020/1/190615، وبموجب ملحق تعديل عقد التأسيس المصدق لدى الكاتب العدل في إمارة دبي بتاريخ2022/05/12 بمحرر رقم 2022/1/120286.

وحيث أن الشركاء في **مجموعة تيكوم (ش.ذ.م.م)** يرغبون في تحويل الشركة من شركة ذات مسؤولية محدودة إلى شركة مساهمة عامة، فقد وافقوا بتاريخ 2 مارس 2022 على (1) هذا التحويل من شركة ذات مسؤولية محدودة إلى شركة مساهمة عامة؛ و(2) طرح جزء من رأس مال الشركة للاكتتاب العام.

وحيث تم الاتفاق على طرح جزء من أسهم الشركة للاكتتاب العام.

وعليه، فقد تمَ الاتفاق على النظام الأساسي التالي للشركة:

تعريفات

يقصد بالألفاظ أدناه، عند ورودها في النظام الأساسي، المعاني المرادفة لكل منها:

الشركة الحليفة: تعني الشركة المرتبطة بعقد تعاون وتنسيق مع شركة أخرى وفقاً لقرار رئيس مجلس إدارة

issued by the Board of Directors of the Authority (as defined below) concerning Approval of Joint Stock Companies Governance Guide.

الهيئة رقم (3 ر.م) لسنة 2020 بشأن إعتماد دليل حوكمة الشركات المساهمة العامة.

Articles or Articles of Association: means the Articles of Association of the Company as amended from time to time.

النظام أو النظام الأساسي: يعني هذا النظام الأساسي للشركة كما يتم تعديله من وقت لأخر.

Authority: means the Securities and Commodities Authority in the United Arab Emirates.

الهيئة: تعني هيئة الأوراق المالية والسلع بدولة الإمارات العربية المتحدة.

Board or Board of Directors: means the board of directors of the Company.

المجلس أو مجلس الإدارة: يعني مجلس إدارة الشركة.

Chairman or Chairman of the Board: means the chairman of the Board of Directors of the Company.

الرئيس أو رئيس المجلس: يعني رئيس مجلس إدارة الشركة.

Company: means TECOM Group PJSC.

الشركـة: تعني مجموعة تيكوم ش.م.ع

Competent Authority: means the Dubai Department of Economy and Tourism.

السلطة المختصة: تعني دائرة الاقتصاد والسياحة في دبي المختصة.

Conflict of Interest: A situation in which the partiality in taking a decision is affected due to a personal, material or moral interest, whereby the interests of the Related Parties interfere or seem to interfere with the interests of the Company as a whole, or upon taking advantage of the professional or official position in any way with a view to achieving a personal benefit.

تعارض المصالح: تعني الحالة التي يتأثر فيها حياد اتخاذ القرار بسبب مصلحة شخصية مادية أو معنوية حيث تتداخل أو تبدو أنها تتداخل مصالح الأطراف ذات العلاقة مع مصالح الشركة ككل أو عند استغلال الصفة المهنية أو الرسمية بطريقة ما لتحقيق منفعة شخصية.

Control:

The ability to direct management and policies of the Company and control financial and operational polices through controlling the following: formation of the Board, election of the majority of its members or control of the administration appointments. The control shall be materialized by acquisition/control of shares that have voting rights of 30% or more in the company

السيطـرة: تعني القدرة على التأثير أو التحكم - بشكل مباشر أو غير مباشر- في تعيين أغلبية أعضاء مجلس إدارة شركة أو القرارات الصادرة منه أو من الجمعية العمومية للشركة، وذلك من خلال ملكية نسبة 30% من أسهم الشركة، أو الحصص، أو باتفاق أو ترتيب آخر يؤدي إلى ذات التأثير.

Corporate Governance: means a set of controls, standards and procedures that aim to achieve corporate discipline for the management of the Company in accordance with the international standards and practices, through determining the duties and responsibilities of the Directors and the executive management of the Company, while taking into consideration the protection of the rights of shareholders and stakeholders.

حوكمة الشركات أو الحوكمة: تعني مجموعة الضوابط والمعايير والإجراءات التي تحقق الانضباط المؤسسي في إدارة الشركة وفقاً للمعايير والأساليب العالمية وذلك من خلال تحديد مسؤوليات وواجبات أعضاء مجلس الإدارة والإدارة التنفيذية للشركة مع الأخذ في الاعتبار حماية حقوق المساهمين وأصحاب المصالح.

Cumulative Voting: means each shareholder has a number of votes equal to the number of shares held by such shareholder. Such votes can be provided to a single nominated director or

التصويت التراكمي: يعني أن يكون لكل مساهم عدد من الأصوات يساوي عدد الأسهم التي يملكها، بحيث يقوم بالتصويت بها لمرشح واحد لعضوية مجلس الإدارة أو

distributed among more than one nominated director provided that the number of votes to be given to such group of nominated directors is not more than the number of the votes held by such shareholder in any case whatsoever.

توزيعها بين من يختارهم من المرشحين على ألا يتجاوز عدد الأصوات التي يمنحها للمرشحين الذين اختارهم عدد الأصوات التي بحوزته بأي حال من الأحوال.

Director(s): means the person(s) elected to perform the function of member(s) of the Board of Directors of the Company, including the Chairman of the Board

عضو (أعضاء) مجلس الإدارة: يعني الشخص الذي يتم انتخابه لشغل عضوية مجلس إدارة الشركة، بما في ذلك رئيس المجلس.

Dirham: means the official currency in the State.

درهم: يعني العملة الرسمية لدولة الإمارات العربية المتحدة.

Disclosure Rules: mean the rules and requirements of disclosure under the Law, the regulations and resolutions issued in accordance thereof.

قواعد الإفصاح: تعني قواعد ومتطلبات الإفصاح الواردة في القانون والأنظمة والقرارات الصادرة بمقتضاه.

Executive Management: means the senior executive management of the Company including the Manager of the Company, the executive manager, the managing director delegated by the Board to manage the Company and their deputies or any other persons authorized by the Board of Directors and their deputies to manage the Company.

الإدارة التنفيذية: تعني الإدارة التنفيذية العليا للشركة وتشمل المدير العام والرئيس التنفيذي والعضو المنتدب المخول من قبل أعضاء مجلس الإدارة بإدارة الشركة ونوابهم / أو أشخاص أخرى مخولين من قبل أعضاء مجلس الإدارة ونوابهم بإدارة الشركة.

General Meeting or General Assembly: means the Company's shareholders general meeting held as per the provisions of Part 5 of these Articles of Association.

الجمعية العمومية: تعني الجمعية العمومية للمساهمين المنعقدة وفقاً لأحكام الباب الخامس من هذا النظام الأساسي.

Law: means Federal Decree Law No 32 of 2021 on Commercial Companies and any amendments thereof.

القانون: يعني المرسوم بقانون اتحادي رقم (32) لسنة 2021 في شأن الشركات التجارية وأية تعديلات تطرأ عليه.

Listing Rules: mean the rules and requirements of listing under the Law, the regulations and resolutions issued in accordance thereof, including the internal regulations of the Market.

قواعد الإدراج: تعني قواعد ومتطلبات الإدراج الواردة في القانون والأنظمة والقرارات الصادرة بمقتضاه، واللوائح الداخلية الخاصة بالسوق.

Manager of the Company: means the general manager, the executive manager, the chief executive officer or the managing director of the Company appointed by the Board of Directors.

مدير الشركة: يعني المدير العام أو المدير التنفيذي أو الرئيس التنفيذي أو العضو المنتدب للشركة المعينين من قبل مجلس الادارة.

Market: means the financial market licensed in the State on which the shares of the Company are listed.

السوق: يعني سوق الأوراق المالية المرخص في الدولة من قبل الهيئة والمدرجة فيه أسهم الشركة.

Parent Company: means a company

related to a Subsidiary Company through any of

الشركة الام: تعني شركة ترتبط بالشركة التابعة من خلال أي من العلاقات التالية:

the following relationships:

1. has the rights to exercise or already exercises the Control on the subsidiary company; or
2. a parent company of the Parent Company relating to the Subsidiary Company.

-1 ان يكون لديها الحق في ممارسة أو تقوم بالفعل بممارسة السيطرة على الشركة التابعة؛ أو

-2 شركة ام للشركة الام للشركة التابعة.

Related Party(ies): means the Chairman, members of the Board of Directors, and members of the Executive Management of the Company, its employees and the companies in which any of such persons holds no less than thirty per cent (30%) of the capital thereof as well as Subsidiary Companies, Sister Companies or Affiliated Companies.

الأطراف ذات العلاقة: تعني رئيس وأعضاء مجلس إدارة الشركة وأعضاء الإدارة التنفيذية بالشركة، والعاملين بها، والشركات التي يساهم فيها أي من هؤلاء بما لا يقل عن ثلاثين بالمائة (30%) من رأسمالها، وكذلك الشركات التابعة أو الشركات الشقيقة أو الشركات الحليفة.

Sister Company: means a company that belongs to the same group to which the Company belongs.

الشركة الشقيقة: تعني الشركة التي تتبع نفس المجموعة التي تتبعها شركة اخرى.

Special Resolution: means a resolution that has been passed by the majority shareholders of the Company holding at least three quarters (75%) of the shares represented in the General Assembly of the Company.

القرار الخاص: يعني القرار الصادر بأغلبية أصوات مساهمي الشركة الذين يملكون مالا يقل عن ثلاثة أرباع (75%) من الأسهم الممثلة في اجتماع الجمعية العمومية للشركة.

State: means the United Arab Emirates.

الدولة: تعني دولة الإمارات العربية المتحدة.

Subsidiary Company: means a company in which the Company owns more than 50% of its capital and fully controls the formation of its board of directors.

الشركة التابعة: تعني الشركة المملوكة من الشركة بأكثر من 50% من رأسمالها وتخضع للسيطرة الكاملة من قبل الشركة في تعيين مجلس ادارتها.

Transactions: means dealings, contracts, or agreement entered into by the Company, and which do not fall within the main activity of the Company or that include preferential conditions which the Company does not usually grant to parties dealing with the clients, or any other transactions specified by the Authority from time to time by resolutions, instructions, or circulars it issues.

الصفقات: تعني المعاملات أو العقود أو الاتفاقيات التي تبرمها الشركة والتي لا تدخل ضمن النشاط الرئيسي للشركة أو التي تتضمن شروطاً تفضيلية لا تمنحها الشركة عادةً للمتعاملين معها أو أية صفقات أخرى تحددها الهيئة من وقت للأخر بقرارات وتعليمات أو تعاميم تصدرها.

Article 1

المادة 1

The name of the Company is **TECOM Group PJSC** (a public joint stock company) referred to hereinafter as (the "**Company**").

اسم الشركة هو مجموعة **تيكوم ش.م.ع** (شركة مساهمة عامة) ويشار إليها فيما يلي ب ("**الشركة**").

Article 2

The head office of the Company and its legal place of business shall be in the Emirate of Dubai. The Board of Directors may establish branches, offices and agencies for the Company inside and outside the State.

المادة 2

مكتب الشركة الرئيسي ومحلها القانوني في إمارة دبي، ويجوز لمجلس الإدارة أن ينشئ لها فروعاً ومكاتب ووكالات في داخل الدولة وخارجها.

Article 3

The fixed term of the Company shall be one hundred (100) Gregorian years commencing from the date the Company is registered in the commercial register.

Such term shall be automatically renewed for similar successive terms unless a Special Resolution of the General Assembly is issued to amend the term of the Company or terminate the same.

المادة 3

المدة المحددة لهذه الشركة هي (100) مائة سنة ميلادية تبدأ من تاريخ إشهار الشركة في السجل التجاري.

وتجدد هذه المدة بعد ذلك تلقائياً لمدد متعاقبة ومماثلة ما لم يصدر قرار خاص من الجمعية العمومية بتعديل مدة الشركة أو انهائها.

Article 4

4.1 The objects that the Company is established for shall be in compliance with the provisions of the laws and regulations in force in the State and shall be:

a. to invest in, incorporate, and manage commercial, industrial, technological, media, entertainment, academic and agricultural projects;

b. to buy, sell, rent, manage and advise on commercial and residential real estate including (without limitation) performing the services of a real estate agent and providing real estate management services;

c. to establish, manage, promote, market and conduct the business of hospitality and leisure services including, without limitation, hotels, commercial offices, retail premises, shopping malls, resorts, restaurants, motels, flats, residential houses, sports and recreational clubs and catering services, catering and hospitality services, recruitment services, educational services, and the lease, maintenance, improvement administration and management services related to all the same; and

المادة 4

4.1 تكون الأغراض التي أسست من أجلها الشركة متفقة مع أحكام القوانين والقرارات المعمول بها داخل الدولة، وهي:

أ. الاستثمار في وتأسيس؛ وإدارة المشاريع التجارية والصناعية والتقنية والإعلامية والترفيهية والأكاديمية والزراعية؛

ب. شراء؛ بيع؛ تأجير؛ إدارة وتقديم المشورة حول العقارات التجارية والسكنية بما في ذلك (دون تحديد) تقديم الخدمات التي يديرها الوكيل العقاري وخدمات إدارة العقاريات؛

ج. تأسيس وإدارة وترويج وتسويق وممارسة العمل في مجال خدمات الضيافة والترفيه ويشمل ذلك دون تحديد الفنادق والمكاتب التجارية ومراكز البيع بالتجزئة ومراكز التسوق والمنتجعات والمطاعم والموتيلات والشقق والمنازل والأندية الرياضية والترفيهية وخدمات تقديم وتزويد الطعام وخدمات الضيافة وخدمات التوظيف والمؤسسات التعليمية وخدمات التأجير

	والصيانة والتطوير والإدارة المتعلقة بكل ذلك؛
d. to organize and manage exhibitions, conferences and seminars, auctions;	د. تنظيم وإدارة المعارض والمؤتمرات والندوات والمزادات العلنية؛
e. to provide managerial and other executive, supervisory and consultancy services for or in relation to any company in which the Company is interested;	هـ. تقديم خدمات الإدارة وغيرها من الخدمات التنفيذية والإشرافية والاستشارية لأي وفيما يتعلق بأي شركة يكون للشراكة اهتمام فيها؛
f. real estate development;	و. التطوير العقاري؛
g. buying and selling real estate;	ز. شراء الأراضي والعقارات وبيعها؛
h. self-owned property management services;	ح. خدمات تأجير وإدارة العقارات الخاصة؛
i. Real Estate Consultancies;	ط. الاستشارات العقارية؛
j. leasing property brokerage agents;	ي. الوساطة في تأجير العقارات؛
k. facilities management services;	ك. خدمات إدارة منشآت؛
l. real estate buying & selling brokerage;	ل. الوساطة في بيع العقارات وشرائها؛
m. real estate management supervision services; and	م. خدمات الإشراف الإداري على العقارات؛ و
n. leasing and management of other people's property.	ن. خدمات تأجير وإدارة العقارات للغير.
4.2 Furthermore, the Company shall be entitled to carry on any other activities incidental to or conducive to the attainment of any of its objects.	4.2 علاوةً على ذلك، يجوز للشركة مزاولة أية أنشطة أخرى تتعلق بأي من أغراضها أو تؤدي إلى تحقيقها.
4.3 In the course of carrying out its objects, the Company may:	4.3 يجوز للشركة، ضمن مسار القيام بأغراضها:
a. carry on business inside or outside the United Arab Emirates; and	أ. ممارسة الأعمال داخل وخارج دولة الإمارات العربية المتحدة؛ و
b. acquire, own, possess, sell, lease or otherwise dispose of such real estates, assets, equipment and facilities as may be necessary or conducive to the attainment of its principal objects; and	ب. الحصول على أو امتلاك أو حيازة أو بيع أو تأجير أو بشكل آخر التصرف بالعقارات، الأصول أو المعدات والتجهيزات كما قد يكون ذلك ضرورياً أو مؤدياً إلى تحقيق أغراضها الرئيسية؛ و
c. carry on all business related directly or indirectly to the said objects or incidental thereto; and	ج. مزاولة كافة أعمالها التي تتعلق بشكل مباشر أو غير مباشر بالأغراض المذكورة أو المتعلقة بها؛ و

d. attain its objects and exercise its powers either as principal, contractor, sub-contractor or otherwise.

د. تحقيق أغراضها وممارسة سلطاتها سواءً كأصيل أو مقاول أو مقاول من الباطن أو بأي شكل أخر.

4.4 The Company may not carry on the business of insurance, banking or the investment of funds on behalf of third parties.

4.4 لا يجوز للشركة أن تزاول أعمال التأمين أو الأعمال المصرفية أو استثمار الأموال نيابةً عن الغير.

4.5 The Company may have an interest, enter into joint ventures, establish, acquire or participate with other entities, establishments or companies in the State or outside the State, in projects, establishments and companies pursing objects and exercising activities similar to its own objects and activities.

4.5 ويجوز للشركة أن تكون لها مصلحة أو أن تدخل في مشاريع مشتركة أو تؤسس أو تستحوذ أو تشترك مع الشركات والمؤسسات والجهات داخل الدولة أو خارجها في مشاريع ومؤسسات وشركات تزاول أغراضاً واعمالاً شبيهة بأغراضها وأعمالها.

4.6 In fulfillment of its objects above, the Company may, enter into commercial and financial transactions, execute and implement contracts and other obligations, draw, accept and negotiate negotiable instruments, open and operate bank accounts and borrow money for any period of time with or without security on any of all of the assets of the Company, issue guarantees, invest monies and deal with such investments on its own account and generally to institute, participate in or promote commercial and mercantile enterprises and operations of all kinds in relation to or for the purpose of the business of the company, and to do all such other Businesses as may be considered to be incidental to the above objects.

4.6 وللشركة في سبيل تحقيق أغراضها المحددة لها السابق ذكرها، أن تقوم بالعمليات التجارية والمالية وإنجاز والتوقيع على العقود والالتزامات الأخرى وسحب وقبول وحسم الأوراق التجارية القابلة للتداول وفتح وإدارة الحسابات البنكية واقتراض الأموال لأية فترة زمنية سواء مقابل ضمانات أو دون ضمانات على أي وجميع موجودات الشركة وإصدار الضمانات واستثمار الأموال والتعامل مع هذه الاستثمارات لحسابها الخاص وعلى وجه العموم إقامة أو الإسهام في أو تطوير الأعمال أو العمليات التجارية من جميع الأشكال المتعلقة بأغراض الشركة أو التي تخدم أغراضها وكذلك القيام بجميع الاعمال التي تكون مرتبطة مع الأغراض المذكورة

4.7 The Company shall not carry out any activity for which a license is required from the competent regulatory authority in or outside the State, unless it obtains such license. A copy of such license should be provided to the Authority and the Competent Authority.

4.7 لا يجوز للشركة القيام بأي نشاط يُشترط لمزاولته صدور ترخيص من الجهة الرقابية المشرفة على النشاط بالدولة أو خارج الدولة إلا بعد الحصول على الترخيص من تلك الجهة وتقديم نسخة من هذا التراخيص للهيئة والسلطة المختصة.

PART TWO
THE CAPITAL OF THE COMPANY

الباب الثاني
في رأسمال الشركة

Article 5

المادة 5

The issued capital of the Company has been fixed at AED 500,000,000 (Five hundred million Dirhams) divided into 5,000,000,000 (Five billion) shares with a value of ten (10) Fils for each share, All the Company's shares are fully paid and are of the same class and are equal in their rights and obligations.

Article 6

All the shares in the Company are nominal, and the provisions of the Law and the resolutions issued for its implementation with regard to the ownership of shares must be adhered to.

Article 7

The shareholders shall not be responsible for any liabilities or losses that the Company incurs save to the extent to the unpaid amount of the shares they own, if any. The obligations of shareholders may not be increased without their unanimous consent.

Article 8

Ownership of any share in the Company shall be deemed an acceptance by the shareholder to be bound by these Articles and the resolutions of the Company's General Assemblies. A shareholder may not request a refund for amounts paid to the Company in consideration of his/her shareholding.

Article 9

The shares are not divisible (i.e. shares may not be divided among more than one person). However, if the ownership of the share is owned by multiple persons, they must select a nominee to act on their behalf towards the Company. Such persons shall be jointly liable for the obligations arising from the ownership of the shares. If they fail to agree on the selection of a nominee, any of them may refer to the competent court to appoint such nominee. The Company and the Market shall be notified of the decision of the court in this regard.

Article 10

Each share shall entitle its holder to a proportion equal to that of other shareholders without distinction (i) in the ownership of the assets of the

حدد رأس مال الشركة المصدر بمبلغ 500,000,000 (خمسمائة مليون) درهم موزع على5,000,000,000 (خمسة مليار) سهم، قيمة كل سهم عشرة (10) فلس ، مدفوعة بالكامل. وتكون جميع أسهم الشركة متساوية مع بعضها البعض من كافة الحقوق.

المادة 6

جميع أسهم الشركة اسمية ويجب الالتزام بأحكام القانون والقرارات الصادرة تنفيذاً له فيما يتعلق بملكية الأسهم.

المادة 7

لا يلتزم المساهمون بأية التزامات أو خسائر على الشركة إلا في حدود المبلغ (إن وجد) المتبقي غير المدفوع على ما يملكون من أسهم، ولا يجوز زيادة التزاماتهم إلا بموافقتهم الجماعية.

المادة 8

يترتب على ملكية السهم قبول المساهم بنظام الشركة الأساسي وقرارات جمعياتها العمومية. ولا يجوز للمساهم أن يطلب استرداد ما دفعه للشركة كحصة في رأس المال.

المادة 9

يكون السهم غير قابل للتجزئة (بمعنى أنه لا يجوز تجزئة السهم على أكثر من شخص). ومع ذلك إذا آلت ملكية السهم إلى عدة ورثة أو تملكه أشخاص متعددون وجب أن يختاروا من بينهم من ينوب عنهم تجاه الشركة، ويكون هؤلاء الأشخاص مسؤولين بالتضامن عن الالتزامات الناشئة عن ملكية السهم، وفي حال عدم اتفاقهم على اختيار من ينوب عنهم يجوز لأي منهم اللجوء للمحكمة المختصة لتعيينه ويتم إخطار الشركة والسوق بقرار المحكمة بهذا الشأن.

المادة 10

كل سهم يخول مالكه الحق في حصة معادلة لحصة غيره بلا تمييز (أ) في ملكية موجودات الشركة عند تصفيتها؛ و (ب) في الأرباح المبينة فيما بعد؛ و (ج) في

Company upon dissolution; (ii) in the profits as stated hereinafter; (iii) in the rights to attend the General Assembly meetings and (iv) in voting on the resolutions thereof.

Article 11

11.1 The Board of Directors may elect to list the shares on other stock markets outside the State. In the event the shares of the Company are listed in the markets of the State or any other jurisdiction, the Company shall comply with their respective governing rules and regulations including the laws, rules and regulations relating to the issuance and registration, transfer, trading and encumbering the shares without the need to amend the provisions of these Articles of Association should they conflict with the laws, rules and regulations of those stock markets.

11.2 The Company's shares may be sold, assigned, pledged, or otherwise disposed of in any way whatsoever in accordance with the provisions of these Articles and all the regulations of the Authority and the Market where the shares of the Company are listed. The transfer of title to shares or any other disposal thereof shall become effective from the date of its registration in the share register at the Market where the shares are listed.

11.3 In the event of a death of a shareholder, his/her heirs shall be the only persons to be approved by the Company as having rights or interests in the shares of the deceased shareholder. Such heir shall be entitled to dividends and other privileges which the deceased shareholder had. Such heir, after being registered in the Company in accordance with these Articles, shall have the same rights in his/her capacity as a shareholder in the Company as the deceased shareholder had in relation to such shares. The estate of the deceased shareholder shall not be exempted from any obligation regarding any share held by him/her at the time of death.

حق حضور اجتماعات الجمعيات العمومية؛ و (د) في التصويت على قراراتها.

المادة 11

11.1 يجوز لمجلس الإدارة إدراج الشركة في الأسواق المالية الأخرى خارج الدولة، وفي حالة إدراج أسهم الشركة في الأسواق المالية في الدولة أو في الخارج فعلى الشركة أن تتبع القوانين والأنظمة واللوائح المعمول بها في تلك الأسواق بما في ذلك قوانين وأنظمة ولوائح إصدار وتسجيل أسهم الشركة وتداولها ونقل ملكيتها وترتيب أي حقوق عليها، وذلك دون الحاجة إلى تعديل الأحكام الواردة في هذا النظام الأساسي في حالة تعارضها مع هذه القوانين أو الأنظمة أو اللوائح.

11.2 يجوز بيع أسهم الشركة أو التنازل عنها أو رهنها أو التصرف أو التعامل فيها على أي وجه بمقتضى وطبقاً لأحكام هذا النظام الأساسي ونظام الهيئة والسوق المدرجة فيه الأسهم. ولا يجوز الاحتجاج بنقل ملكية الأسهم أو اجراء أي تصرف آخر فيها إلا من تاريخ قيدها في سجل أسهم الشركة بالسوق المدرجة فيه الأسهم.

11.3 في حالة وفاة أحد المساهمين، يكون وريثه هو الشخص الوحيد الذي توافق الشركة بأن له حقوق ملكية أو مصلحة في أسهم المتوفى ويكون له الحق في الأرباح والامتيازات الأخرى التي كان للمتوفى حق فيها. ويكون للوريث بعد تسجيله في الشركة وفقا لأحكام هذا النظام ذات الحقوق كمساهم في الشركة التي كان يتمتع بها المتوفى فيما يخص هذه الأسهم. ولا تعفى تركة المساهم المتوفي من أي التزام فيما يختص بأي سهم كان يملكه وقت الوفاة.

11.4 Any person who becomes entitled to rights to shares in the Company as a result of the death or bankruptcy of any shareholder, or pursuant to an attachment order issued by any competent court of law, should within thirty (30) days:

11.4 يجب على أي شخص يصبح له الحق في أية أسهم في الشركة نتيجةً لوفاة أو إفلاس أي مساهم أو بمقتضى أمر حجز صادر عن أية محكمة مختصة أن يقوم خلال ثلاثين (30) يوماً:

a. produce evidence of such right to the Board of Directors; and

أ. بتقـديم البينـة على هـذا الحق إلى مجلس الإدارة؛ و

b. select either to be registered as a shareholder or to nominate another person to be registered as a shareholder of the relevant share.

ب. أن يختار أما أن يتم تسـجيله كمسـاهم أو أن يسـمي شـخصاً ليتم تسـجيله كمسـاهم فيما يختص بذلك السهم.

Article 12

المادة 12

When the Company completes the listing of its shares on the Market in accordance with the Listing Rules, it shall replace its share register system and the applied system of its ownership transfer with an electronic system for the registration of the shares and transfers thereof as applicable in the Market. The data electronically recorded thereon is final and binding and cannot be challenged, transferred or altered except in accordance with the regulations and procedures followed in such Market.

تستبدل الشركة، عند اتمام إدراج أسهمها في السوق وفقاً لقواعد الإدراج، سجل الأسهم ونظام نقل ملكية الأسهم المعمول به بنظام إلكتروني لتسجيل الأسهم وقيد نقل ملكيته وفقاً للنظام المعمول به في السوق الخاص بقيد وتسجيل الأسهم. وتعتبر البيانات الواردة في هذا النظام الإلكتروني نهائية وملزمة ولا يجوز الطعن فيها أو طلب نقلها أو تغييرها إلا وفقاً للنظم والإجراءات المتبعة في السوق المعني.

Article 13

المادة 13

A shareholder’s heirs or creditors may not, for whatsoever reason, request the attachment of the Company's books or assets. They also may not request to divide those assets or sell them in one lot because the shares are not divisible, nor to interfere in any way whatsoever in the management of the Company. Those heirs and creditors must, when exercising their rights, rely on the Company’s books, inventories, balance sheets and resolutions of the General Assembly.

لا يجوز لورثة المساهم أو لدائنيه، لأي سبب كان، أن يطلبوا وضع الأختام على دفاتر الشركة أو ممتلكاتها ولا أن يطلبوا قسمتها أو بيعها جملةً لعدم إمكان القسمة ولا أن يتدخلوا بأية طريقة كانت في إدارة الشركة. ويجب عليهم، لدى استعمال حقوقهم، التعويل على قوائم جرد الشركة وحساباتها الختامية وعلى قرارات جمعياتها العمومية.

Article 14

المادة 14

The Company shall pay dividends on shares to the shareholders in accordance with the regulations as to trading, clearing, settlement, transfer of ownership and custody of securities and the applicable regulations of the Market, and in accordance with the regulations, resolutions and circulars issued by the authority in this regard. The holder of the shares shall have the sole right to the profits due on those shares whether these profits represent dividends or

تدفع الشركة حصص الأرباح المستحقة عن السهم إلى المساهمين طبقاً للنظام الخاص بالتداول والمقاصة والتسويات في نقل ملكية وحفظ الأوراق المالية والقواعد المعمول بها في السوق. ووفقاً للأنظمة والقرارات والتعاميم الصادرة عن الهيئة بهذا الشأن. ويكون لحامل السهم وحده الحق في استلام المبالغ المستحقة عن ذلك السهم سواءً كانت حصصاً في الأرباح أو نصيباً في موجودات الشركة في حال تصفيتها.

entitlements to part of the Company's assets in case of its liquidation.

Article 15

A shareholder has the right to access the Company's books and documents, as well as any document relating to a deal transacted by the Company with one of the Related Parties under the permission of the Board or a decision of the General Assembly.

Article 16

16.1 Subject to the approval of the Authority and the Competent Authority, the Company, by way of a Special Resolution, may:

a. increase the share capital of the Company by issuing new shares of the same nominal value as the original shares or of the same nominal value plus a premium in case the market value of a share exceeds the nominal value of that share; and

b. grant issuance discount in case the market value of the share decreased below the nominal value of the share, the share capital of the Company may also be reduced.

16.2 Without prejudice to Article 5 above, the increase or reduction of the share capital shall be resolved by a Special Resolution of the General Assembly, pursuant to a recommendation of the Board of Directors, and after hearing the auditors' report in case of a reduction. In the case of an increase, the resolution must state the amount of the increase, the value of the shares issued and any preemption rights to existing shareholders. In the case of a decrease in the share capital, the resolution must state the amount of decrease and the method of its implementation.

16.3 Shareholders shall have priority to subscribe for the issuance of new shares. Subscription to new shares shall be

المادة 15

للمساهم الحق في الاطلاع على دفاتر الشركة ووثائقها وكذلك على أية مستندات أو وثائق تتعلق بصفقة قامت الشركة بإبرامها مع أحد الأطراف ذات العلاقة بإذن من مجلس الإدارة أو بموجب قرار من الجمعية العمومية.

المادة 16

16.1 بعد الحصـــول على موافقة الهيئة والســـلطة المختصة يجوز للشركة بموجب قرار خاص:

أ. زيادة رأسمال الشركة من خلال إصدار أسهم جديدة بنفس القيمة الاسمية للأسهم الأصلية أو بإضافة علاوة إصدار إلى القيمة الاسمية في حالة زيادة القيمة السوقية عن القيمة الاسمية للسهم؛ و

ب. منح خصم إصدار في حالة انخفاض القيمة السوقية عن القيمة الاسمية للسهم كما يجوز تخفيض رأس مال الشركة.

16.2 مع مراعاة المادة (5) أعلاه، تكون زيادة رأس مال الشـــركة أو تخفيضــــه بقرار خاص من الجمعية العمومية بناءً على اقتراح من مجلس الإدارة، وبعد ســـماع تقرير مدقق الحســـابات في حالة أي تخفيض، وعلى أن يبين في حالة الزيادة، مقدارها وســـعر إصـــدار الأســـهم الجديدة وحق المســـاهمين القدامى في أولوية الاكتتـاب في هـذه الزيـادة. ويبين في حـالـة التخفيض مقـدار هـذا التخفيض وكيفيـة تنفيذه.

16.3 يكون للمساهمين حق الأولوية في الاكتتاب بالأسهم الجديدة ويسري على الاكتتاب في

governed by the rules of subscription to the original shares.

هذه الأسهم القواعد الخاصة بالاكتتاب في الأسهم الأصلية.

16.4 In accordance with Articles 225, 226, 227 and 231 of the Law, the Company may increase its capital: (a) for the purpose of the entry of a strategic partner; (b) for the purpose of capitalizing the Company's debts, or (c) for the purpose of converting bonds or Sukuk issued by the Company into shares, and without applying the pre-emption rights of the existing shareholders, provided that the Company obtains all the required approvals from the Authority and the Competent Authority and approves the relevant increase in capital by way of Special Resolution.

16.4 وفقا لأحكام المواد (225،226,227,231) من القانون يجوز زيادة رأس مال الشركة: (أ) لأغراض إدخال مساهم استراتيجي في الشركة؛ أو (ب) لتحويل ديون الشركة إلى رأس مال؛ أو (ج) تحويل السندات أو الصكوك المصدرة من الشركة إلى أسهم، وذلك دون اعمال لحقوق الاولوية وذلك بشرط الحصول على جميع الموافقات اللازمة من الهيئة والسلطة المختصة والموافقة على زيادة رأس المال المعنية من خلال قرار خاص للجمعية العمومية.

16.5 By way of additional exception, the Company may by Special Resolution increase its share capital without triggering the preemption rights, in order to implement a share incentive scheme for its employees in light of the resolutions issued by the Authority and the Competent Authority in this respect.

16.5 وكذلك يُستثنى من حق الأولوية في الاكتتاب بالأسهم الجديدة برنامج تحفيز موظفي الشركة، حيث يجوز للشركة بموجب قرار خاص أن تزيد رأسمالها لتطبيق برنامج تحفيز موظفي الشركة بتملك أسهم فيها في ضوء القرارات المنظمة الصادرة عن الهيئة والسلطة المختصة بهذا الشأن.

16.6 The Board of Directors of the Company shall present an employee share incentive scheme (if any) to the General Assembly for approval.

16.6 يعرض مجلس الإدارة على الجمعية العمومية برنامج تحفيز موظفي الشركة بتملك أسهم فيها (إن وجد) للموافقة.

16.7 Board of Directors are not allowed to participate in the employee share incentive scheme.

16.7 لا يجوز لأعضاء مجلس الإدارة المشاركة في برنامج تحفيز موظفي الشركة بتملك أسهم فيها.

16.8 The share capital of the Company may be increased by no more than 10% of the issued capital in any five-year period for the purpose of establishing and implementing such employee share incentive scheme.

16.8 يجوز زيادة رأسمال الشركة بنسبة لا تزيد عن 10% من رأس المال المصدر خلال كل فترة خمس سنوات لغرض تطبيق برامج تحفيز موظفي الشركة بتملك أسهم فيها.

16.9 The number and terms upon which any such shares allocated to establish or implement any such employee share incentive scheme shall be determined by the Board from time to time.

16.9 يحدد مجلس الإدارة من وقت إلى آخر عدد وشروط تخصيص الأسهم لتطبيق برامج تحفيز موظفي الشركة بتملك أسهم فيها.

PART THREE
LOAN DEBENTURES

الباب الثالث
في سندات القرض

Article 17

المادة 17

17.1 Subject to the provisions of the Law, the Company may by a Special Resolution resolve, after obtaining the approval of the Authority, to issue bonds or Sukuk of any nature of equal value per issue whether they are convertible to shares or otherwise and the term of the bonds, which may be for a period in excess of three (3) years. The Special Resolution shall determine the value of the bonds, the conditions of their issuance and their convertibility into shares. The General Assembly may also resolve to delegate to the Board of Directors the power to determine the date of issuance of such bonds or sukuks, pursuant to the terms and regulations issued by the Authority.

17.1 مع مراعاة أحكام القانون، للجمعية العمومية للشركة بموجب قرار خاص بعد الحصول على موافقة الهيئة، أن تقرر إصدار سندات قرض من أي نوع أو صكوك اسلامية بقيم متساوية لكل إصدار وسواءً كانت قابلة أو غير قابلة للتحول إلى أسهم في الشركة وكذلك مدة السندات والتي يجوز أن تتجاوز ثلاث (3) سنوات. ويبين القرار الخاص قيمة السندات أو الصكوك وشروط إصدارها ومدى قابليتها للتحويل إلى أسهم. وللجمعية العمومية أن تصدر قراراً بتفويض الصلاحية إلى مجلس الإدارة في تحديد موعد إصدار السندات أو الصكوك وفقًا للشروط واللوائح الصادرة من الهيئة.

17.2 For the avoidance of doubt, any: (i) loans, credit facilities and/or derivative instruments entered into by the Company with banks or financial institutions or any third-party; and (ii) guarantees, indemnities and/or security arrangements granted by the Company in favour of any banks or financial institutions or any third-party, pursuant to any loans and/or credit facilities, in each case, having periods in excess of 3 years and entered into prior to the date of these Articles of Association, shall continue in full force and effect without the requirement for any further ratification from the Board of Directors and/or the General Assembly.

17.2 لتجنب الشك، أي: (1) قروض و / أو تسهيلات ائتمانية و/ أو أدوات دين / مشتقات قد دخلت فيها الشركة مع بنوك أو مؤسسات مالية أو مع الغير؛ و (2) الضمانات والتعويضات و/أو ترتيبات الضمان الممنوحة من الشركة لصالح أي بنوك أو مؤسسات مالية أو مع الغير بموجب أي قروض و/ أو تسهيلات ائتمانية، في كل حالة، لفترات تتجاوز 3 سنوات تم إبرامها قبل تاريخ هذا النظام الأساسي، تظل نافذة وسارية المفعول ونافذة بالكامل دون الحاجة إلى أي تصديق لاحق من مجلس الإدارة و / أو الجمعية العمومية.

Article 18

المادة 18

18.1 The bond or Sukuk shall remain nominal until fully paid up. The Company may not issue “bearer” bonds or Sukuk.

18.1 يكون السند أو الصك اسمياً حتى اكتمال سداد قيمته ولا يجوز إصدار السندات أو الصكوك لحاملها.

18.2 Bonds or Sukuk issued in connection with a single loan shall give equal rights to the

18.2 السندات أو الصكوك التي تصدر بمناسبة

holders of such bonds or Sukuk. Any condition to the contrary shall be invalid.

قرض واحد تعطي لأصحابها حقوقاً متساوية ويقع باطلاً كل شرط يخالف ذلك.

PART FOUR
BOARD OF DIRECTORS

الباب الرابع
في مجلس الادارة

Article 19

المادة 19

19.1 The Company shall be managed by a Board of Directors consisting of seven (7) Directors to be elected by a General Assembly via secret Cumulative Voting. However, the first Board of Directors will be appointed by the founders of the Company for three (3) years.

19.1 يتولى إدارة الشركة مجلس إدارة مكون من سبع (7) أعضاءً تنتخبهم الجمعية العمومية بالتصويت السري التراكمي. ومع ذلك يتم تعيين أعضاء أول مجلس إدارة من قبل مؤسسي الشركة لمدة 3 سنوات.

19.2 In all cases, the composition of the Board shall take into consideration the Law and its amendments along with the relevant implementing resolutions.

19.2 يتعين أن يراعى في تشكيل مجلس الادارة أحكام القانون وتعديلاته والقرارات الصادرة تنفيذاً له.

Article 20

المادة 20

20.1 The Board of Directors shall hold its function for a term of three (3) years. At the end of such term, the Board of Directors shall be reconstituted. Directors whose term of office is completed may be re-elected.

20.1 يتولى مجلس الإدارة مهامه لمدة ثلاث سنوات. وفي نهاية هذه المدة، يعاد تشكيل مجلس الإدارة. ويجوز إعادة انتخاب أعضاء مجلس الإدارة الذين انتهت مدة عضويتهم.

20.2 The Company shall have a secretary who shall not be a Director.

20.2 يجب أن يكون للشركة مقرر لمجلس الإدارة، ولا يجوز أن يكون مقرر المجلس من أعضائه.

20.3 The Board of Directors may appoint Directors to fill the positions that become vacant within thirty (30) days of the vacancy provided that such appointment is presented to the General Assembly in its first meeting to ratify such appointment or to appoint other Directors. The newly appointed Director shall complete the term of his/her predecessor. If no Director is appointed during the thirty (30) days, the Board of Directors shall open a nomination period to elect a replacement Director for the vacant position in the first General Assembly held after such vacant position arises, and the newly elected Director shall complete the term of his/her predecessor. and such Director may be re-elected once again.

20.4 If the positions becoming vacant during any year reach one quarter of the number of the Directors, the Board of Directors must call for a General Assembly to convene within a maximum of thirty (30) days from the date of the last position becoming vacant in order to elect new Directors to fill the vacant positions. In all cases, the new Director shall complete the term of his predecessor and such Director may be re-elected once again.

Article 21

21.1 The Company shall comply with the rules and conditions set out by the Authority with respect to nomination for membership of the Board of Directors. The candidate to the Board membership shall provide the Company with the following:

a. A curriculum vitae stating his/her professional experience and academic qualifications and determining the type of membership applied for (executive/non-executive/independent).

b. An undertaking to comply with the provisions of the Law, and its implementing decisions, and the Company's Articles of Association;

20.3 لمجلس الإدارة أن يعين أعضـاء مجلس الإدارة في المراكز التي تخلو في مدة أقصـاها 30 يوماً على أن يعرض هـذا التعيين على الجمعيـة العمومية في أول اجتماع لها لإقرار تعيينهم أو تعيين غيرهم، ويكمل العضـو الجديد مدة سـلفه، وفي حالة عدم تعيين عضـو جديد بالمركز الشاغر خلال مدة ثلاثين (30) يوماً، وجب على مجلس الإدارة فتح باب الترشـح لانتخاب عضـو للمركز الشاغر في أول اجتماع للجمعية العمومية تنعقد بعد نشـوء تلك المركز الشـاغر، ويكمل العضـو الجديد مدة سـلفه ويكون هذا العضـو قابلا للانتخاب مرة أخرى.

20.4 وإذا بلغت المراكز الشاغرة في أثناء السـنة ربع عدد أعضاء مجلس الإدارة، وجب على مجلس الإدارة دعوة الجمعيـة العموميـة للاجتمـاع خلال 30 يوماً على الأكثر من تاريخ خلو آخر مركز لانتخاب من يملأ المراكز الشـاغرة. وفي جميع الأحوال، يكمـل عضـو مجلس الإدارة الجديد مدة سـلفه ويكون هذا العضـو قابلاً للانتخاب مرة أخرى.

المادة 21

21.1 تلتزم الشركة بالضوابط والشروط الصادرة عن الهيئة بشأن الترشح لعضوية مجلس الادارة ويتعين على المرشح لعضوية مجلس الإدارة أن يقدم للشركة ما يلي:

أ. السيرة الذاتية موضحاً بها الخبرات العملية والمؤهل العلمي مع تحديد صفة العضو التي يترشح لها (تنفيذي /غير تنفيذي / مستقل).

ب. إقرار بالتزامه بأحكام القانون والقرارات المنفذة له والنظام الأساسي للشركة، وأنه سوف يبذل عناية الشخص الحريص في أداء

and to exercise his/her duties as a diligent person.

عمله.

c. A list of the names of companies and corporations where the candidate is a member of their board of directors, as well as any work he/she performs, directly or indirectly, which could reasonably be considered to be in competition with the Company.

ج. بيان بأسماء الشركات والمؤسسات التي يزاول المرشح العمل فيها أو يشغل عضوية مجالس إداراتها وكذلك أي عمل يقوم به بصورة مباشرة أو غير مباشرة يشكل منافسةً للشركة.

d. A declaration by the candidate that the candidate is not in breach of Article 149 of the Law.

د. إقرار المرشح بعدم مخالفة المرشح للمادة 149 من القانون.

e. For representatives of a corporate person, an official letter from the corporate bodies listing the names of its candidates for Board membership.

هـ. في حال ممثلي الشخص الاعتباري يتعين إرفاق كتاب رسمي من الشخص الاعتباري محدد فيه أسماء ممثليه المرشحين لعضوية مجلس الإدارة.

f. A list of the commercial companies in which the candidate participates or is a partner in their ownership and the number of stocks or shares therein.

و. بيان بالشركات التجارية التي يساهم أو يشارك في ملكيتها المرشح وعدد الأسهم أو الحصص فيها.

Article 22

المادة 22

22.1 The Board of Directors shall elect, from amongst its members, a Chairman and a vice-chairman. The Chairman shall execute the resolutions adopted by the Board of Directors. The vice-chairman shall act on behalf of the Chairman in his/her absence or if the latter is otherwise incapacitated.

22.1 ينتخب مجلس الإدارة من بين أعضـائه رئيسـاً ونـائبـا للرئيس. وعليـه تنفيـذ القرارات التي يصـــدرها مجلس الإدارة. ويقوم نـائب رئيس مجلس الإدارة مقـام رئيس مجلس الإدارة عند غيابه أو في حالة عجزه عن القيام بدوره.

22.2 The Chairman shall represent the Company before courts and third parties and shall implement the resolutions adopted by the Board of Directors.

22.2 يكون رئيس مجلس الإدارة الممثـل القـانوني للشـركة أمام القضـاء وفي علاقتها بالغير وعليه تنفيذ القرارات التي يصدرها مجلس الإدارة.

22.3 The Board of Directors may, but is not obliged to, elect from amongst its members one or more managing director(s) whose powers and remuneration are to be determined by the Board of Directors. Furthermore, the Board of Directors may form from its members, one or more committees, giving

22.3 يحق لمجلس الإدارة، دون إلتزام عليـه، أن ينتخب من بين أعضـائه عضـوا منتدباً للإدارة، ويُحدد مجلس الإدارة اختصـاصـاته ومكافآته. كما يكون لمجلس الإدارة أن يشـــكل من بين أعضـــائـه لجنـه أو أكثر يـمنـحـهـا بـعـض اختصـاصـاته أو يعهد إليها بمراقبة سـير العمل بـالشـركة وتنفيذ قرارات المجلس. يشـــكل

it/them some of its powers or to delegate it/them to manage the business performance of the Company, and to execute the Board of Directors' resolutions. The Board of Directors shall form permanent committees that shall directly be affiliated to it. Permanent committees shall consist of at least three non-executive Board members, of whom at least two members shall be independent Board members, and shall be chaired by one independent Board member. The Chairman of the Board of Directors shall not be a member of any such permanent committees. The Board of Directors shall select non-executive Board members for the committees charged with the duties that may result in Conflicts of Interest, such as verification of the integrity of financial and non-financial reports, review of deals concluded with stakeholders, selection of the executive management and setting their remuneration.

مجلس الإدارة لجان دائمة تتبعه بشكل مباشر، وتتألف اللجان الدائمة من أعضـــاء مجلس الإدارة غير التنفيـذيين لا يقـل عـددهم عن ثلاثة، على أن يكون اثنان منهم على الأقل من الأعضـــاء المســـتقلين وأن يترأس اللجنـة أحـدهمـا، ولا يجوز لرئيس مجلس الإدارة أن يكون عضـــواً في أي من هـذه اللجان. ويتعين على مجلس الإدارة اختيـار أعضـــاء مجلس الإدارة غير التنفيـذيين في اللجـان المعنيـة بـالمهـام التي قـد ينتج عنهـا حـالات تعـارض مصـالح مثل التأكد من سـلامة التقارير المالية وغير المالية، ومراجعة الصـــفقات المبرمة مع الأطراف أصـــحاب المصـــالح، واختيار الإدارة التنفيذية، وتحديد أتعابهم.

Article 23

المادة 23

23.1 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 to the extent permitted to the Company and to carry out all the functions required by its objects. Such powers and authorities shall not be restricted except as stipulated in the Law, the Memorandum of Association, these Articles or as resolved by the General Assembly.

23.1 لمجلس الإدارة كافة السلطات في إدارة الشركة والقيام بكافة الأعمال والتصرفات نيابةً عن الشركة حسبما هو مصرح للشركة القيام به وممارسة كافة الصلاحيات المطلوبة لتحقيق أغراضها. ولا يحد من هذه السلطات الصلاحيات إلا ما نص عليه القانون أو عقد التأسيس أو هذا النظام الأساسي وماورد بقرار من الجمعية العمومية.

23.2 Without prejudice to the provisions of the Law and its implementing decisions issued by the Authority, the Board of Directors shall be authorized to:

23.2 مع مراعاة أحكام القانون والقرارات المنفذة له الصادرة عن الهيئة يُفوض مجلس الإدارة في:

a. enter into and/or ratify loan agreements having a period in excess of three (3) years, to sell no more than 50% the Company’s assets and real estate properties, to mortgage the said real estate and movable and immovable

أ. إبرام و/أو المصادقة على عقود قرض تتجاوز أجالها ثلاث (3) سنوات، وبيع ما لا يتجاوز عن 50% من أصول وعقارات الشركة ورهن عقارات وأصول الشركة المنقولة وغير المنقولة وإبراء ذمة مديني الشركة وإجراء

assets and to release the liability of debtors of the Company and to enter into conciliations and to agree arbitration; and

الصلح والاتفاق على التحكيم، و

b. To grant for limited or unlimited period securities and/or guarantees required by the Company and to borrow and provide credit for the normal course of business, and to apply for loans and sign secured and unsecured bank facilities and pledge, mortgage or otherwise encumbrance or lien the assets, rights, benefits or entitlements of the Company for the purposes of raising and providing financial facilities for any term whether it is a short or a long term.

ب. منح ضمان و/أو كفالة لمدة محددة أو غير محددة والاقتراض وتقديم ائتمان ضمن النشاطات التجارية الاعتيادية والتقديم على القروض والتوقيع على التسهيلات البنكية مع تقديم أو بدون تقديم ضمانات ورهن أو رهن وفاء أو بشكل آخر تحميل أعباء مالية أو امتيازات على أصول أو حقوق أو امتيازات أو استحقاقات الشركة لغرض الحصول على وتوفير تسهيلات مالية لأيّ مدة سواء أكانت طويلة أم قصيرة.

23.3 The Board of Directors shall issue regulations relating to administrative and financial affairs, personnel affairs and their financial entitlements. The Board of Directors shall also issue regulations to organize its business, meetings and allocation of its authorities and responsibilities.

23.3 ويضـــع مجلس الإدارة اللوائح المتعلقة بالشـــؤون الإدارية والمالية وشـؤون الموظفين ومسـتحقاتهم المالية. كما يضـــع مجلس الإدارة لوائح خاصـــة بتنظيم أعماله، واجتماعاته، وتوزيع الاختصاصات والمسؤوليات.

Article 24

المادة 24

The Chairman, vice-chairman, managing director or any other authorized Director, acting within the limits granted to him by the Board of Directors may severally sign on behalf of the Company.

يجوز لأي من رئيس مجلس الإدارة أو نائبه أو عضو مجلس الإدارة المنتدب أو أي عضو آخر، مفوض وفي حدود التفويض الممنوح من مجلس الإدارة التوقيع منفرداً عن الشركة.

Article 25

المادة 25

25.1 The Board of Directors shall hold a minimum of four (4) meetings each year. The meeting shall be convened by an invitation in writing by the Chairman, the board secretary as directed by the Chairman or upon a written request filed by at least two (2) Board Directors.

25.1 يعقد مجلس الإدارة أربعة (4) اجتماعات سنويًا على الأقل. يكون الإجتماع بناءً على دعوة خطية من قبل رئيس مجلس الإدارة أو مقرره بموجب توجيهات رئيس مجلس الإدارة، أو بناءً على طلب خطي يقدمه عضوين من أعضاء المجلس على الأقل

25.2 The Board meetings can be held at the head office of the Company, or at any other place within the State, that the Board of

25.2 ويجوز أن تعقد اجتماعات المجلس في المركز الرئيسي للشركة أو في أي مكان آخر يوافق عليه

Directors shall agree upon. The meetings of the Board of Directors may be held through audio or video conferencing facilities as per the regulations and requirements issued by the Authority in this regard.

أعضاء مجلس الإدارة داخل الدولة. ويجوز أن تعقد اجتماعات المجلس عن طريق وسائل الاتصال المسموعة أو المرئية وفقاً للضوابط الصادرة عن الهيئة بهذا الشأن.

Article 26

المادة 26

26.1 Meetings of the Board of Directors shall not be valid unless attended by a majority of the Directors in person. A Director may appoint, another Director to vote on his/her behalf. In this case, such Director shall have two votes. A Director may not represent more than one other Director. A Director shall be considered present if he/she attends in person or via any means approved by the Authority, and at least fifty per cent of the Directors shall be present in person.

26.1 لا يكون اجتماع مجلس الإدارة صحيحاً إلا بحضور أغلبية أعضائه شخصياً. ويجوز لعضو مجلس الإدارة أن ينيب عنه غيره من أعضاء مجلس الإدارة في التصويت. وفي هذه الحالة، يكون لهذا العضو صوتان، ولا يجوز أن ينوب عضو مجلس الإدارة عن أكثر من عضو مجلس الإدارة واحد. يعتبر عضو مجلس حاضرًا إذا حضر شخصيًا أو بأي وسيلة أخرى توافق عليها الهيئة وعلى ألا يقل عدد أعضاء مجلس الإدارة الحاضرين بأنفسهم عن نصف عدد أعضاء المجلس.

26.2 The resolutions of the Board of Directors are adopted by a majority of the votes of the Directors present or represented. In case of a tie, the Chairman or the person acting on his/her behalf shall have a casting vote.

26.2 وتصدر قرارات مجلس الإدارة بأغلبية أصوات أعضاء مجلس الإدارة الحاضرين والممثلين. وإذا تساوت الأصوات، رجح الجانب الذي منه الرئيس أو من يقوم مقامه.

26.3 The details of the items discussed in a meeting of the Board of Directors or its committee(s) and decisions thereof, including any reservations or any dissenting opinions, shall be recorded in the minutes of such meetings. All the Directors present shall sign the draft minutes prior to endorsement. Copies of the said minutes of meeting shall be sent to the Directors following endorsement for their records. The minutes of meetings of the Board of Directors or its committee(s) shall be kept with the secretary of the Board of Directors. In the event that a Director refuses to sign, his/her refusal, with reasoning thereof, should be noted in the minutes.

26.3 تسجل في محاضر اجتماعات مجلس الإدارة أو لجانه من قبل مقرر المجلس أو اللجنة تفاصيل المسائل التي نظر فيها والقرارات التي تم اتخاذها بما في ذلك أية تحفظات لأعضاء مجلس الإدارة أو آراء مخالفة عبروا عنها. ويجب توقيع كافة أعضاء مجلس الإدارة الحاضرين على مسودات محاضر اجتماعات مجلس الإدارة قبل اعتمادها، على أن ترسل نسخ من هذه المحاضر لأعضاء مجلس الإدارة بعد الاعتماد للاحتفاظ بها. وتحفظ محاضر اجتماعات مجلس الإدارة ولجانه من قبل مقرر مجلس الإدارة. وفي حالة امتناع أحد أعضاء مجلس الإدارة عن التوقيع، يثبت اعتراضه في المحضر وتُذكر أسباب الاعتراض في حال إبدائها.

26.4 Without prejudice to the minimum number of the Board of Directors' meetings mentioned in Article 25 above, the Board of Directors may exceptionally issue resolutions by circulation in cases of emergency in accordance with the conditions and procedures issued by the Authority. Such decisions shall be considered valid and enforceable as if they were issued in a duly convened meeting of the Board provided that:

26.4 مع مراعاة الالتزام بالحد الأدنى لعدد اجتماعات مجلس الإدارة المذكورة بالمادة 25 من هذا النظام الأساسي، فإنه يجوز لمجلس الإدارة إصدار بعض قراراته بالتمرير في الحالات الطارئة وفقاً للشروط والإجراءات التي يصدر بها قرار من الهيئة بهذا الشأن وتُعتبر تلك القرارات صحيحة ونافذة كما لو أنها اتخذت في اجتماع تمت الدعوة إليه وعقد أصولاً مع مراعاة ما يلي:

a. The majority of Directors agree that the case necessitating a resolution by circulation is an emergency.

أ. موافقة أعضاء مجلس الإدارة بالأغلبية على أن الحالة التي تستدعي إصدار القرار بالتمرير حالة طارئة.

b. The resolutions are delivered to all the Directors in writing for approval and accompanied by all the supporting documents and papers as necessary for their review.

ب. تسليم جميع أعضاء مجلس الإدارة القرار مكتوب خطياً للموافقة عليه مصحوباً بكافة المستندات والوثائق اللازمة لمراجعته.

c. Any resolution by circulation must be approved in writing by a majority of the Directors and must be presented to the next meeting of the Board of Directors to be included in the minutes of such meeting.

ت. يجب الموافقة الخطية بالأغلبية على أي من قرارات مجلس الإدارة الصادرة بالتمرير مع ضرورة عرضها في الاجتماع التالي لمجلس الإدارة لتضمينها بمحضر اجتماعه.

Article 27

المادة 27

27.1 A Director may not, without the consent of the General Assembly of the Company, which consent shall be renewed every year, participate in any business in competition with the Company or trade for his own account or for the account of third parties in any branch of the activity conducted by the Company, and shall not reveal any information or statements related to the Company, otherwise the Company may demand him to pay compensation or to consider the profitable transactions made for his account as If it were made for the account of the Company.

27.1 لا يجوز لعضو مجلس الإدارة بغير موافقة من الجمعية العمومية للشركة و التي تجدد سنوياً أن يشترك في أي عمل من شأنه منافسة الشركة أو أن يتجر لحسابه أو لحساب غيره في أحد فروع النشاط الذي تزاوله الشركة، ولا يجوز له أن يفشي أي معلومات أو بيانات تخص الشركة وإلا كان لها أن تطالبه بالتعويض أو باعتبار العمليات المربحة التي زاولها لحسابه كأنها أجريت لحساب الشركة.

27.2 Every Director of the Company who may have a common interest or a conflicting interest in respect of a transaction referred to the Board of Directors for

27.2 على كل عضو في مجلس إدارة الشركة تكون له أو للجهة التي يمثلها بمجلس الإدارة مصلحة مشتركة أو متعارضة في صفقة أو تعامل أن

approval shall notify the Board of Directors of such interest and his declaration shall be noted in the minutes of the meeting. Such Director may not vote on any resolution concerning such transaction.

يبلغ مجلس الإدارة بهذه المصلحة لاتخاذ قرار بشـــأن الصــفقـة أو العمليـة، ولا يجوز لـه الاشـتراك في التصـويت الخاص بالقرار الصـادر في شأن هذه العملية.

27.3 If the Director fails to disclose his transaction referred to in Clause (1) hereof, the Company or any shareholder may bring a claim before a competent court requesting such court to annul the relevant transaction or to compel and direct the breaching Director to return to the Company any profits or benefits realized by him.

27.3 إذا تخلّف عضو مجلس الإدارة عن إبلاغ المجلس وفقاً لحكم البند (1) من هذه المادة جاز للشركة أو لأي من مساهميها التقدم للمحكمة المختصة لإبطال العقد أو إلزام العضو المخالف بأداء أي ربح أو منفعة تحققت له من التعاقد ورده للشركة.

Article 28

The Related Parties shall not utilize the information in the possession of any of them due to their membership or occupation to achieve any interest whatsoever for them or for others as a result of dealing in the securities of the Company and any other Transactions. Such party or employee may not have a direct or indirect interest with any party making deals intended to influence the rates of the securities issued by the Company.

المادة 28

يحظر على الأطراف ذات العلاقة أن يستغل أي منهم ما اتصل به من معلومات بحكم عضويته في مجلس الإدارة أو وظيفته في الشركة في تحقيق مصلحة له أو لغيره أيا كانت نتيجة التعامل في الأوراق المالية للشركة وغيرها من لصفقات، كما لا يجوز أن يكون لأي منهم مصلحة مباشرة أو غير مباشرة مع أي جهة تقوم بعمليات يراد بها إحداث تأثير في أسعار الأوراق المالية التي أصدرتها الشركة مع علمه بذلك.

Article 29

The Company must not enter into Transactions with Related Parties where the value of such Transaction does not exceed (5%) of the Company's issued capital without the consent of the Board of Directors and without the approval of the General Assembly where such percentage threshold is exceeded. The Company is not allowed to conclude Transactions that exceed (5%) of the issued share capital unless it has obtained a valuation of the Transaction by a valuer certified by the Authority. A Related Party who has an interest in the Transaction may not, and their nominees or appointees may not, participate in voting on decisions taken by the Board of Directors or the General Assembly (as applicable) in respect of such a Transaction. The report of the auditor shall be required to recite a statement of the Conflict of Interest deals and financial Transactions concluded between the Company and any of the Related Parties and

المادة 29

لا يجوز للشركة إبرام الصفقات مع الأطراف ذات العلاقة إلا بموافقة مجلس الإدارة فيما لا يتجاوز 5% من رأس مال الشركة المصدر، وبموافقة الجمعية العمومية للشركة فيما زاد على ذلك، ولا يجوز إبرام الصفقات التي تجاوز قيمتها 5% من رأس المال المصدر للشركة إلا بعد تقييمها بواسطة مقيم معتمد لدى الهيئة، ولا يجوز للطرف ذو العلاقة الاشتراك في التصويت الخاص بقرار مجلس الإدارة أو الجمعية العمومية الصادر في شأن هذه الصفقة. ويتعين على مدقق حسابات الشركة أن يشتمل تقريره على بيان بصفقات تعارض المصالح والصفقات المالية التي تمت بين الشركة وأي من الأطراف ذات العلاقة والإجراءات

procedures taken in this regard.

Article 30

30.1 The Company may not provide any loans to any Director or execute guarantees or provide any collateral in connection with any loans granted to them. A loan shall be deemed as granted to a Director if granted to his spouse, children or relative up to the second degree.

30.2 No loan may be granted to a company where a Director or his spouse, children or any of his said relatives up to the second degree holds, jointly or severally, over 20% of the capital of that company.

Article 31

If a Director is absent for three (3) consecutive meetings or five (5) non-consecutive meetings, during the term of the Board of Directors, without any excuse acceptable to the Board of Directors, such Director shall be deemed to have resigned.

Article 32

32.1 A Director's position shall also be vacant in the event such Director:

a. Dies or is affected by a cause of disability; or

b. Is convicted of any dishonesty offence; or

c. Is declared bankrupt or has stopped paying his commercial debts, even if this is not linked to a bankruptcy declaration; or

d. Resigns from his/her position pursuant to a written notice sent to the Company to this effect; or

التي اتخذت بشأنها.

المادة 30

30.1 لا يجوز للشركة تقديم قروض لأي من أعضاء مجلس إداراتها أو عقد كفالات أو تقديم أي ضمانات تتعلق بقروض ممنوحة لهم، ويعتبر قرضاً مقدماً لعضو مجلس الإدارة كل قرض مقدم إلى زوجه أو أبنائه أو أي قريب لهُ حتى الدرجة الثانية.

30.2 لا يجوز تقديم قرض إلى شركة يملك عضـــو مجلس الإدارة أو زوجــه أو أبنــاؤه أو أي من أقاربه حتى الدرجـة الثانية أكثر من 20% من رأس مالها.

المادة 31

إذا تغيب أحد أعضاء مجلس الإدارة عن حضور ثلاث (3) جلسات متتالية أو خمس (5) جلسات متقطعة في مدة المجلس بدون عذر يقبله المجلس، اعتبر مستقيلاً.

المادة 32

32.1 يشـغر منصـب عضـو مجلس الإدارة في إحدى الحالات التالية:

أ- إذا توفى أو أصيب بعارض من عوارض الأهلية أو أصبح عاجزاً بصورة أخرى عن النهوض بمهامه كعضو في مجلس الإدارة؛ أو

ب- أدين بأية جريمة مخلة بالشرف والأمانة؛ أو

ج- أعلن إفلاسه أو توقف عن دفع ديونه التجاريّة حتى لو لم يقترن ذلك بإشهار إفلاسه؛ أو

د- استقال من منصبه بموجب إشعار خطي أرسله للشركة بهذا المعنى؛ أو

e. Is not re-elected after his/her term of membership elapses; or

f. He/she Is dismissed by way of a resolution of the General Assembly.

Article 33

The Board of Directors may appoint one or more manager(s), or authorized attorneys, for the Company and determine their authorities, the conditions of their engagement, their salaries and remunerations. The chief executive officer or the general Manager of the Company is not allowed to be a chief executive officer of another public joint stock company in the State, and the managing director of the Company is not allowed to be a general manager of another company in the State.

Article 34

Without prejudice to the provisions of Article 35 herein, the Directors shall not be personally liable or obligated for the liabilities of the Company as a result of their performance of their duties as Directors to the extent that they have not exceeded their authority.

The Company shall be bound by the acts of the Board of Directors within the limits of its powers. The Company shall also be liable for the damage due to unlawful acts by the Chairman and Directors.

Article 35

35.1 The Chairman and the Directors shall be held liable towards the Company, the shareholders and third parties for all acts of fraud, abuse of their delegated powers, and for any breach of the Law or these Articles, or an error in management. Any provision to the contrary shall be invalid.

35.2 Liability as provided for in Clause (35.1) of this Article shall apply to all the Directors if the error arises from a decision passed unanimously by them. However, in the event of the decision passed by the majority, the Directors who objected to such decision shall not be held liable provided they stated their objection in writing in the minutes of the meeting.

هـ- انتهت مدة عضويته ولم يعد انتخابه؛

و- صدر قرار من الجمعيّة العموميّة بعزله.

المادة 33

لمجلس الإدارة الحق في أن يعين مديراً للشركة أو عدة مديرين أو وكلاء مفوضين وأن يحدد صلاحياتهم وشروط خدماتهم ورواتبهم ومكافآتهم. ولا يجوز للرئيس التنفيذي أو مدير عام الشركة أن يكون رئيساً تنفيذياً أو مديراً عاماً لشركة مساهمة عامة أخرى بالدولة ولا يجوز للعضو المنتدب للشركة أن يكون مديراً عاماً لشركة أخرى بالدولة.

المادة 34

مع مراعاة أحكام المادة 35 من هذا النظام الأساسي، لا يكون أعضاء مجلس الإدارة مسؤولين مسؤولية شخصية فيما يتعلق بالتزامات الشركة الناتجة عن قيامهم بواجباتهم كأعضاء مجلس إدارة وذلك بالقدر الذي لا يتجاوزون فيه حدود سلطاتهم.

تلتزم الشركة بالأعمال التي يجريها مجلس الإدارة في حدود اختصاصه، كما تسأل عن تعويض ما ينشأ من الضرر عن الأفعال غير المشروعة التي تقع من رئيس وأعضاء المجلس في إدارة الشركة.

المادة 35

35.1 يكون رئيس وأعضـاء مجلس الإدارة مسـؤولين تجاه الشـركة والمسـاهمين والغير عن جميع أعمال الغش وإسـاءة اسـتعمـال السـلطات الممنوحة لهم، وعن كل مخالفـة للقانون أو لهذا النظام، وعن الخطأ في الإدارة، ويبطل كل شرط يقضي بغير ذلك.

35.2 تقع المسـؤولية المنصـوص عليها في البند (35.1) من هـذه المـادة على جميع أعضـاء مجلس الإدارة إذا نشـأ الخطأ عن قرار صـدر بإجماع الآراء، أما إذا كان القرار محل المسـاءلة صادراً بالأغلبية فلا يسأل عنه المعارضون متى كانوا قد أثبتوا اعتراضهم بمحضر الجلسة، فإذا تغيب أحد الأعضـاء عن الجلسـة التي صـدر

Absence from a meeting at which the decision has been passed shall not be deemed a reason to be relieved from liability unless it is proven that the absent Director was not aware of the decision or could not object to it upon becoming aware thereof. The responsibility provided for in Clause (35.1) of this Article applies on the Executive Management if the error arises out of a decision issued by it.

فيها القرار فلا تنتفي مسـؤوليته إلا إذا ثبت عـدم علمه بـالقرار أو علمه بـه مع عـدم اسـتطاعته الاعتراض عليه، وتقع المسـؤولية المنصـوص عليها في البند (35.1) من هـذه المادة على الإدارة التنفيذية إذا نشـأ الخطأ بقرار صادر عنها.

Article 36

المادة 36

36.1 Attendance allowance shall not be paid to the Board of Directors. The remuneration of each Director shall consist of a percentage of the net profits, provided that it does not exceed 10% of the net profits of the relevant financial year after deducting the depreciations and reserves. Furthermore, the Company may reimburse any Director or assign further remuneration or monthly salary in amounts to be determined by the Board if such Director is a member of a committee or makes extra efforts or performs additional work to serve the Company in addition to his duties as a Director.

36.1 لا يجوز صرف بدل حضور لعضو مجلس الادارة عن اجتماعات المجلس وتتكون مكافأة أعضاء مجلس الإدارة من نسبة مئوية من الربح الصافي على ألا تتجاوز 10% من تلك الأرباح للسنة المالية بعد خصم كلاً من الاستهلاكات والاحتياطيات. كما يجوز أن تدفع الشركة مصاريف أو أتعاباً أو مكافأة إضافية أو مرتباً شهرياً بالقدر الذي يقرره مجلس الإدارة لأيّ عضو من أعضائه إذا كان ذلك العضو يعمل في أي لجنة أو يبذل جهوداً خاصة أو يقوم بأعمال إضافية لخدمة الشركة فوق واجباته العادية كعضو في مجلس إدارة الشركة.

36.2 By way of exception of Clause (1) of this Article and subject to the regulations that will be issued by the Authority in this regard, the Company may pay at the end of each financial year a fixed fee to each Director not exceeding AED 200,000 subject to the approval of the General Assembly in the following cases:

a. if the Company has not originated any profits; or

b. if the Company originates profits but the share of each Director in such profits is less than AED 200,000. In which case, the fixed fee and the board remuneration may not be combined.

36.2 على سبيل الاستثناء من البند (1) من هذه المادة، ومع مراعاة الضوابط التي تصدر عن الهيئة بهذا الشأن، يجوز للشركة أن تدفع في نهاية السنة المالية مبلغ مقطوع لكل عضو لا يتجاوز 200,000 درهم بشرط موافقة الجمعية العمومية في الحالات التالية:

أ. عدم تحقيق الشركة أرباحاً؛ أو

ب. إذا حققت الشركة أرباحاً وكان نصيب عضو مجلس الإدارة من تلك الأرباح أقل من (200,000) مائتي ألف درهم، وفي هذه الحالة لا يجوز الجمع بين المكافأة والأتعاب.

Article 37

المادة 37

The General Assembly may dismiss all or some

يكون للجمعية العمومية حق عزل كل أو بعض أعضاء

of the elected Directors and open nomination to Board membership in accordance with the regulations issued by the Authority in this regard. The General Assembly may elect new Directors to replace the dismissed ones. A Director who was dismissed may not be re-nominated for membership of the Board of Directors except after the lapse of three (3) years from his dismissal.

مجلس الإدارة المنتخبين وفتح باب الترشح وفق الضوابط الصادرة عن الهيئة بهذا الشأن وانتخاب أعضاء جدد بدلا منهم. ولا يحق للعضو الذي تم عزله إعادة ترشيحه لعضوية مجلس الادارة إلا بعد مضي 3 سنوات من تاريخ العزل.

PART FIVE
THE GENERAL ASSEMBLY

الباب الخامس
في الجمعية العمومية

Article 38

المادة 38

38.1 A duly convened General Assembly shall represent all the shareholders and will be convened in the Emirate of Dubai.

38.1 الجمعية العمومية المنعقدة أصــولاً تمثل جميع المساهمين ويتم انعقادها في إمارة دبي.

38.2 The provisions of the Law shall apply to the quorum required for convening the General Assembly and to the required majority to adopt resolutions therein.

38.2 تسري أحكام القانون على النصــاب الواجب توفره لصحة انعقاد الجمعيّة العموميّة وعلى الأغلبية اللازمة لاتخاذ القرارات.

Article 39

المادة 39

39.1 Each shareholder shall have the right to attend the General Assembly of the shareholders and shall have a number of votes equal to the number of his/her shares.

39.1 لكل مســاهم الحق في حضــور اجتماعات الجمعية العمومية للمســاهمين، ويكون له عدد من الأصوات يعادل عدد أسهمه.

39.2 A shareholder may appoint a proxy who must not be a Director to attend the General Assembly on his behalf by virtue of a written special power of attorney. Such proxy, to a number of shareholders, shall not, in such capacity, represent more than 5% five per cent of the share capital of the Company.

39.2 ويجوز للمساهم أن ينيب عنه غيره من غير أعضاء مجلس الإدارة في حضور الجمعية العمومية بمقتضى توكيل خاص ثابت بالكتابة. ويجب ألا يكون الوكيل لعدد من المساهمين حائزا بهذه الصفة على أكثر من (5%) خمسة بالمائة من أسهم رأس مال الشركة.

39.3 Shareholders lacking legal capacity shall be represented by their legal representatives.

39.3 ويمثل ناقصي الأهلية وفاقديها النائبون عنهم قانوناً.

39.4 A corporate person may appoint one of its

39.4 للشخص الاعتباري أن يفوض أحد ممثليه أو

representatives or those in charge of its management under a resolution passed by its board of directors or any similar entity to represent it at any general assembly of the Company. The proxy shall have the powers defined in the proxy resolution.

القائمين على إدارته بموجب قرار من مجلس إدارته أو من يقوم مقامه، ليمثله في أية جمعية عمومية للشركة، ويكون للشخص المفوض الصلاحيات المقررة بموجب قرار التفويض.

Article 40

المادة 40

40.1 Invitations to the shareholders to attend the General Assembly shall be by announcement in two (2) daily local newspapers issued in Arabic and English, and by registered mail, email or sms (if available) at least (21) days before the date set for the meeting after obtaining the approval from the Authority. The invitation should contain the agenda of the General Assembly meeting. A copy of the invitation shall be sent to the Authority and the Competent Authority.

40.1 توجه الدعوة إلى المساهمين لحضور اجتماعات الجمعية العمومية بإعلان في صحيفتين يوميتين محليتين تصدران باللغة العربية والإنجليزية وبرسالة عبر البريد الإلكتروني وبرسالة نصية هاتفية قصيرة أو بكتب مسجلة، وذلك قبل الموعد المحدد للاجتماع بواحد وعشرون (21) يوماً على الأقل، وذلك بعد الحصول على موافقة الهيئة. ويجب أن تتضمن الدعوة جدول أعمال ذلك الاجتماع وترسل صورة من أوراق الدعوة إلى الهيئة والسلطة المختصة.

40.2 The meetings of the General Assembly and the shareholders' participation in their deliberations and voting on its decisions may be conducted by electronic means to attend virtually, in accordance with the regulations issued by the Authority in this regard.

40.2 يجوز عقد اجتماعات الجمعيات العمومية واشتراك المساهمين في مداولاتها والتصويت على قراراتها بواسطة وسائل التقنية الحديثة للحضور عن بعد، وفقاً للضوابط التي تضعها الهيئة في هذا الشأن.

Article 41

المادة 41

A General Assembly shall be called by:

تنعقد الجمعية العمومية بدعوة من:

41.1 The Board of Directors at least once annually during the four (4) months following the end of the financial year ("**Annual General Assembly"**).

41.1 مجلس الإدارة مرة على الأقل في السنة خلال الأشهر الأربعة التالية لنهاية السنة المالية ("الاجتماع السنوي للجمعية العمومية").

41.2 The Board of Directors, whenever it deems fit, or upon a request of the auditor or one or more shareholders holding not less than 10% of the share capital requesting a meeting, within five (5) days from the date of submitting the request.

41.2 كلما رأى مجلس الإدارة وجهاً لذلك أو بناءً على طلب مدقق الحسابات أو طلب مساهم أو أكثر يملكون (10%) من رأس المال كحد أدنى، وذلك خلال (5) خمسة أيام من تاريخ تقديم الطلب.

41.3 The auditor, directly, if the Board of Directors omits to send an invitation to convene the General Assembly in such

41.3 مدقق الحسابات مباشرة إذا أغفل مجلس الإدارة توجيه الدعوة لعقد الجمعية العمومية

events where the Law requires to be invited or within five (5) days from the date of the request for a meeting submitted by the auditor to the Board of Directors.

في الأحوال التي يوجب القانون فيها دعوتها أو خلال (5) خمسة أيام من تاريخ تقديم مدقق الحسابات طلب توجيه الدعوة لمجلس الإدارة ولم يقم بذلك.

41.4 If the Chairman of the Company or his representative fails to invite the General Assembly to convene in the following events within five (5) days from the date of demand by the Authority, the Authority shall give the invitation to the meeting at the expense of the Company:

- The lapse of thirty (30) days after the fixed date for the meeting to be held (i.e. four months after the end of the financial year) without the Board of Directors sending an invitation;
- If the number of Board of Directors is less than the minimum required for its quorum;
- Discovery of any violation of the Law, these Articles or any defect in the management of the Company;
- If the Board of Directors fails to call for a meeting of the General Assembly despite the call from one or more shareholders representing 10% of the share capital of the Company.

41.4 الهيئة، في الأحوال التالية، وبعد خمسة أيام من تاريخ طلبها من رئيس مجلس الإدارة أو من يقوم مقامه ولم يقم بالدعوة للجمعية العمومية للانعقاد وجب على الهيئة توجيه الدعوة للاجتماع على نفقة الشركة:

- إذا مضى ثلاثون يوماً على الموعد المحدد لانعقادها (وهو مضي أربعة أشهر على انتهاء السنة المالية) دون أن يقوم مجلس الإدارة بدعوتها للانعقاد؛
- إذا نقص عدد أعضاء مجلس الإدارة عن الحد الأدنى لصحة انعقاده؛
- إذا تبين لها في أي وقت وقوع مخالفات للقانون أو لنظام الشركة أو وقوع خلل في إدارتها؛
- إذا تقاعس مجلس الإدارة عن دعوتها للانعقاد رغم طلب مساهم أو أكثر يمثلون (10 %) من رأسمال الشركة.

Article 42

The following matters shall be included on the agenda of the Annual General Assembly:

42.1 Reviewing and approving the report of the Board of Directors on the activity of the Company, its financial standing throughout the year and the report of the auditor;

42.2 To consider and approve the balance sheet and the account of profits and losses;

42.3 To elect the Directors if necessary;

42.4 To appoint and determine the remuneration of the auditors;

42.5 To consider the proposals of the Board of

المادة 42

يدخل في جدول أعمال الجمعية العمومية في اجتماعها السنوي المسائل الآتية:

42.1 سماع تقرير مجلس الإدارة عن نشاط الشركة وعن مركزها المالي خلال السنة وتقرير مدقق الحسابات والتصديق عليهما؛

42.2 مناقشة ميزانية الشركة وحساب الأرباح والخسائر والتصديق عليهما؛

42.3 انتخاب أعضاء مجلس الإدارة عند الاقتضاء؛

42.4 تعيين مدققي الحسابات وتحديد أتعابهم؛

42.5 النظر في مقترحات مجلس الإدارة بشأن توزيع

Directors concerning the distribution of profits;

42.6 To consider the proposals of the Board of Directors concerning the remuneration of the Directors and to determine such remuneration;

42.7 To discharge the Directors, not discharge or to dismiss the Directors and to file the liability claim against them, as the case may be; and

42.8 To discharge or not to discharge the auditors and to dismiss the auditors and to file the liability claim against them, as the case may be.

Article 43

43.1 Shareholders who wish to attend the General Assembly shall register their names in an electronic register made available by the management of the Company at the meeting place within ample time before the meeting. The register shall include the name of the shareholder, or his representative, the number of shares he holds or represents and the names of the represented shareholders and the appropriate proxies. The shareholder or the proxy shall be given a card to attend the meeting, which shall state the number of votes held or represented by him/her. An extract of this register showing the number of shares represented at the meeting and the percentage of attendance shall be printed and attached to the minutes of the General Assembly after being signed by the chairman of the meeting, the secretary and the auditor of the Company. A copy of such extract shall be delivered to the representative of the Authority.

43.2 Registration for attending the General Assembly shall close at the time when the Chairman announces whether or not the quorum for such meeting has been met. No

الأرباح؛

42.6 النظر في مقترحات مجلس الإدارة بشأن مكافأة أعضاء مجلس الإدارة وتحديدها؛

42.7 ابراء ذمة أعضـــاء مجلس الإدارة أو عدم إبراء ذمتهم وعزلهم ورفع دعوى المســؤولية عليهم حسب الأحوال؛ و

42.8 ابراء ذمة مدققي الحسابات أو عدم إبراء ذمتهم وعزلهم ورفع دعوى المسؤولية عليهم حسب الأحوال.

المادة 43

43.1 يسجل المساهمون الذين يرغبون في حضور الجمعية العمومية أسماءهم في السجل الإلكتروني الذي تعده إدارة الشركة لهذا الغرض في مكان الاجتماع قبل الوقت المحدد لانعقاد ذلك الاجتماع بوقت كاف. ويجب أن يتضمن السجل اسم المساهم أو من ينوب عنه وعدد الأسهم التي يملكها أو عدد الأسهم التي يمثلها وأسماء مالكيها مع تقديم سند الوكالة. ويعطى المساهم أو النائب بطاقة لحضور الاجتماع يذكر فيها عدد الأصوات التي يمثلها أصالة أو وكالة. يستخرج من سجل المساهمين خلاصة مطبوعة بعدد الأسهم التي مثلت في الاجتماع ونسبة الحضور ويتم توقيعها من قبل كل من مقرر الجلسة ورئيس الاجتماع ومدقق حسابات الشركة وتسلم نسخة منها للمراقب الممثل للهيئة ويتم إلحاق نسخة منها بمحضر اجتماع الجمعية العمومية.

43.2 يقفل باب التســجيل لحضــور اجتماعات الجمعية العمومية عندما يعلن رئيس الاجتماع اكتمال النصـــاب المحدد لذلك الاجتماع أو

registration of any shareholder or proxy shall be accepted thereafter and votes of those late shareholders or proxies would not count and their views would not be taken into account in that meeting.

عدم اكتماله، ولا يجوز بعد ذلك قبول تسجيل أي مساهم أو نائب عنه لحضور ذلك الاجتماع كما لا يجوز الاعتداد بصوته أو برأيه في المسائل التي تطرح في ذلك الاجتماع.

Article 44

المادة 44

The register of the shareholders, that have the right to attend the General Assembly of the Company and to vote, shall be in accordance with the procedures for transacting, set-off, settlement, transfer of title, custody of securities and the relevant rules prevailing in the Market.

يكون سجل المساهمين في الشركة الذين لهم الحق في حضور اجتماعات الجمعية العمومية للشركة والتصويت على قراراتها طبقاً للنظام الخاص بالتداول والمقاصة والتسويات ونقل الملكية وحفظ الأوراق المالية والقواعد المعنية السائدة في السوق.

Article 45

المادة 45

45.1. The quorum at a meeting of the General Assembly shall be satisfied if shareholders holding or representing by proxy at least 50% of the capital of the Company are present at the meeting. If a quorum is not present at the first meeting the General Assembly shall be adjourned to another meeting to be held after five (5) days and not exceeding fifteen (15) days from the date of the first meeting and the postponed meeting shall be valid regardless of the percentage of attendance.

45.1 يتحقق النصاب في اجتماع الجمعية العمومية بحضور مساهمين يملكون أو يمثلون بالوكالة ما لا يقل عن 50% من رأسمال الشركة، فإذا لم يتوفر النصاب القانوني في الاجتماع الأول، وجب دعوة الجمعية العمومية إلى اجتماع ثان يعقد بعد مدة لا تقل عن خمسة أيام ولا تجاوز خمسة عشر يوماً من تاريخ الاجتماع الأول ويعتبر الاجتماع المؤجل صحيحاً أياً كان عدد الحاضرين.

45.2. Except for the decisions that will be taken by Special Resolution, the decisions of the General Assembly shall be passed by the majority of the shares represented at the meeting. The decisions passed by the General Assembly shall be binding to all the Shareholders, whether they were present or absent from the meeting at which the decisions have been passed and whether they agreed or objected to such decisions. A copy of such decisions shall be sent to the Authority and the financial market where the shares of the Company are listed and to the competent Authority in accordance with such requirements imposed by the Authority in this respect.

45.2 فيما عدا القرارات التي يتعين صدورها بقرار خاص، تصدر قرارات الجمعية العمومية للشركة بأغلبية الأسهم الممثلة في الاجتماع، وتكون قرارات الجمعية العمومية ملزمة لجميع المساهمين سواءً كانوا حاضرين في الاجتماع الذي صدرت فيه هذه القرارات أو غائبين عنه وسواءً كانوا موافقين عليها أو معارضين لها، ويتم إبلاغ صورة منها إلى كل من الهيئة والسوق المالي المدرجة فيه أسهم الشركة والسلطة المختصة وفقاً للضوابط الصادرة عن الهيئة في هذا الشأن.

Article 46

المادة 46

46.1 The General Assembly shall be chaired by

46.1 يرأس الجمعية العمومية رئيس مجلس

the Chairman of the Board of Directors. In the absence of the Chairman, the vice-chairman shall chair the meeting.

الإدارة، وعند غيابه، يرأســها نائب رئيس مجلس الإدارة.

46.2 In their absence, the General Assembly shall be chaired by any person elected by the Board, and in case there was no election by the Board, the person will be elected by the General Assembly. If the said individuals are not present, the General Assembly shall appoint one of the shareholders to chair the meeting and shall also appoint a secretary for the meeting.

46.2 وفي حال غيابهما يرأس الجمعية أي عضــو من أعضــاء مجلس الإدارة يختاره مجلس الإدارة لذلك، وفي حال عدم اختيار مجلس الإدارة للعضــو يرأســها أي شــخص تختاره الجمعيــة العموميــة. وفي حــالــة تخلف المــذكورين عن حضــور الاجتمـاع، تعين الجمعية من بين المساهمين رئيساً للاجتماع كما تعين الجمعية مقرر للاجتماع.

46.3 The Chairman shall appoint a teller for the meeting provided that such appointment is approved by the General Assembly.

46.3 ويعين الرئيس جامعاً للأصــوات على أن تقر الجمعية العمومية تعيينه.

46.4 Minutes of the General Assembly shall be issued. The minutes shall include the names of the shareholders present in person or those represented, the number of the shares held by them, in person or by proxy, the votes held by them, the decisions passed, the number of the votes for or against such decisions and an adequate summary of the discussions at the meeting.

46.4 يحرر محضر اجتماع الجمعية العمومية و يتضمن أسماء المساهمين الحاضرين الممثلين وعدد الأسهم التي في حيازتهم بالأصالة أو بالوكالة وعدد الأصوات المقررة لهم والقرارات الصادرة وعدد الأصوات التي وافقت عليها أو عارضتها وخلاصة وافية للمناقشات التي دارت في الاجتماع.

46.5 The Company shall keep minutes of the meetings of the General Assembly and register attendance in special register to be kept for this purpose and signed by the Chairman of the relevant meeting, the secretary, the tellers and the auditors. The persons who sign the minutes of the meeting shall be held liable for the accuracy of information contained therein.

46.5 وتدون الشركة محاضر اجتماعات الجمعية العمومية وإثبات الحضور في سجل خاص تحفظ لهذا الغرض وتوقع من قبل رئيس الاجتماع المعني ومقرر الجمعية وجامعي الأصوات ومدققي الحسابات ويكون الموقعون على محاضر الاجتماعات مسؤولين عن صحة البيانات الواردة فيها.

46.6 Each of the Chairman of the Board, the secretary of the Board of Directors and the Company's general counsel, are each authorized by the Company individually to provide certified copies of extracts taken from the minutes of any General Assembly meeting, by signing such extracts, identifying that it is a certified true copy of

46.6 إن كل من رئيس مجلس الإدارة وأمين سر مجلس الإدارة والمستشار القانوني العام للشركة، مخولون بالانفراد من قبل الشركة بتقديم نسخ مصدق عليها لمستخرجات من محضر أي اجتماع للجمعية العمومية وذلك بتوقيع تلك المستخرجات وتحديد أنها نسخة

the original and including the date that the certification is provided. Any party dealing with the Company may rely absolutely on such certified copy as being a true and accurate copy of the original document.

طبق الأصل من المحضر الأصلي وتضمين تاريخ التصديق عليها. يجوز لأي طرف يتعامل مع الشركة التعويل بشكل مطلق على تلك النسخة المصدق عليها باعتبارها نسخة طبق الأصل ودقيقة من المستند الأصلي.

Article 47

المادة 47

Voting at the General Assembly shall be in accordance with the procedure specified by the Chairman of the General Assembly unless the General Assembly specifies another voting procedure. If the subject of the vote relates to the appointment, dismissal or accountability of the Directors, voting should be by secret Cumulative Voting. Voting at the General Assembly may be conducted by electronic means in accordance with the regulations issued by the Authority in this regard.

يكون التصويت في الجمعية العمومية بالطريقة التي يعينها رئيس الجمعية إلا إذا قررت الجمعية العمومية طريقة معينة للتصويت. وإذا تعلق الأمر بانتخاب أعضاء مجلس الإدارة أو بعزلهم أو بمساءلتهم، فان ذلك يكون بالتصويت السري التراكمي. ويجوز التصويت في اجتماعات الجمعية العمومية باستخدام الية التصويت الإلكتروني شريطة الالتزام بالضوابط والشروط الصادرة عن الهيئة بهذا الشأن.

Article 48

المادة 48

48.1 Subject to the provisions of Article 180 of the Law, the Directors may not participate in voting on the resolutions of the General Assembly for the discharge of the Directors from liability for their management or in connection with a special benefit of the Board of Directors, a Conflict of Interest or a dispute between the Board of Directors and the Company.

48.2 In the event that the Director is representing a corporate person, the shares of such corporate person shall be excluded.

48.3 A shareholder having the right to attend the General Assembly personally or by proxy may not participate in voting on matters related to a personal benefit or an existing dispute between such shareholder and the Company.

48.1. مع مراعاة ما نصت عليه المادة 180 من القانون، لا يجوز لأعضاء مجلس الإدارة الاشتراك في التصويت على قرارات الجمعية العمومية الخاصة بإبراء ذمتهم من المسؤولية عن إدارتهم أو التي تتعلق بمنفعة خاصة لهم أو المتعلقة بتعارض المصالح أو بخلاف قائم بينهم وبين الشركة.

48.2. في حال كون عضو مجلس الإدارة يمثل شخصاً اعتبارياً يستبعد أسهم ذلك الشخص الاعتباري.

48.3. لا يجوز لمن له حق حضور اجتماعات الجمعية العمومية أن يشترك في التصويت عن نفسه أو عمن يمثله في المسائل التي تتعلق بمنفعة خاصة أو بخلاف قائم بينه وبين الشركة.

Article 49

المادة 49

49. 1 The General Assembly must, through a Special Resolution, decide the following:

49.1 يتعين على الجمعية العمومية إصدار قرار خاص في الحالات التالية:

a. Increase or reduce the share capital in any manner.

b. Issuance of Bonds/Sukuk.

c. Dissolution of the Company or its merger with another company.

d. Sale or otherwise disposing of the business venture of the Company.

e. Sale or 51% or more of the Company's assets whether the sale will be implemented through one transaction or more and is within one year from the date of concluding the first sale deal or transaction.

f. Extension of the term of the Company.

g. Offering voluntary contributions for the purpose of community services.

h. Amendment to the Memorandum of Association or these Articles, subject to the following restrictions:

- The amendment should not increase the shareholders' obligations;
- The amendment should not cause transfer of the head office out of the State;

i. Inclusion of a strategic partner;

j. Conversion of any cash debt into shares of the Company;

k. Issuing an employee stock ownership plan;

l. In all cases where the Law requires the issuance of a Special Resolution.

In all cases and subject to the provisions of Article 139 of the Law, the approval of the Authority shall be required to issue the Special Resolution to amend the Memorandum of Association and Articles of Association of the Company. and the competent Authority shall receive a copy of this Special Resolution.

Article 50

The owners of shares registered on the working day preceding the holding of the General

أ. زيادة رأس المال بأي طريقة أو تخفيضه.

ب. إصدار السندات/الصكوك.

ت. حل الشركة أو إدماجها في شركة أخرى.

ث. بيع المشروع الذي قامت به الشركة أو التصرف فيه بأي وجه آخر.

ج. بيع ما نسبته 51% أو أكثر من أصول الشركة سواءً كانت عملية البيع ستتم بصفقة واحدة أو من خلال عدة صفقات وذلك من خلال سنة من تاريخ عقد أول صفقة أو تعامل.

ح. إطالة مدة الشركة.

خ. تقديم مساهمات طوعية لخدمة المجتمع.

د. تعديل عقد الشركة أو النظام الأساسي إلا ان حقها هذا ليس مطلقاً وانما هو مقيد بالقيود التالية:

- ألا يؤدي التعديل إلى زيادة أعباء المساهمين؛
- ألا يؤدي التعديل إلى نقل مركز الشركة الرئيسي إلى خارج الدولة؛

ذ. دخول شريك استراتيجي؛

ر. تحويل الديون النقدية إلى أسهم في رأسمال الشركة؛

ز. إصدار برنامج تحفيز موظفي الشركة بتملك أسهم فيها؛

س. في جميع الحالات التي يتطلب فيها القانون إصدار قرار خاص.

في جميع الأحوال وفقاً للمادة 139 من القانون يتعين موافقة الهيئة على استصدار القرار الخاص بتعديل عقد التأسيس والنظام الأساسي للشركة. ويجب على الشركة تزويد السلطة المختصة بنسخة من هذا القرار الخاص.

المادة 50

يكون مالك السهم المسجل في يوم العمل السابق

Assembly of the Company shall be deemed to be the holders of the right to vote in that General Assembly of the Company.

لانعقاد الجمعية العمومية للشركة هو صاحب الحق في التصويت في تلك الجمعية العمومية للشركة.

Article 51

المادة 51

51.1. Subject to the provisions of the Law and the resolutions issued hereunder and the Articles of Association of the Company, the General Assembly shall have the responsibility to consider all the issues in connection with the Company. The General Assembly may not consider any issues other than the issues listed in the agenda.

51.1 مع مراعاة أحكام القانون والقرارات الصادرة بموجبه والنظام الأساسي للشركة تختص الجمعية العمومية بالنظر في جميع المسائل المتعلقة بالشركة، ولا يجوز للجمعية العمومية المداولة في غير المسائل المدرجة بجدول الأعمال.

51.2. Notwithstanding the above paragraph, and subject to the terms set out by the Authority in this respect, the General Assembly may:

51.2 استثناءً من البند (1) من هذه المادة ووفقاً للضوابط الصادرة عن الهيئة بهذا الشأن يكون للجمعية العمومية الصلاحية فيما يلي:

a- consider the serious incidents revealed during the meeting;

b- in accordance with the terms set out by the Authority, consider an additional item on the agenda if the Authority or a number of shareholders holding at least 5% of the share capital of the company requested the same. The Chairman of the meeting shall add such item to the agenda before commencing the discussion of the agenda or submit such item to the General Assembly to resolve whether to add it or not to the agenda.

أ. حق المداولة في الوقائع الخطيرة التي تكتشف أثناء الاجتماع.

ب. إدراج بند إضافي في جدول أعمال الجمعية العمومية وفق الضوابط الصادرة عن الهيئة بهذا الشأن وذلك بناءً على طلب يقدم من الهيئة أو عدد من المساهمين يمثل (5%) من رأس مال الشركة على الأقل، ويجب على رئيس اجتماع الجمعية العمومية إدراج البند الإضافي قبل البدء في مناقشة جدول الأعمال أو عرض الموضوع على الجمعية العمومية لتقرر إضافة البند الى جدول الأعمال من عدمه.

PART SIX
AUDITORS

الباب السادس
مدقق الحسابات

Article 52

المادة 52

52. 1 The Company shall have one or more auditor(s) appointed by the General Assembly who shall determine his fees upon the recommendation of the Board of Directors. Such auditor is required to be registered with the Authority and be licensed to practice the profession.

52.1. يكون للشركة مدقق حسابات أو أكثر تعينه وتحدد أتعابه الجمعية العمومية بناءً على ترشيح من مجلس الإدارة، ويشترط في مدقق الحسابات أن يكون مقيداً لدي الهيئة ومرخص له بمزاولة المهنة.

52. 2 The auditor shall be appointed for one renewable year and the board of directors may not be authorized for this purpose. The auditing firm shall not undertake the

52.2 يُعيين مدقق حسابات لمدة سنة قابلة للتجديد ولا يجوز تفويض مجلس إدارة الشركة في هذا الشأن، على ألا تتولى شركة التدقيق عملية

audit of the Company for more than six (6) consecutive financial years from the date on which it undertook the audit of the company. In this event the partner in charge of the audit company shall be changed at the expiry of three (3) financial years and such auditing firm may be reappointed after the lapse of at least two (2) two financial years from the date of expiry of this term of appointment. The founders of the Company may, upon its incorporation appoint one or more auditing firms approved by the Authority and such auditing firm shall undertake its duties until the end of the general assembly for the first financial year.

التدقيق بالشركة مدة تزيد عن (6) ستة سنوات مالية متتالية من تاريخ توليها مهام التدقيق بالشركة ويتعين في هذه الحالة تغيير الشريك المسؤول عن أعمال التدقيق للشركة بعد انتهاء (3) ثلاث سنوات مالية ويجوز إعادة تعيين تلك الشركة لتدقيق حسابات الشركة بعد مرور (2) سنتين ماليتين على الاقل من تاريخ انتهاء مدة تعيينها. ويجوز لمؤسسي الشركة عند التأسيس تعيين شركة تدقيق حسابات أو اكثر توافق عليها الهيئة بحيث تتولى مهامها لحين انتهاء أعمال الجمعية العمومية للسنة المالية الأولى.

52. 3 The auditor shall assume its duties from the end of the meeting of the General Assembly up to the end of the following Annual General Assembly.

52.3 يتولى مدقق الحسابات مهامه من نهاية اجتماع تلك الجمعية إلى نهاية اجتماع الجمعية العمومية السنوية التالية.

Article 53

المادة 53

53. 1 The auditor shall comply with the provisions of the Law and the regulations, resolutions and circulars implementing it;

53.1 يتعين على المدقق الالتزام بالأحكام المنصوص عليها في القانون والأنظمة والقرارات والتعاميم المنفذة له؛

53. 2 The auditor shall be independent from the Company and its Board of Directors;

53.2 يجب أن يكون مستقلاً عن الشركة ومجلس إدارتها؛

53. 3 The auditor shall not combine the profession of auditor and the capacity of a shareholder in the Company;

53.3 لا يجوز للمدقق أن يجمع بين مهنة مدقق الحسابات وصفة الشريك في الشركة؛

53. 4 The auditor shall not occupy the office of Director or any technical, administrative or executive office therein; and

53.4 لا يجوز للمدقق أن يشغل منصب عضو مجلس إدارة، أو أي منصب فني، أو إداري، أو تنفيذي فيها؛ و

53. 5 The auditor shall not be a partner or agent of any of the founders of the company or any of its Directors or a relative of any of them up to the second grade.

53.5 لا يجوز للمدقق أن يكون شريكاً أو وكيلاً لأي من مؤسسي الشركة أو أي من أعضاء مجلس إدارتها أو قريباً لأي منهم حتى الدرجة الثانية.

53. 6 The Company must take reasonable steps to verify the independence of the external auditor and that its function excludes any Conflict of Interest.

53.6 على الشركة أن تتخذ خطوات معقولة للتأكد من استقلالية مدقق الحسابات الخارجي، وأن كافة الأعمال التي يقوم بها تخلو من أي تضارب للمصالح.

Article 54

54.1 The auditor shall have the authorities and the obligations provided for in the Law. The auditor shall particularly have the right to access, at all times, all the Company's books, records, documentation, and other documents and papers; and may request clarifications as he deems necessary for the performance of his task. The auditor may also verify the Company's assets and liabilities. If the auditor cannot use such authorities it shall record this in writing in a report to the Board of Directors; and if the Board fails to enable the auditor to perform its task, the auditor shall send a copy of the report to the Authority and the Competent Authority and shall present the same to the General Assembly.

54.2. The auditor shall audit the Company's accounts and examine the balance sheet, and the profit and loss account. It shall review the Company's Transactions with Related Parties and observe the application of the provisions of the Law on these Articles of Association. The auditor must submit a report on the outcome of such examination to the General Assembly and shall send a copy to the Authority and Competent Authority. In preparing its report, the auditor must ensure the following:

a. Correctness of the accounting records maintained by the Company; and

b. Conformity of the extent of Company’s account records with accounting records.

54.3. If no facilities are provided to the auditor to carry out its duties, it must record this in a report to be submitted to the Board; and if the Board of Directors fails to facilitate the auditor’s role, the auditor shall send a copy of the report to the Authority.

54.4. A Subsidiary Company and its auditor shall

المادة 54

54.1. يكون لمدقق الحسابات الصلاحيات وعليه التقيد بالالتزامات المنصوص عليها في القانون. وله بوجه خاص الحق في الاطلاع في كل وقت على جميع دفاتر الشركة وسجلاتها ومستنداتها وغير ذلك من وثائق وله أن يطلب الإيضاحات التي يراها لازمة لأداء مهمته وله كذلك أن يتحقق من موجودات الشركة والتزاماتها. وإذا لم يتمكن مدقق الحسابات من استعمال هذه الصلاحيات، إلتزم بأثبات ذلك كتابة في تقرير يقدم إلى مجلس الإدارة. فإذا لم يقم مجلس الإدارة بتمكين المدقق من أداء مهمته، وجب على المدقق أن يرسل صورة من التقرير إلى الهيئة والسلطة المختصة وأن يعرضه على الجمعية العمومية.

54.2. يتولى مدقق الحسابات تدقيق حسابات الشركة وفحص الميزانية وحساب الأرباح والخسائر ومراجعة صفقات الشركة مع الأطراف ذات العلاقة وملاحظة تطبيق أحكام القانون وهذا النظام، وعلى تقديم تقرير بنتيجة هذا الفحص إلى الجمعية العمومية ويرسل صورة منه إلى الهيئة والسلطة المختصة، ويجب على مدقق الحسابات عند إعداد تقريره، التأكد مما يأتي:

أ. مدى صحة السجلات المحاسبية التي تحتفظ بها الشركة؛ و

ب. مدى تطابق حسابات الشركة مع السجلات المحاسبية.

54.3. إذا لم يتم تقديم تسهيلات إلى مدقق الحسابات لتنفيذ مهامه، التزم بإثبات ذلك في تقرير يقدمه إلى مجلس الإدارة وإذا قصّر مجلس الإدارة في تسهيل مهمة مدقق الحسابات، تعيّن عليه إرسال نسخة من التقرير إلى الهيئة.

54.4. تلتزم الشركة التابعة ومدقق حساباتها بتقديم

provide the information and clarifications requested by the auditor of the holding company or the Parent Company for audit purposes.

المعلومات والتوضيحات التي يطلبها مدقق حسابات الشركة القابضة أو الشركة الأم لأغراض التدقيق.

Article 55

المادة 55

55. 1 The auditor shall submit to the General Assembly a report including the data and information set forth in the Law, and shall mention in its report, as well as on the balance sheet of the Company, all voluntary contributions made by the Company during the fiscal year for the purposes of serving the community, if any, and shall identify the beneficiary of such voluntary contributions.

55.1. يقدم مدقق الحسابات إلى الجمعية العمومية تقريراً يشتمل على البيانات والمعلومات المنصوص عليها في القانون، وأن يذكر في تقريره وكذلك في الميزانية العمومية للشركة المساهمات الطوعية التي قامت بها الشركة خلال السنة المالية لأغراض خدمة المجتمع " إن وجدت" وأن يحدد الجهة المستفيدة من هذه المساهمات الطوعية.

55. 2 The auditor must attend the general meeting and shall read its report in the General Assembly, explaining any obstacles or interferences by the Board the auditor has encountered while carrying out its work. The auditor's report must be independent and impartial. The auditor must cast its opinion at the meeting on all matters relating to its work, particularly the Company's balance sheet, and the auditor's notes on the Company's accounts and financial position and any Irregularities in this respect. The auditor shall be responsible for the correctness of the data contained in the report. Each shareholder may discuss the auditor's report and ask for clarifications from the auditor on the report contents.

55.2. يجب على مدقق الحسابات أن يحضر اجتماع الجمعية العمومية ليتلو تقريره على المساهمين موضحاً أية معوقات أو تدخلات من مجلس الإدارة واجهته أثناء تأدية أعماله، وأن يتسم تقرير مدقق الحسابات بالاستقلالية والحيادية وأن يدلي في الاجتماع برأيه في كل ما يتعلق بعمله وبوجه خاص في ميزانية الشركة وملاحظاته على حسابات الشركة ومركزها المالي وأية مخالفات بها. ويكون المدقق مسؤولاً عن صحة البيانات الواردة في تقريره، ولكل مساهم أثناء عقد الجمعية أن يناقش تقرير المدقق وأن يستوضحه عما ورد فيه.

PART SEVEN
THE FINANCE OF THE COMPANY

الباب السابع
مالية الشركة

Article 56

المادة 56

56.1. The Board of Directors shall maintain duly organized accounting books which reflect the accurate and fair picture of the Company's financial status in accordance with generally acceptable accounting principles internationally applied. No shareholder will be entitled to inspect those books unless a specific authorization to this

56.1. على مجلس الإدارة أن يحتفظ بدفاتر حسابات منتظمة حسب الأصول والتي تعكس الصورة الفعلية والعادلة عن وضع الشركة المالي وفقاً لمبادئ ومعايير المحاسبة المعمول بها دولياً. ولا يحق لأي مساهم في الشركة فحص على تلك الدفاتر إلا بموجب تفويض بهذا المعنى صادر

effect is obtained from the Board of Directors.

عن مجلس الإدارة.

56.2. The financial year of the Company shall start on the first day of January and shall end on the last day of December of every year, with the exception of the first fiscal year which began from the date of the Company's registration in the Commercial Registry and ended in the following year.

56.2. تبدأ السنة المالية للشركة في أول يناير وتنتهي في آخر يوم من شهر ديسمبر من كل سنة. فيما عدا السنة المالية الأولى التي بدأت من تاريخ قيد الشركة بالسجل التجاري وانتهت في السنة التالية.

Article 57

The Board of Directors must prepare an audited balance sheet and profit and loss account for each financial year at least one month before the Annual General Assembly. The Board of Directors must also prepare a report on the Company's activities during the financial year, its financial position at the end of the same year and the recommendations on distribution of the net profits and send a copy of the annual financial statements and the profit and loss account with a copy of the report of the auditor, the Board of Directors report, and the governance report to the Authority, along with a draft of the annual General Assembly invitation to the shareholders of the Company to approve the publication of the invitation in the daily local newspapers twenty-one (21) days before the date set for the General Assembly meeting. The annual financial statements of the Company are published pursuant to the regulations issued by the Authority. A copy of such shall be provided to the Authority and the Competent Authority.

المادة 57

على مجلس الإدارة أن يعد عن كل سنة مالية قبل الاجتماع السنوي للجمعيّة العموميّة بشهر على الأقل ميزانية مدققة للشركة وحساب الأرباح والخسائر. وعلى مجلس الإدارة أيضاً أن يعد تقريراً عن نشاط الشركة خلال السنة المالية وعن مركزها المالي في ختام السنة ذاتها والطريقة التي يقترحها لتوزيع الأرباح الصافية. ترسل صورة من الميزانية وحساب الأرباح والخسائر وتقرير مدقق الحسابات وتقرير مجلس الإدارة وتقرير الحوكمة إلى الهيئة كما ترسل دعوة الجمعية العمومية السنوية لمساهمي الشركة للموافقة على نشر الدعوة في الصحف اليومية قبل موعد انعقاد اجتماع الجمعية العمومية بواحد وعشرون يوماً. ويجب نشر الميزانية السنوية للشركة وفقاً للضوابط التي تحددها الهيئة وتودع نسخة منها لدى الهيئة والسلطة المختصة.

Article 58

The Board of Directors shall deduct a percentage of the annual gross profits for the depreciation of the Company's assets or for compensation for the depletion in their value. These amounts shall be utilized upon the decision of the Board of Directors and should not be distributed to the shareholders.

المادة 58

لمجلس الإدارة أن يقتطع من الأرباح السنوية غير الصافية نسبة يحددها لاستهلاك موجودات الشركة أو التعويض عن انخفاض قيمتها، ويتم التصرف في هذه الأموال بناءً على قرار من مجلس الإدارة ولا يجوز توزيعها على المساهمين.

Article 59

The annual net profits of the Company shall be distributed after deducting all general expenses and other costs as follows:

المادة 59

توزّع الأرباح السنوية الصافية للشركة بعد خصم جميع المصروفات العمومية والتكاليف الأخرى وفقاً لما يلي:

59.1 10% of the net profits shall be deducted and allocated as the statutory reserve. Such deduction shall cease to occur when the total amount of the statutory reserve is equal to at least 50% of the capital of the Company. If the statutory reserve falls below this threshold, deduction shall be resumed.

59.1 يتم اقتطاع نسبة (10%) عشرة بالمائة من صافي الأرباح تخصص لحساب الاحتياطي القانوني. ويوقف هذا الاقتطاع متى بلغ إجمالي قيمة الاحتياطي القانوني ما يساوي (50%) خمسين بالمائة كحد أدنى من رأس مال الشركة المدفوع. وفي حالة انخفاض هذا الاحتياطي إلى ما هو أقل من الحد الأدنى، تعين العودة إلى الاقتطاع.

59.2 The remaining amounts of the net profits may be distributed among the shareholders or moved to the subsequent year, or installments allocated to form an additional reserve, in each case with the approval of the General Assembly upon the recommendation of the Board.

59.2 يوزع المتبقي من صافي الأرباح على المساهمين أو يتم ترحيله إلى السنة المقبلة أو تخصيصه لإنشاء احتياطي إضافي، وفي كل الأحوال يشترط الحصول على موافقة الجمعية العمومية في ضوء توصيات مجلس الإدارة.

59.3 Without prejudice to Article 36 of these Articles, the compensation of the Board of Directors shall be determined by the General Assembly and shall not exceed 10% of the net profit after deducting the depreciations, reserves and profit distribution to the shareholders equivalent to at least of 5% of the share capital. The Board proposes the remuneration, which shall be presented to the General Assembly for its consideration. Fines that may have been imposed on the Company by the Authority or the Competent Authority due to violations by the Board of Directors of the Law or the Articles of Association during the ended fiscal year shall be deducted from the remuneration. The General Assembly may decide not to deduct such fines or some of them if it deems that such fines were not the result of default or error of the Board of Directors.

59.3 دون الإخلال بالمادة 36 من هذا النظام، تحدد الجمعية العمومية مكافأة أعضاء مجلس الإدارة، ويجب ألا تزيد مكافأة مجلس الإدارة على 10% من الربح الصافي بعد خصم الاستهلاكات والاحتياطي وتوزيع ربح لا يقل عن 5% من رأس المال على المساهمين. ويقترح المجلس المكافأة وتعرض على الجمعية العمومية للنظر فيها، وتخصم من تلك المكافأة الغرامات التي تكون قد وُقعت على الشركة من الهيئة أو السلطة المختصة بسبب مخالفات مجلس الإدارة للقانون أو للنظام الأساسي خلال السنة المالية المنتهية، وللجمعية العمومية عدم خصم تلك الغرامات أو بعضها إذا تبين لها أن تلك الغرامات ليست ناتجة عن تقصير أو خطأ من مجلس الإدارة.

Article 60

المادة 60

The voluntary reserve (if any) shall be disposed pursuant to a resolution from the General Assembly based on a recommendation from the Board of Directors in the aspects that achieve the interests of the Company. The voluntary reserve (if any) may not be distributed among the shareholders. However, any amount in excess of fifty percent (50%) of the paid-up capital can be used to distribute dividends among the shareholders during years when the Company does not realize sufficient distributable net profit.

يتم التصرف في الاحتياطي الاختياري (إن وجد) بناءً على قرار من الجمعية العمومية بعد صدور توصية من مجلس الإدارة في الأوجه التي تحقق مصالح الشركة. لا يجوز توزيع الاحتياطي الاختياري (إن وجد) على المساهمين، وإنما يجوز استعمال ما زاد منه على نصف رأس المال المدفوع لتأمين توزيع أرباح على المساهمين في السنوات التي لا تحقق الشركة فيها أرباحاً صافية كافية للتوزيع عليهم.

PART EIGHT
DISPUTES

الباب الثامن
المنازعات

Article 61

المادة 61

Any resolution passed by the General Assembly to release the Board of Directors shall not result in the waiver of the civil liability against the Directors due to the errors committed by them during the performance of their duties. If the action giving rise to the liability was presented to the General Assembly in a report by the Board of Directors or by its auditor and was ratified by the general assembly, civil claims shall be time barred by the expiry of one year from the date of convening that General Assembly. However, if the alleged action constitutes a criminal offence, the proceedings for liability shall not be time barred except by the lapse of the public case.

لا يترتب على أي قرار يصدر عن الجمعية العمومية بإبراء ذمة مجلس الإدارة سقوط دعوى المسؤولية المدنية ضد أعضاء مجلس الإدارة بسبب الأخطاء التي تقع منهم في تنفيذ مهمتهم. وإذا كان الفعل الموجب للمسؤولية قد عرض على الجمعية العمومية بتقرير من مجلس الإدارة أو مدقق الحسابات وصادقت عليه، فإن دعوى المسؤولية تسقط بمضي سنة من تاريخ انعقاد الجمعية. ومع ذلك، إذا كان الفعل المنسوب إلى أعضاء مجلس الإدارة يكون جريمة جنائية، فلا تسقط دعوى المسؤولية إلا بسقوط الدعوى العمومية.

PART NINE
DISSOLUTION OF THE COMPANY

الباب التاسع
في حل الشركة وتصفيتها

Article 62

المادة 62

The Company shall be dissolved for any of the following reasons:

تحل الشركة لأحد الأسباب التالية:

62.1 Expiry of the Company's term unless it is renewed in accordance with the provisions of these Articles.

62.1 انتهاء المدة المحددة للشـركة ما لم يتم تجديدها وفقا للأحكام الواردة بهذا النظام الأساسي.

62.2 Fulfillment of the objectives for which the Company was established.

62.2 تحقيق الأغراض التي تأسست الشركة من أجلها.

62.3 A Special Resolution to terminate the term of the Company.

62.3 صدور قرار خاص من الجمعية العمومية بإنهاء مدة الشركة.

62.4 Merging the Company with another company in accordance with the provisions Law.

62.4 اندماج الشركة في شركة أخرى وفقاً لأحكام القانون.

62.5 The issuance of a judgement to dissolve the Company.

62.5 صدور حكم قضائي بحل الشركة.

62.6 The depletion of all or most of the Company's assets, making it impossible to beneficially invest the remainder.

62.6 هلاك جميع أموال الشركة أو معظمها بحيث يتعذر استثمار الباقي استثماراً مجدياً.

Article 63

المادة 63

If the losses of the Company reach half of its issued share capital, the Board of Directors shall within 30 (thirty) days from the date of disclosure to the Authority of the periodic or annual financial statements invite the General Assembly to take a Special Resolution to dissolve the Company prior to the expiry of its term or to continue to carry out the operations of the Company.

Article 64

At the end of the term of the Company or in case of its dissolution before the expiry of such term, the General Assembly shall, upon recommendation by the Board of Directors, determine the method of liquidation, appoint one or more liquidators and shall specify their duties. The authorities of the Board of Directors shall terminate with the appointment of the liquidator(s). The authorities of the General Assembly shall remain in force for the duration of the liquidation process and shall last until the liquidators are absolved of their obligations.

PART TEN
FINAL PROVISIONS

Article 65

In the event of contradiction between the provisions of these Articles and the commanding provisions of the Law or resolutions and circulars issued in application thereof, the latter should prevail.

Article 66

Subject to the Authority's approval, the Company may pass a Special Resolution to allocate a percentage of the Company's retained profits to social responsibility. The Company shall disclose on its website whether or not the Company has participated in the social responsibility. The auditor's report and the annual financial statements shall include the beneficials of the Company's contribution in the social responsibility.

Article 67

إذا بلغت خسائر الشركة نصف رأس مالها المصدر وجب على مجلس الإدارة خلال (30) ثلاثين يوماً من تاريخ الإفصاح للهيئة عن القوائم المالية الدورية أو السنوية دعوة الجمعية العمومية للانعقاد لاتخاذ قرار خاص بحل الشركة قبل الأجل المحدد لها أو استمرارها في مباشرة نشاطها.

المادة 64

عند انتهاء مدة الشركة أو حلها قبل الأجل المحدد، تعين الجمعية العمومية، بناءً على توصية من مجلس الإدارة، طريقة التصفية وتعين مصفياً أو أكثر وتحدد سلطتهم. وتنتهي وكالة مجلس الإدارة بتعيين المصفين وتبقى سلطة الجمعية العمومية قائمة طوال مدة التصفية إلى أن يتم إخلاء عهدة المصفين.

الباب العاشر
الأحكام الختامية

المادة 65

في حال التعارض بين النصوص الواردة بهذا النظام مع أياً من الأحكام الآمرة الواردة في القانون أو الأنظمة والقرارات والتعاميم المنفذة له فإن تلك الأحكام هي التي تكون واجبة التطبيق.

المادة 66

يجوز للشركة بعد الحصول على موافقة الهيئة أن تقوم بموجب قرار خاص بتخصيص نسبة من أرباحها المحتجزة للمسؤولية المجتمعية. يجب على الشركة الإفصاح على موقعها الإلكتروني عما إذا كانت الشركة قد شاركت في المسؤولية المجتمعية أم لا. يجب أن يتضمن تقرير المدقق والبيانات المالية السنوية فوائد مساهمة الشركة في المسؤولية المجتمعية.

المادة 67

The Company shall be subject to the resolution concerning Corporate Governance and Institutional Discipline Standards and implementing decisions for the provisions of the Law. The resolution shall be considered as an integral part and supplementary to the Company's Articles of Association.

يسري على الشركة قرار حوكمة الشركات ومعايير الانضباط المؤسسي والقرارات المنفذة لأحكام القانون، ويعتبر جزءاً لا يتجزأ من النظام الأساسي للشركة ومكملاً له.

Article 68

المادة 68

In accordance with the provisions of the Law and its implementing regulations, the Board of Directors, the chief executive officer, the managers and auditors of the Company shall facilitate the periodical inspection carried out by the Authority through its assigned inspectors and provide the required statements and information to them as they deem necessary, and allow them to view the records, documents, business and papers of the Company held by branches and subsidiaries within and outside the State or by the auditors.

مع مراعاة أحكام القانون والقرارات المنفذة له، على مجلس إدارة الشركة والرئيس التنفيذي والمديرين بالشركة ومدققي حساباتها تسهيل أعمال التفتيش الدوري الذي تقوم به الهيئة من خلال المفتشين المكلفين من قبلها وتقديم ما يطلبه المفتشين من بيانات أو معلومات، وكذلك الاطلاع على أعمال الشركة ودفاترها أو أية أوراق أو سجلات لدى فروعها وشركاتها التابعة داخل الدولة وخارجها أو لدى مدقق حساباتها.

Article 69

المادة 69

The provisions of the Law shall apply to any matter not specifically covered in the Memorandum of Association or these Articles of Association, provided that the Company shall not be subject to Article 121(2) of the Law.

تطبق أحكام القانون فيما لم يرد في شأنه نص خاص في عقد التأسيس أو النظام الأساسي شريطة أنه لا تخضع الشركة لأي من المادة 121(2) من القانون.

Article 70

المادة 70

In case there is any contradiction between the provisions of these Articles in the Arabic and English texts, the Arabic text shall prevail.

عند وجود تعارض بين نصوص المواد باللغتين العربية والإنجليزية، يغلب جانب النص باللغة العربية.

Article 71

المادة 71

These Articles of Association shall be deposited and published in accordance with the Law.

يودع هذا النظام الأساسي وينشر طبقاً للقانون.

Annex (3) – Receiving Bank's Branches

Annex (3)
Participating Branches for the Lead Receiving Bank and the Receiving Banks
EmiratesNBD - Participating Branches

#	AREA	BRANCH	Location	Working Hours	IPO Subscription Hours	Contact Number
1	Dubai	Group Head Office Branch	Ground Floor, Emirates NBD Group Head Office, Baniyas Road, Deira, Dubai	Monday to Friday (8:00 AM - 3:00 PM)	Monday to Friday (8:00 AM - 2:00 PM)	800-TECOM-IPO (800 83266 476)
2	Dubai	Jumeirah Branch	Emirates NBD Building, Al Wasl Rd Intersection, Umm Suquiem 3, Jumeirah, Dubai	Monday to Thursday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM)	800-TECOM-IPO (800 83266 476)
				Friday (7:30 AM - 12:15 PM)	Friday (7:30 AM - 11:15 PM)	
				Saturday (8:00 AM - 2:00 PM)	Saturday (8:00 AM - 1:00 PM)	
3	Dubai	Al Qusais Branch	Damascus St, Near Dubai Grand Hotel, Al Qusais, Dubai	Monday to Thursday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM)	800-TECOM-IPO (800 83266 476)
				Friday (7:30 AM - 12:15 PM)	Friday (7:30 AM - 11:15 PM)	
				Saturday (8:00 AM - 2:00 PM)	Saturday (8:00 AM - 1:00 PM)	
4	Abu Dhabi	Abu Dhabi Main Branch	Ground Floor, Al Neem Building, Shaikh Khalifa street, Abu Dhabi	Monday to Friday (8:00 AM - 3:00 PM)	Monday to Friday (8:00 AM - 2:00 PM)	800-TECOM-IPO (800 83266 476)
5	Abu Dhabi	Electra Street Branch	Zayed The Second Street, Near Electra Park, Abu Dhabi	Monday to Saturday (8:00 AM - 8:00 PM)	Monday to Saturday (8:00 AM - 1:00 PM)	800-TECOM-IPO (800 83266 476)
6	Abu Dhabi	Al Muroor Branch	New Airport Road, Muroor, Abu Dhabi	Monday to Thursday(8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM)	800-TECOM-IPO (800 83266 476)
				Friday (7:30 AM - 12:15 PM)	Friday (7:30 AM - 11:15 PM)	

				Saturday (8:00 AM - 2:00 PM)	Saturday (8:00 AM - 1:00 PM)	
7	Al Ain	Al Ain Main Branch	Sheikh Khalifa Bin Zayed St, (in front of Burjeel Hospital), Al Ain	Monday to Thursday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM)	800-TECOM-IPO (800 83266 476)
				Friday (7:30 AM - 12:15 PM)	Friday (7:30 AM - 11:15 PM)	
				Saturday (8:00 AM - 2:00 PM)	Saturday (8:00 AM - 1:00 PM)	
8	Sharjah	Sharjah Main Branch	Ground Floor, Emirates NBD Building, Immigration Road, Al Qassimia Area, Sharjah	Monday to Thursday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM)	800-TECOM-IPO (800 83266 476)
				Friday (7:30 AM - 11:30 AM)	Friday (7:30 AM - 11:15 PM)	
				Saturday (8:00 AM - 2:00 PM)	Saturday (8:00 AM - 1:00 PM)	
9	Ajman	Ajman Branch	Emirates NBD Building, Sheikh Rashid Bin Humaid St, Al Sawan, Ajman	Monday to Thursday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM)	800-TECOM-IPO (800 83266 476)
				Friday (7:30 AM - 11:30 PM)	Friday (7:30 AM - 11:15 PM)	
				Saturday (8:00 AM - 2:00 PM)	Saturday (8:00 AM - 1:00 PM)	
10	Umm Al Quwain	Umm Al Quwain Branch	King Faisal Road, Al Raas B, Umm Al Quwain, Near Umm Al Quwain Hospital, Umm Al Quwain	Monday to Thursday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM)	800-TECOM-IPO (800 83266 476)
				Friday (7:30 AM - 12:15 PM)	Friday (7:30 AM - 11:15 PM)	
				Saturday (8:00 AM - 2:00 PM)	Saturday (8:00 AM - 1:00 PM)	
11	Fujairah	Fujairah Main Branch	Sheikh Hamad Bin Abdullah Street, Town Centre 3, Fujairah,Opposite Al Diar Siji Hotel, Fujairah	Monday to Thursday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM)	
				Friday (7:30 AM - 12:15 PM)	Friday (7:30 AM - 11:15 PM)	800-TECOM-IPO (800 83266 476)

				Saturday (8:00 AM - 2:00 PM)	Saturday (8:00 AM - 1:00 PM)	
12	Ras Al Khaimah	Ras Al Khaimah Main Branch	Al Muntasir Road, Al Mamourah Road Intersection, Ras Al-Khaimah	Monday to Thursday (8:00 AM - 2:00 PM)	Monday to Thursday (8:00 AM - 1:00 PM)	800-TECOM-IPO (800 83266 476)
				Friday (7:30 AM - 12:15 PM)	Friday (7:30 AM - 11:15 PM)	
				Saturday (8:00 AM - 2:00 PM)	Saturday (8:00 AM - 1:00 PM)	

DIB - Participating Branches

#	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address	Contact Number
1	Al Salam Br.	Abu Dhabi	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Al Falah Street, Ministry of Energy Bldg, Abu Dhabi	04 - 6092222
2	Abu Dhabi Main Br.	Abu Dhabi	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Airport Road , Opposite to Etisalat Bldg, Abu Dhabi	04 - 6092222
3	Al Ain Main Br	Al Ain	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Salah El Din Al Ayyubi Street, Al Ain	04 - 6092222
4	Al Makhtoum Br	Dubai	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Bur Saeed Area , Al Maktoum Street, clock tower, Dubai Islamic Bank Building, Dubai	04 - 6092222
5	Dubai Main Br.	Dubai	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Bur Saeed Area , Al Ittihad Road, Al Shoala Building, Dubai	04 - 6092222
6	Sheikh Zayed Road Br.	Dubai	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Grosvenor House Commercial Tower, Sheikh Zayed Road, Near Fairmont Hotel, Dubai	04 - 6092222
7	Jumeirah Ladies	Dubai	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Jumeirah Street, Opposite to old ZOO ,Jumeirah 1, Dubai	04 - 6092222
8	Umm Suqeim Br.	Dubai	Monday to Thursday & Saturday	Monday to Thursday & Saturday	Abdalla Bin Fahd Villa , Jumeirah	04 - 6092222

			08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Street, Umm Suqeim 1, Dubai	
9	Muhaisnah-Ittihad Mall Br.	Dubai	Monday to Thursday & Saturday 10:00 AM - 10:00 PM Friday 3:30 PM to 09:00 pm	Monday to Thursday & Saturday 10:00 AM - 10:00 PM Friday 3:30 PM to 09:00 pm	Al Khawaneej Road, Ittihad Mall, Dubai	04 - 6092222
10	Ajman Main Br	Ajman	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Shk Khalifa Street, Dubai Islamic Bank Bldg ,Ajman	04 - 6092222
11	Fujairah Main Br.	Fujairah	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Hamad Bin Abdalla Street, Station Area - Fujairah	04 - 6092222
12	Ras Al Khaimah Main Br.	RAK	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Al Nakeel Area - Al Muntasir Str - Dubai Islamic Bank Bldg.	04 - 6092222
13	Sharjah Main Br	Sharjah	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Al Zahra'a St - Al Qasimia - Al Nud - Sharjah	04 - 6092222
14	Wasit Br.	Sharjah	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15am to 12:15 pm	University City Street, Industrial Area 6, Sharjah	04 - 6092222
15	Umm Al Quwain Br.	UAQ	Monday to Thursday & Saturday 09:00 AM - 09:00 PM Friday 3:30 PM to 09:00 pm	Monday to Thursday & Saturday 09:00 AM - 09:00 PM Friday 3:30 PM to 09:00 pm	King Faisal Street, Mall of Umm Al Quwain, Umm Al Quwain	04 - 6092222

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	Najda Street Branch	Normal Branch	398	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	Next to Al Mariah Mall (on the intersection of Al Najda street and Hamdan Street).
3	Abu Dhabi Police GHQ Branch	Normal Branch	92	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 police general head quarter- Al Saada Street, opposite Sheikh Khalifah University
4	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
5	Abu Dhabi Judiciary Branch	Normal Branch	394	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 Khaleej Al Arabi Street – Judicial Department Building – Ground Floor Office (GR-A-051)
6	Sheikh Khalifa Energy Complex Branch	Normal Branch	23	Abu Dhabi	1	8:00 AM to 3:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Sheikh Khalifa Eneregy complex - Corniche Street
7	Marina Mall Branch	Mall Branch	57	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	Corniche Street - Marina Mall - First floor, next to Yas Perfumes
8	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
9	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
10	Mussafah Branch	Normal Branch	19	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	Industrial Area- M9
11	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.

12	Shahama Branch	Normal Branch	40	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	Old Shahama area near Police Station
13	Al Silaa Branch	Normal Branch	39	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	Al Sila'a Area, opposite Al Areej School
14	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
15	Ghayathi Branch	Normal Branch	50	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	Ghayathi Area- Western Region
16	Al Marfaa Branch	Normal Branch	21	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	Al Marfaa Area - Western Region
17	Ruwais Mall Branch	Mall Branch	302	Abu Dhabi West (Gharbiya)	5	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	First Floor of Ruwais Mall , Ruwais Area
18	Bawadi Mall Branch	Mall Branch	83	Al Ain	2	10:00 am to 3:30 pm 04:00 pm to 09:00 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	Al Ain City - Al Bawadi Mall, Ground Floor, Mizyad Area
19	Al Ain Branch	Normal Branch	2	Al Ain	2	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	Al Ain City - Central District - Shaikh Zayed Bin Sultan Street - Near Clock Tower
20	Al Yahar Branch	Normal Branch	25	Al Ain	2	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	Al Ain City - Al Yahar

									11:00 AM	Main Street
21	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
22	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
23	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
24	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
25	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
26	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
27	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
28	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
29	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

30	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
31	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
32	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
33	Al Rahmania Mall Branch	Mall Branch	47	Sharjah North East Area	4	10:00 am to 03:30 pm 04:00 pm 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	Al Rahmania Mall - First Floor
34	Zawaya Walk Branch	Normal Branch		Sharjah North East Area	4	08: 00AM to 08:00 PM	08:00 AM to 12:00 PM	09:00 AM to 2:00 PM 04:00 PM to 09:00 PM	08:00 AM to 11:00 AM	Zawaya Walk Area

FAB - Participating Branches

S. No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
1	FAB One Tower, Abu Dhabi	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Intersection of Shaikh Khalifa Street and Baniyas street, PO BOX:2993
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
2	Al Ain New	Al Ain - Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Al Ain New PO BOX: 17822
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
3	Sheikh Zayed Rd.	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	ALQUZE NEXT TO GOLDEN DAIMOND; PO BOX:52053
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
4	Deira Branch (ABS)	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Abu Baker Al Siddique Rd, Deira
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
5	RAK (LNBAD)	Ras Al Khaimah	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	FAB RAK (LNBAD), Corniche Al Qawasim Road, Near to NMC
			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)	Royal Medical Center, RAK
6	Fujairah	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Opposite to Plaza Theatre Hamdan Bin Abdulla street; PO BOX:79
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
7	Sharjah	Sharjah	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Al Reem Plaza, Ground floor Buheira Corniche, Sharjah; PO BOX:1109
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
8	Umm Al Quwain	Umm Al Quwain	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Building No 211, King Faisal Road Al Maidan Area, Umm Al Quwain; Po BOX:733
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
9	Khubeirah	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Near Spinneys Khalidya Street Abu Dhabi
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
10	Al Ain Mall	Al Ain - Abu Dhabi	10:00 am to 10:00 pm for customer service + 02.00 pm to 09.00 pm Tellers (Mon- Thu)	02 pm to 09 pm - Mon - Thurs.	Al Ain Mall
			4:00 pm to 10:00 pm (Friday)	04:00 pm to 09:00 pm (Friday)	
			10:00 am to 10:00 pm for customer service + 2.00 pm to	02: pm to 09:00 pm (Saturday)	

			9.00 pm Tellers (Saturday)		
11	Ruwais	Ruwais - Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Central Market, ADNOC Housing complex, Ruwais
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
12	Salam Branch	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Salam Street, Abu Dhabi
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
13	Mirdif City Center	Dubai	10:00 am to 10:00 pm for customer service + 02.00 pm to 09.00 pm Tellers (Mon- Thu)	02 pm to 09 pm - Mon - Thurs.	Merdif City Center
			4:00 pm to 10:00 pm (Friday)	4:00 pm to 09:00 pm (Friday)	
			10:00 am to 10:00 pm for customer service + 02.00 pm to 09.00 pm Tellers (Saturday)	02: pm to 09:00 pm (Saturday)	

Emirates Islamic Bank - Participating Branches

S. No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address	Contact Number
1	Diyafa Road Branch	Dubai	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Opposite DUNE Center, Al Diyafa Street	800-TECOM-IPO (800 83266 476)
2	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	800-TECOM-IPO (800 83266 476)
3	EI Al Wasl Road Branch	Dubai	Monday to Saturday (8am - 8pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Al Wasl Road, Al Ferdous 1 Building	800-TECOM-IPO (800 83266 476)
4	EI Ibn Battuta Mall	Dubai	Monday to Saturday (10am - 10pm) Friday (3pm - 10pm)	Monday to Saturday (10am - 2pm)	Shop No. 143 A, China Court, Ibn Batutta Mall, Dubai	800-TECOM-IPO (800 83266 476)
5	EI Jebel Ali	Dubai	Monday to Thursday (8am - 3pm) Friday (8am - 12.30pm & 2pm -3pm)	Monday to Thursday (8am - 1pm) Friday (8am - 11.30am)	Banking Complex, JAFZA Main Gate, Jebel Ali	800-TECOM-IPO (800 83266 476)
6	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	800-TECOM-IPO (800 83266 476)
7	Al Tawar Branch	Deira	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Al Nahda Road, Near Al Twar Centre	800-TECOM-IPO (800 83266 476)

8	Warqaa Mall Branch	Deira	Monday to Saturday (9am - 9pm) Friday (3pm - 9pm)	Monday to Saturday (9am - 1pm)	Warqaa City Mall, Al Warqaa 4.	800-TECOM-IPO (800 83266 476)
9	Halwan Branch	Sharjah & NE Region	Monday to Saturday (8am - 8pm) Friday (8am - 11.30am	Monday to Saturday (8am - 1pm) Friday (8am - 10.30am)	Sheikh Isam Building,Wasit Street, Industrial Area, Halwaan, Sharjah	800-TECOM-IPO (800 83266 476)
10	El Al Rahmaniya Mall	Sharjah & NE Region	Monday to Saturday (9am - 9pm) Friday (3pm - 9pm)	Monday to Saturday (9am - 1pm)	Al Rahmaniya Mall, ground floor, next to Babyshop, Sharjah.	800-TECOM-IPO (800 83266 476)
11	Ajman Kalifa Bin Zayed	Ajman	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Al Jurf 2, close to City Centre Ajman	800-TECOM-IPO (800 83266 476)
12	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	800-TECOM-IPO (800 83266 476)
13	Fujairah Branch	Fujairah	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Near Choithram Supermarket, Sheikh Hamad Bin Abdulla Street	800-TECOM-IPO (800 83266 476)
14	Khalifa City Branch	Abu Dhabi	Monday to Saturday (8 am - 8 pm) Friday (8am - 12.30pm)	Monday to Saturday (8 am to 1 pm) Friday (8am - 11.30am)	Villa # 104, Sector SE-02, Khalifa City Main Street, Abu Dhabi	800-TECOM-IPO (800 83266 476)
15	Main Branch Abu Dhabi	Abu Dhabi	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Khalidiyah Corniche Area, Wave Tower	800-TECOM-IPO (800 83266 476)
16	Al Ain Branch	Al Ain	Monday to Saturday (8am - 2pm) Friday	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Jawazat Street, Near Sheikha Salama Mosque	800-TECOM-IPO (800 83266 476)

			(8am - 12.30pm)			

Ajman Bank - Participating Branches

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address	Contact Number
1	Khalifa Branch	Ajman	Saturday to Thursday (8:00 AM -2:00 PM)	Saturday to Thursday (8:00 AM - 2:00 PM)	A&F Towers- Sheikh Khalifa Bin Zayed ST- Ajman	06 701 8685
2	Main Branch	Ajman	Saturday to Thursday (8:00 AM -2:00 PM)	Saturday to Thursday (8:00 AM - 2:00 PM)	Al Ettehad Street, Next to Etisalat Building, Mushairef – Ajman	06 701 8880
3	Al Ain Branch	Al Ain	Saturday to Thursday (8:00 AM -2:00 PM)	Saturday to Thursday (8:00 AM - 2:00 PM)	Subway – Ajman Bank Building, near Sheikh Khalifa Bin Zayed ST – Abu Dhabi	03 701 3566
4	Buhaira Branch	Sharjah	Saturday to Thursday (8:00 AM -2:00 PM)	Saturday to Thursday (8:00 AM - 2:00 PM)	Ground Floor, Zahrat El Madaen Tower, Corniche street, next to starbucks – Al Sharjah	06 701 8177
5	Garhoud Branch	Dubai	Saturday to Thursday (8:00 AM -2:00 PM)	Saturday to Thursday (8:00 AM - 2:00 PM)	Red Avenue Building – street 59 – near DHL service center – Garhoud - Dubai	04 707 6808
6	Dalma Mall Branch (TCA)	AbuDhabi	Saturday to Thursday (8:00 AM -2:00 PM)	Saturday to Thursday (8:00 AM - 2:00 PM)	Inside Dalma Mall, 1st Floor – Al Wazn ST-Abu Dhabi	02 654 7720
7	Khalidiya Branch	AbuDhabi	Saturday to Thursday (8:00 AM -2:00 PM)	Saturday to Thursday (8:00 AM - 2:00 PM)	23 Rawd ST – Al Khalidiyah- W9- Abu Dhabi	02 654 7763

8	RAK Branch	Ras Alkhaima	Saturday to Thursday (8:00 AM -2:00 PM)	Saturday to Thursday (8:00 AM - 2:00 PM)	Next to Health first pharmacy – E11 – Al Nadiyah – Ras Al Khaimah	07 2042913
9	Jumeirah Branch	Dubai	Saturday to Thursday (8:00 AM -2:00 PM)	Saturday to Thursday (8:00 AM - 2:00 PM)	Zia medical center building – Jumeirah – Dubai	04 707 6885

SIB - Participating Branches

S.No	Branch name	Branch Location -Area	Customer Timing	IPO Subscription Timings	Branch Address	Contact Number
1	Mall of the Emirates Branch	Dubai	Saturday to Thursday 09:00 AM - 09:00 PM. Friday 03:00 PM - 09:00 PM	Saturday to Thursday 09:00 AM - 09:00 PM. Friday 03:00 PM - 09:00 PM	Mall of the Emirates, First Floor, Entrance A	06 5 999 999
2	Port Saeed Branch	Dubai	Monday to Saturday 08:00 AM - 08:00 PM. Friday 08:00 AM - 12:30 PM & 03:00 PM - 08:00 PM	Monday to Saturday 08:00 AM - 08:00 PM. Friday 08:00 AM - 12:30 PM & 03:00 PM - 08:00 PM	Port Saeed Area, Near Deira City Centre	06 5 999 999
3	Sheikh Zayed Road Branch	Dubai	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 AM to 12:30 PM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 AM to 12:30 PM	Sheikh Zayed Road, Nassima Tower Next to Voco Hotel	06 5 999 999
4	Al Tawar Branch	Dubai	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 AM to 12:30 PM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 AM to 12:30 PM	Al Nahda Road, Next to Al Qusais Metro Station and Al Twar Centre	06 5 999 999
5	Mirdif City Center Branch	Dubai	Saturday to Thursday 09:00 AM - 09:00 PM. Friday 03:00 PM - 09:00 PM	Saturday to Thursday 09:00 AM - 09:00 PM. Friday 03:00 PM - 09:00 PM	Mirdif City Center, First Floor, Entrance A	06 5 999 999
6	Al Dhaid Branch	Al Dhaid	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Al Dhaid, Sharjah CO-OP Building	06 5 999 999
7	Khorfakkan Branch	Sharjah – Khorfakkan - East Coast	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Al Rugaylat Road, Opposite Khorfakan Beach	06 5 999 999

8	Dibba Al Hisn Branch	Sharjah – Dibba - East Coast	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Al Akd Al Fareed Road, Near to Government Buildings	06 5 999 999
9	Kalba Branch	Sharjah – Kalba - East Coast	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Sheikh Saeed Road, Opposite Sidra Park	06 5 999 999
10	Fujairah Branch	Fujairah	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 AM to 12:30 PM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 AM to 12:30 PM	Hamad Bin Abdullah Road	06 5 999 999
11	Al Ain Main Branch	Al Ain	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 am to 12:30 pm	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 am to 12:30 pm	Oud Al Toba Area, Ali Bin Abi Taleb Road, Khalifa Al Salmeen Building	06 5 999 999
12	Hazza'a Bin Zayed Stadium Branch	Al Ain	Monday to Saturday 08:00 AM - 08:00 PM. Friday 08:00 AM - 12:30 PM & 03:00 PM - 08:00 PM	Monday to Saturday 08:00 AM - 08:00 PM. Friday 08:00 AM - 12:30 PM & 03:00 PM - 08:00 PM	Hamdan Bin Mohamad Road, Next to Hazza'a Bin Zayed Stadium	06 5 999 999
13	Abu Dhabi Mall Branch	Abu Dhabi	Monday to Saturday 09:00 AM - 09:00 PM. Friday 3:00 PM – 9:00 PM	Monday to Saturday 09:00 AM - 09:00 PM. Friday 3:00 PM – 9:00 PM	Abu Dhabi Mall, First Floor, Near to Main Entrance	06 5 999 999
14	Musaffah Branch	Abu Dhabi	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 AM to 12:30 PM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 AM to 12:30 PM	Musaffah Indusrtial Area, Al Fahim HQ Building	06 5 999 999
15	Al Khalidya Branch	Abu Dhabi	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 AM to 12:30 PM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 AM to 12:30 PM	Mubarak Bin Mohamad Road, Shining Tower	06 5 999 999

16	Ras al Khaimah Branch	Ras al Khaimah	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 AM to 12:30 PM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:30 AM to 12:30 PM	Al Nakheel Area, Al Muntasir Road	06 5 999 999
17	Sharjah Main Branch	Sharjah	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Al Khan Area, Near Al Qasba Canal, Sharjah Islamic Bank Tower	06 5 999 999
18	Buhaira Branch	Sharjah	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Corniche Al Buhairah Road, Al Dana Tower	06 5 999 999
19	King Faisal Street - Gents Branch	Sharjah	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	King Faisal Street, Al Husn Tower	06 5 999 999
20	King Faisal Street - Ladies Branch	Sharjah	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	King Faisal Street, Al Husn Tower	06 5 999 999
21	Sahara Center Branch	Sharjah	Monday to Saturday 09:00 AM - 09:00 PM. Friday 3:00 PM – 9:00 PM	Monday to Saturday 09:00 AM - 09:00 PM. Friday 3:00 PM – 9:00 PM	Sahara Center, Lower Ground Floor, Banks and Services Area	06 5 999 999
22	Muwaileh Branch	Sharjah	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Muwaileh Area, University City Road	06 5 999 999
23	Wasit Branch	Sharjah	Monday to Saturday 08:00 AM - 08:00 PM. Friday 07:15 AM - 11:45 AM & 03:00 PM - 08:00 PM	Monday to Saturday 08:00 AM - 08:00 PM. Friday 07:15 AM - 11:45 AM & 03:00 PM - 08:00 PM	Al Khazamiyah Area, Wasit Road, Near to Al Qasimi Hospital	06 5 999 999

24	Saif Zone Branch	Sharjah	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Sharjah Airport Road, Saif Zone Area, Next to Emirates Post Office	06 5 999 999
25	Sharjah Economic Development Department Branch	Sharjah	Monday to Thursday 08:00 AM - 02:30 PM. Friday 7:15 AM - 11:45 AM	Monday to Thursday 08:00 AM - 02:30 PM. Friday 7:15 AM - 11:45 AM	Al Layyah Area, Sharjah Economic Development Departmen Building	06 5 999 999
26	Matajer Al Mirgab Branch	Sharjah	Monday to Saturday 09:00 AM - 09:00 PM. Friday 3:00 PM – 9:00 PM	Monday to Saturday 09:00 AM - 09:00 PM. Friday 3:00 PM – 9:00 PM	Matajer Al Mirgab, Al Mirqab Area, Al Sharq Street to Ajman	06 5 999 999
27	Matajer Al Jurainah Branch	Sharjah	Monday to Saturday 09:00 AM - 09:00 PM. Friday 3:00 PM – 9:00 PM	Monday to Saturday 09:00 AM - 09:00 PM. Friday 3:00 PM – 9:00 PM	Matajer Al Jurainah, Al Juraina Area Near University City Area	06 5 999 999
28	Sharjah Court Branch	Sharjah	Monday to Thursday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Thursday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Al Khan Area, Al Meena Street Port Khalid, Sharjah Court Building	06 5 999 999
29	University of Sharjah - Ladies Branch	Sharjah	Monday to Thursday 08:00 AM - 02:30 PM. Friday 7:15 AM - 11:45 AM	Monday to Thursday 08:00 AM - 02:30 PM. Friday 7:15 AM - 11:45 AM	University City Area, University of Sharjah, Women's College, W21	06 5 999 999
30	University of Sharjah - Gents Branch	Sharjah	Monday to Thursday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Thursday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	University City Area, University of Sharjah, Men's College, Student Center	06 5 999 999
31	American University of Sharjah Branch	Sharjah	Monday to Thursday 08:00 AM - 02:30 PM. Friday 7:15 AM - 11:45 AM	Monday to Thursday 08:00 AM - 02:30 PM. Friday 7:15 AM - 11:45 AM	University City Area, American University of Sharjah, Main Building	06 5 999 999

32	Hamriya Free Zone Branch	Sharjah	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Al Ittihad Road, Inside Hamriyah Free Zone Area	06 5 999 999
33	Mega Mall Branch	Sharjah	Saturday to Thursday 09:00 AM - 09:00 PM. Friday 03:00 - 09:00 PM	Saturday to Thursday 09:00 AM - 09:00 PM. Friday 03:00 - 09:00 PM	Mega Mall, Ground Floor	06 5 999 999
34	Maliha Road Branch	Sharjah	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Monday to Saturday 08:00 AM - 02:30 PM. Friday 7:15 AM to 11:45 AM	Industrial 18 Area, Maliha Road	06 5 999 999
35	Rahmanya Mall Brnach	Sharjah	Monday to Saturday 09:00 AM - 09:00 PM. Friday 3:00 PM – 9:00 PM	Monday to Saturday 09:00 AM - 09:00 PM. Friday 3:00 PM – 9:00 PM	Rahmania Mall, Entrance A	06 5 999 999

CBD - Participating Branches

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address	Contact Number
1	Main Branch	Deira, Dubai	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 07:30 AM - 12:30 PM (Friday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 08:00 AM - 11:00 PM (Friday)	Al Ittihad Road, Port Saeed Area, Dubai	Elite RM
2	Jumeirah Branch	Jumeirah	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 07:30 AM - 12:30 PM (Friday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 08:00 AM - 11:00 PM (Friday)	Jumeirah Road, Dubai	Elite RM
3	Bur Dubai Branch	Bur Dubai, Dubai	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 07:30 AM - 12:30 PM (Friday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 08:00 AM - 11:00 PM (Friday)	Al Mankhool Road, Bur Dubai, Dubai	Elite RM
4	Sheikh Zayed Road Branch	Sh. Zayed Rd., Dubai	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 07:30 AM - 12:30 PM (Friday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 08:00 AM - 11:00 PM (Friday)	Sheikh Zayed Road, Dubai	Elite RM

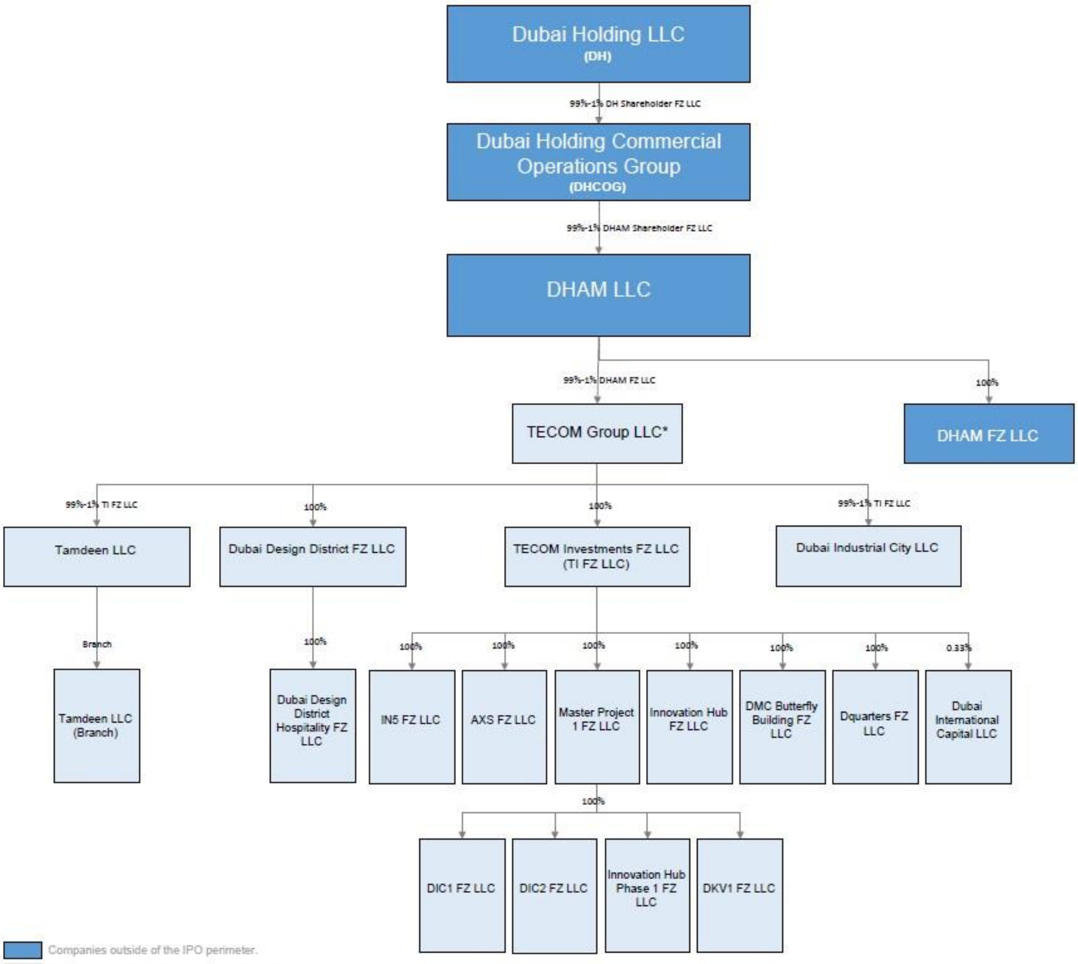
5	Zayed the First branch	Abu Dhabi	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 07:30 AM - 12:30 PM (Friday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 08:00 AM - 11:00 PM (Friday)	Zayed The First Road, Abu Dhabi	Elite RM
6	Sharjah Branch	Sharjah	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 07:30 AM - 12:30 PM (Friday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 08:00 AM - 11:00 PM (Friday)	King Abdulaziz Road, Sharjah	Elite RM

Annex (4) – Details of the Company's investments in its subsidiaries

Name	Country of incorporation and registered office	Percentage of beneficial interest held by the Company
Dubai Design District FZ LLC	DDA free zone, Dubai, UAE with registered address at Building: Hai d3, Dubai Design District, Dubai, UAE.	100%
Dubai Design District Hospitality FZ LLC	DDA free zone, Dubai, UAE with registered address at Building: Hai d3, Dubai Design District, Dubai, UAE.	100%
Dubai Industrial City LLC	Dubai, UAE with registered address at Dubai Holding Headquarters.	100%
TECOM Investments FZ LLC	DDA free zone, Dubai, UAE with registered address at Building 01-02, Dubai Studio City, Dubai, UAE.	100%
Master Project 1 FZ LLC	DDA free zone, Dubai, UAE with registered address at Building 01-02, Dubai Studio City, Dubai, UAE.	100%
In5 FZ LLC	DDA free zone, Dubai, UAE with registered address at Building 01-02, Dubai Studio City, Dubai, UAE.	100%
Innovation Hub FZ LLC	DDA free zone, Dubai, UAE with registered address at Building 01-02, Dubai Studio City, Dubai, UAE.	100%
DMC Butterfly Building FZ LLC	DDA free zone, Dubai, UAE with registered address at Building 01-02, Dubai Studio City, Dubai, UAE.	100%
DIC 1 FZ LLC	DDA free zone, Dubai, UAE with registered address at Building 01-02, Dubai Studio City, Dubai, UAE.	100%
DIC 2 FZ LLC	DDA free zone, Dubai, UAE with registered address at Building 01-02, Dubai Studio City, Dubai, UAE.	100%
Innovation Hub Phase 1 FZ LLC	DDA free zone, Dubai, UAE with registered address at Building 01-02, Dubai Studio City, Dubai, UAE.	100%
DKV 1 FZ LLC	DDA free zone, Dubai, UAE with registered address at Building 01-02, Dubai Studio City, Dubai, UAE.	100%
Dquarters FZ LLC	DDA free zone, Dubai, UAE with registered address at Building 01-02, Dubai Studio City, Dubai, UAE	100%
Tamdeen LLC	Dubai, UAE with registered address at Dubai Holding Headquarters, Umm Suqeim, P.O. Box: 66000, Dubai, UAE	100%

Name	Country of incorporation and registered office	Percentage of beneficial interest held by the Company
Tamdeen LLC (Branch)	DDA free zone, Dubai, UAE with registered address at Premises 206, Building 1,Dubai Studio City, Dubai, UAE.	100%
AXS FZ LLC.	DDA free zone, Dubai, UAE with registered address at Building 01-02, Dubai Studio City, Dubai, UAE.	100%

Annex (5) – Group Structure Chart



Companies outside of the IPO perimeter.

Companies that form part of the IPO perimeter

*To be renamed TECOM Group PJSC upon conversion.