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

Al Ansari Financial Services PJSC (Under Incorporation) (the "Company or "Al Ansari Financial Services")

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

الأنــصــاري للخــدمــات الـمــالــيــة
AL ANSARI FINANCIAL SERVICES

Dated: 9 March 2023

This is the prospectus (the "**Prospectus**") for the sale of 750,000,000 (seven hundred fifty million) ordinary shares with a nominal value of AED 0.01 (one fils) each, representing 10% (ten per cent) of the total issued share capital of the Company (the "**Offer Shares**") in a public subscription in the United Arab Emirates (the "**UAE**") only, by the Company's sole shareholder; Al Ansari Holding LLC (the "**Selling Shareholder**"). The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at 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**" or "**Authority**"). The offer price will be in AED and determined based on the offer price range, which will be announced in a listing announcement that will be published on the same day and before opening of the Offer Period on 16 March 2023 (the "**Offer Price Range**"). The Offer Shares will be duly and validly issued as at the date of listing of the ordinary shares in the share capital of the Company (the "**Shares**") on the Dubai Financial Market (the "**DFM**") as described in this Prospectus.

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 for the Second Tranche. Please refer to the section on the Final Offer Price in the first section of this Prospectus which sets out a description of how the Final Offer Price will be calculated.

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

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

Offer Period

The Offer Period for the First Tranche and the Second Tranche (as described in this Prospectus) starts on 16 March 2023, and is expected to close on 23 March 2023 for the First Tranche and on 24 March 2023 for the Second Tranche.

This is the public offering ("**Offering**"), including the offer to the Emirates Investment Authority ("**EIA**"), of 750,000,000 (seven hundred fifty 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 10% (ten per cent) of the total Shares. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at 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 Period in respect of the First Tranche, and the Second 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: **7 March 2023**.

This Prospectus contains data that has been submitted in accordance with the rules for issuance and disclosure issued by the SCA, and the publication of this Prospectus has been approved by the SCA on 7 March 2023. However, the SCA's approval of publishing this Prospectus does not constitute an endorsement of the feasibility of any investment in the Offer Shares nor a recommendation to subscribe to the Offer Shares; the approval only means that this Prospectus contains the minimum information required in accordance with the applicable rules issued by the SCA with respect to prospectuses. The SCA is not 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 750,000,000 (seven hundred fifty million) Shares with a nominal value of AED 0.01 (one fils) each, 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 size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the SCA's approval.

In creating the subscription orders ledger, the Offer Shares subscribed 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 the First 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. The Receiving Banks shall refund the oversubscription amounts received from the First 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 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 but not restricted to 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, 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.

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. 5% (five per cent) of the Offer Shares, amounting to 37,500,000 (thirty-seven million five hundred 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, and the Second 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 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

95% (ninety-five per cent) of the Offer Shares, amounting to 712,500,000 (seven hundred twelve million 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:

1. "**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 its total equity (after deducting paid up share capital), of not less than AED 7,000,000 (seven million UAE dirhams).

2. “**Assessed Professional Investors**” which include:

   i. a natural person who owns net assets, excluding the value of their main residence, is not less than AED 4,000,000 (four million UAE dirhams) (a “**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 a HNWI (the “**main account holder**”), provided that each of the following conditions are 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;

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

   v. 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 outside the United States to whom an offer can be made in reliance on Regulation S under the US Securities Act; (b) a person in the DIFC to whom an offer can be made in accordance with the Markets Rules (MKT) Module of the DFSA Rulebook, and made only to persons who meet the “Deemed Professional Client” criteria set out in the Conduct of Business (COB) Module of the DFSA Rulebook and who are not natural persons; or (c) a person in the ADGM to whom an offer can be made in accordance with the Financial Services Regulatory Authority (the “**FSRA**”) Financial Services and Markets Regulations (the “**FSMR**”) and the FSRA Market Rules and made only to persons who are “Professional Client” as defined in the ADGM Conduct of Business Rulebook.

All Professional Investors must hold an NIN with the DFM.

No maximum subscription in Offer Shares has been set. However, pursuant to the conditions prescribed by the CBUAE, no person shall be able to own 5% or more of the Company's issued and outstanding share capital without obtaining the prior approval of the CBUAE. This condition shall apply on an aggregate basis: (i) in the case of an individual, to the shares purchased by such individual and his/her immediate family members (such as his/her spouse and children); and (ii) in the case of a corporate entity, to the shares purchased by such corporate entity and its subsidiaries.

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 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. Emirates Investment Authority (EIA)

37,500,000 (thirty-seven million five hundred 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 Decree by Law 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 Lead Receiving Bank, 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 7 March 2023.

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 https://aafs.ae/IPO and https://aafs.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 March 2023.

This Prospectus is available on the website of the Company:

https://aafs.ae/IPO

https://aafs.ae

NAME AND CONTACT DETAILS OF THE OFFER PARTICIPANTS

JOINT LEAD MANAGERS

Abu Dhabi Commercial Bank PJSC
ADCB Head Office,
Al Salam Street,
P.O. Box 939,
Abu Dhabi, United Arab Emirates

EFG HERMES UAE LLC
Office 106, The Offices 3
One Central, DWTC
P.O. Box 112736
Dubai, United Arab Emirates

Emirates NBD Capital PSC
1st Floor, Emirates NBD Head Office Building
Baniyas Road, Deira
P.O. Box 2336
Dubai, 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

Clifford Chance LLP
ICD Brookfield Place, Level 32
Dubai International Financial Centre
P.O. Box 9380
Dubai, United Arab Emirates

Clifford Chance LLP
10 Upper Bank Street
E14 5JJ, London
United Kingdom

Legal advisor to the Company as to UAE law

IBRAHIM & PARTNERS
24th Floor, Al Sila Tower
ADGM Square
Tel: (971) 2694 8668
E-mail: Info@inp.legal
P.O. Box 5100746
Abu Dhabi, United Arab Emirates

Legal advisor to the Joint Lead Managers as to English, UAE and U.S. law

White & Case LLP
Level 6, Burj Daman, Al Mustaqbal Street
Dubai International Financial Centre
P.O. Box 9705, Dubai
United Arab Emirates

AUDITORS TO THE COMPANY

As of and for the years ended 31 December 2020, 2021, and 2022
PricewaterhouseCoopers (Dubai Branch)
Building 5, Emaar Square
P.O. Box 11987
Dubai, United Arab Emirates

IPO Subscription Auditors

Deloitte & Touche (M.E.)
Building 3, Level 6, Emaar Square Downtown Dubai
P.O. Box 4254
Phone Number: +971 4376 8888
Dubai, United Arab Emirates

Investor Relations

Dana Khalaf
Office No. 804, Al Ansari Business Center, Al Barsha 1
Dubai, United Arab Emirates
P.O Box 6176
Email Address: Dana.khalaf@alansari.ae
Contact Number: +971 04 501 0644

This Prospectus is dated 9 March 2023

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, "Section 11 ("***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. 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.

The publication of this Prospectus was approved on 7 March 2023.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

The historical financial statements included in the Prospectus are:

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

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

- the audited consolidated financial statements of the Company as at and for the year ended 31 December 2020, which includes the comparative financial information as at and for the year ended 31 December 2019, and the related notes thereto (the "**2020 Financial Statements**"), and together with the 2022 Financial Statements and the 2021 Financial Statements, the "**Financial Statements**").

The Financial Statements were prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board, interpretations issued by International Financial Reporting Interpretations Committee ("**IFRIC**") and the applicable requirements of laws of the United Arab Emirates.

The Company's financial year ends on 31 December of each year. References to any financial year refer to the year ended 31 December of the calendar year specified.

Except as described in the below section "Restatement relating to the annual audited financial statements", or indicated otherwise in this Prospectus: (i) the financial information of the Company as at and for the year ended 31 December 2022 has been extracted from the 2022 Financial Statements; (i) the financial information of the Company as at and for the year ended 31 December 2021 has been extracted from the 2021 Financial Statements; and (ii) the financial information of the Company as at and for the years ended 31 December 2020 has been extracted from the 2020 Financial Statements.

Discontinued Operations

On 30 September 2022, the Board resolved to carry out an internal restructuring of the Group whereby the entirety of the shares owned by the Company in Al Ansari Real Estate LLC and Al Ansari Financial Brokerage LLC (the "**Subsidiaries**") were resolved to be sold to Al Ansari Holding LLC, the parent entity incorporated in 2022. The Subsidiaries were sold on 24 November 2022, and 30 November 2022, respectively and are reported as discontinued operations in the 2022 Financial Statements, with the 2021 comparatives of the consolidated statement of comprehensive income re-presented to conform to the presentation used in the 2022 Financial Statements. However, the 2021 comparatives in the statement of financial position and the statement of cash flows were not re-presented.

In the 2020 and 2021 Financial Statements, the Subsidiaries have been reported as part of continuing operations in the statement of comprehensive income, and hence the statement of comprehensive income in the 2020 and 2021 Financial Statements may no be comparable to that of the 2022 Financial Statements for further details related to the discontinued operations.

Restatement relating to the annual audited financial statements

- The Group maintains separate bank accounts for money received from its customers ("**client money**") amounting to AED 75.16 million as at 31 December 2021 (31 December 2020: AED 56.92 million). The client money is not available to the Group and is only used to settle transactions executed in the trading accounts of the customers. The Group has no control over the balances and does not obtain economic benefits from these assets. As such, in the year ended 31 December 2021, the Group reviewed the presentation of these balances and determined that they do not meet the definition of an asset or a liability for the Group under the conceptual framework of IFRS and should not be recognised in the consolidated statement of financial position.

- "Due from / (to) exchange houses and agents" does not meet the criteria of classifying as a component of cash and cash equivalents and accordingly balances of AED 45.11 million for 2020 are shown separately in the consolidated statement of cash flows under cash flow from operating activities.

- "Change in fixed deposits" should be considered as part of investing activities instead of operating activities, in view of the requirements of IAS 7. Accordingly, change in fixed deposit of AED 203 million (increase) for 2020 are shown in the consolidated statement of cash flows as operating activities.

The correction of these prior period errors has been made by restating each of the following affected financial statement line items for the prior periods as explained further in Note 29 “Comparative figures” of the 2021 Financial Statements):

i) Statement of financial position as at 31 December 2020 - Due from banks; Total current assets; Total assets; Trade and other payables; Total current liabilities; Total liabilities and Total liabilities and equity.
ii) Statement of cash flows for the year ended 31 December 2020: Due from exchange houses and agents; Trade and other payables; Fixed deposits; Due to exchange houses and agents; Net cash generated from operating activities; Change in fixed deposits; Net cash used in investing activities; Net change in cash and cash equivalents; Cash and cash equivalents at the beginning of the year; and Cash and cash equivalents at the end of the year.

Accordingly, the above-mentioned restated statement of financial position line items as at 31 December 2020 and the statement of cash flow line items for the year ended 31 December 2020, included elsewhere in this Prospectus, are extracted or derived from the 2021 Financial Statements.

Non-IFRS measures

Definitions of certain financial measures that are not defined or recognized under IFRS, or any generally acceptable accounting principles, including operating income, EBITDA, EBITDA margin, capital expenditure, free cash flows, cash conversion and dividend pay-out ratio (“**non-IFRS measures**”), along with an explanation of their relevance and the reconciliations to the most directly comparable measures calculated and presented in accordance with IFRS are disclosed in the "*Third Section Financial Disclosures – Non-IFRS Financial Measures*" section. These non-IFRS measures are derived from the financial information included in the Company's 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, 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 representations 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, 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 9 and 10 are participating in, receiving subscription funds from, or managing, the public offering of the Offer Shares in the UAE.

Neither the content of the Company's website or any other website, 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, 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, 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, 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. If the Offering is withdrawn, the subscription amounts will be fully refunded to the Subscribers, along with any earned profits. Neither the delivery of this Prospectus nor any sale made under it may, under any circumstances, be taken to imply that there has been no change in the affairs of the Company since the date of this Prospectus or that the information in it is correct as of any subsequent time.

Emirates NBD Capital PSC, EFG Hermes UAE LLC, and Abu Dhabi Commercial 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, 05/11/2017, and 27/10/2021, 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, and the Second 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.

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 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 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 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, or the Advisors (or their respective representatives) makes any representation to any potential Subscriber regarding the legality of applying for Offer Shares by such potential Subscriber under the laws applicable to such potential Subscriber.

The publication of this Prospectus was approved by the SCA on 7 March 2023.

Definitions and Abbreviations

ADGM	Abu Dhabi Global Market.
AED or UAE Dirham	The lawful currency of the United Arab Emirates.
Articles of Association	The articles of association of the Company, as set out in Annex (2) of this Prospectus.
Board	The board of directors of the Company.
CBUAE	Central Bank of the UAE.
Closing Date	**23 March 2023** for the First Tranche and **24 March 2023** for the Second Tranche.
Companies Law	Federal Decree by Law No. 32 of 2021 concerning Commercial Companies (as amended from time to time).
“Company” or “Al Ansari Financial Services”	**Al Ansari Financial Services 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.
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.
DIFC	Dubai International Financial Centre.
Directors	The Executive Directors and the Non-Executive Directors.
EIA	Emirates Investment Authority in the UAE.
Electronic Applications	Subscription applications via online internet / mobile banking and ATMs as provided by the Receiving Banks to the First Tranche Subscribers.
Executive Directors	The executive directors of the Company.

Final Offer Price	The offer price at which all the Subscribers in all Tranches 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 subscription for the Second Tranche, the Company will publish an announcement setting out the Final Offer Price, on the Company's website: https://www.aafs.ae/IPO https://www.aafs.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 Company's audited consolidated financial statements, as of and for the year ended 31 December 2022; the audited reissued consolidated financial statements as of and for the year ended 31 December 2021; and the audited consolidated financial statements as of and for the year ended 31 December 2020, including the related notes thereto.
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 and who hold a NIN with the DFM and have a bank account in the UAE.
Founder	Al Ansari Holding 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	Al Ansari Financial Services and its subsidiaries.
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board.
Individual Subscribers	Natural persons who hold a NIN with the DFM and have a bank account 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).
Joint Lead Managers	Emirates NBD Capital PSC, EFG Hermes UAE LLC, and Abu Dhabi Commercial 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	The memorandum of association of the Company, as set

Association	out in Annex (2) of this Prospectus.
Minimum Subscription	The minimum subscription for Offer Shares in the First Tranche has been set at AED 5,000 (five thousand UAE dirhams), with any additional investment to be made in increments of at least AED 1,000 (one thousand UAE dirhams). The minimum subscription for Offer Shares in the Second Tranche has been set at AED 5,000,000 (five million UAE dirhams).
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 750,000,000 (seven hundred fifty 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 size of the Offering and the size of any Tranche 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.
Offer Participants	The entities listed on pages 9 to 10 of this Prospectus.
Offer Period	The subscription period for the First Tranche starts on **16 March 2023** and will close on **23 March 2023**. The subscription period for the Second Tranche starts on **16 March 2023** and will close on **24 March 2023**.
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	750,000,000 (seven hundred fifty million) Shares which will be sold by the Selling Shareholder in a public subscription process. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any 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.
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: 1. international corporations and organisations whose members are states, central banks or national monetary authorities; 2. governments, government institutions, their investment and non-investment bodies and companies wholly owned by them; 3. central banks or national monetary authorities in any country, state or legal authority; 4. capital market institutions licensed by the SCA or regulated by a supervisory authority equivalent to the SCA; 5. financial institutions; 6. regulated financial institutions, local or foreign mutual investment funds, regulated pension fund management companies and regulated pension funds; 7. any entity whose main activity represents investment in financial instruments, asset securitisation or financial transactions; 8. any company whose shares are listed or accepted to trade in any market of an IOSCO member country; 9. a trustee of a trust which has, during the past 12 months, assets of AED 35,000,000 or more; 10. licensed family offices with assets of AED 15,000,000 or more; 11. 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); 12. 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 outside the United States to whom an offer can be made in reliance on Regulation S; (b) a person in the DIFC to whom an offer can be made in accordance with the Markets Rules (MKT) Module of the DFSA Rulebook, and made only to persons who meet the “Deemed Professional Client” criteria set out in the

	Conduct of Business (COB) Module of the DFSA Rulebook and who are not natural persons; or (c) a person in the ADGM to whom an offer can be made in accordance with the FSMR and the FSRA Market Rules and made only to persons who are "Professional Client" as defined in the ADGM Conduct of Business Rulebook.
Receiving Banks	The group of banks led by the Lead Receiving Bank, comprising the Lead Receiving Bank, Emirates Islamic Bank, Abu Dhabi Commercial Bank, Al Maryah Bank, Commercial Bank of Dubai, and Dubai Islamic Bank and Abu Dhabi 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.
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: https://www.aafs.ae/IPO https://www.aafs.ae
Selling Shareholder	Al Ansari Holding LLC, a limited liability company incorporated in 2022, commercial license No. 1117499, issued by the DET and it currently owns 100% of the issued share capital of the Company.
Shareholder	A holder of Shares.
Shares	7,500,000,000 ordinary shares of the Company with a nominal value of AED 0.01 (one fils) each.

SMS	Short Message Service.
Subscriber	A natural or juridical applicant, in either case who applies for subscription in the Offer Shares.
Tranche	The First Tranche and the Second Tranche (as prescribed in this Prospectus).
UAE	United Arab Emirates.
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:** Al Ansari Financial Services PJSC (under incorporation).
- **Commercial license number of the Company**: 758204, issued by the DET.
- **Company head office:** Office No. 804, Al Ansari Business Center, Al Barsha 1, Dubai, United Arab Emirates P.O Box 6176.
- **Share capital**: The share capital of the Company as at the date of Listing has been set at AED 75,000,000 (seventy-five million UAE Dirhams), divided into 7,500,000,000 (seven billion and five hundred million) Shares, with the nominal value of each Share being AED 0.01 (one fils), all of which are paid in full.
- **Percentage, number and type of the Offer Shares**: 750,000,000 (seven hundred fifty million) Shares, all of which are ordinary shares and which constitute10% (ten 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 size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the SCA's approval.
- **Offer Price Range per Offer Share**: The Offer Price Range will be published on the same day of opening of the Offer Period on 16 March 2023.
- **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. 5% (five per cent) of the Offer Shares, representing 37,500,000 (thirty-seven million five hundred 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 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. 95% (ninety-fiveper cent) of the Offer Shares, representing 712,500,000 (seven hundred twelve million 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 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 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. However, pursuant to the conditions prescribed by the CBUAE, no person shall be able to own 5% or more of the Company's issued and outstanding share capital without obtaining the prior approval of the CBUAE. This condition shall apply on an aggregate basis: (i) in the case of an individual, to the shares purchased by such individual and his/her immediate family members (such as his/her spouse and children); and (ii) in the case of a corporate entity, to the shares purchased by such corporate entity and its subsidiaries.

- **Subscription by the Selling Shareholder:**

  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 Lead Managers 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 Offer Proceeds:**

  The net proceeds from the Offering (after the deduction of the selling commissions and discretionary fee paid), will be received by the Selling Shareholder. The Company will not receive any proceeds of the Offering. All of the expenses of the Offering (including selling commissions and any discretionary fees) will be borne by the Selling Shareholder. The Offering is being conducted, among other reasons, to allow the Selling Shareholder to sell part of its shareholdings to raise the profile of the Group with the domestic and international investment and financial services communities.

- **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

1. Subscription applications

Each Subscriber in the First Tranche may submit one subscription application only (i) in the case of a subscription application by a natural person, in his or her personal name (unless he or she is acting as a representative for another Subscriber, in which case the subscription application will be submitted in the name of such Subscriber) or (ii) in the case of a subscription application by a corporate entity, in its corporate name. In case a Subscriber submits more than one application in his or her personal name or its corporate name, the Lead Receiving Bank and the Joint Lead Managers reserve the right to 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.

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

Subscription for Offer Shares would deem the Subscriber to have accepted the 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 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 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 Selling Shareholder);
- the subscription application is otherwise found not to be in accordance with the terms of the Offering;
- the Subscriber is found to have submitted more than one application (it is not permitted to apply in both the First Tranche, and the Second Tranche), 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, or the Second Tranche offers;
- 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 Lead Receiving Bank may reject the application for any of the reasons listed above at any time until allocation of the Offer Shares and have no obligation to inform the Subscribers before the notification of the allocation of Shares to such rejected Subscribers.

Documents accompanying subscription applications

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

For *individuals*

- 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.

2. Method of subscription and payment for the First Tranche

The subscription application must be submitted by a Subscriber to any of the Receiving Banks listed in this Prospectus and the NIN 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 "***Al Ansari 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

DFM provides 2 ways to subscribe to IPOs which are:

- IPO Subscription platform: www.dfm.ae/ipos
- DFM Mobile application

All you need to start subscribing is an Investor Number (NIN), can be obtained via DFM app or a broker, below are the payment methods available for subscriptions:

- iVESTOR Card
- Online banking via UAE Central Bank payment gateway
- Bank transfer option

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

By submitting the electronic subscription form the customer who is 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 favor of "***Al Ansari IPO***" held at the Lead Receiving Bank, as detailed in the subscription application.

The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and, accordingly, the supporting documentation in relation to applications set out elsewhere in this 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 profits thereon following the closing of the Offer Period and prior to the Listing of the Shares shall be performed solely by, and processed through, the Receiving Bank in which the original application for subscription was submitted.

In the event any of the Subscribers do not comply with this Prospectus, especially in relation to the electronic subscription and iVESTOR Card, neither the DFM, the Founder, the Company, the Board, the Lead Receiving Bank, the Receiving Banks nor the iVESTOR Card issuing bank shall, in any way, be liable for the use of the electronic subscription facility by the customer of the bank or the Subscriber, the debiting of the customer account of the Lead Receiving Bank, Receiving Banks, nor the debiting of the iVESTOR Card by the iVESTOR Card issuing bank, in respect of all and any losses or damages suffered, directly or indirectly as a result of the electronic subscription facility and/or the iVESTOR Card.

E-subscription through the Receiving Banks

The Receiving Banks may also have their own electronic channels (ATMs, Internet Banking, Mobile Banking applications, Website, etc.) interfaced with the DFM IPO system.

By submitting the electronic subscription application, the customer submitting the application is accepting the Offering terms and conditions on behalf of the Subscriber and authorize the relevant Receiving Banks to retrieve Investor details from DFM Market to submit the subscription application and pay the total subscription amount by debiting the amount from the respective bank account of the customer and transferring the same to the Offer account in favor of "**Al Ansari Financial Services P.J.S.C.**" held at the Receiving Banks, as detailed in the subscription application.

The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relation to applications set out elsewhere in this Prospectus will not apply to Electronic Applications under this section.

Notification of the final allocation of Offer Shares and the refund of proceeds for unallocated Offer Shares (if any) and any returns thereon following the closing of the Offer Period and prior to the listing of the shares shall be performed solely by, and processed through, the Receiving Bank in which the electronic subscription application was submitted.

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

Emirates NBD e-Subscription

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

Subscribers without an Emirates NBD Bank account, who are either in the UAE or outside the UAE, can subscribe through the dedicated IPO website https://IPO.EmiratesNBD.com and pay through Online Banking via the UAE Central Bank Payment Gateway ("**PGS**") or through UAE Central Bank Fund Transfer ("**FTS**") or SWIFT.
In case of any issues or support, please contact the dedicated Emirates NBD Bank IPO team through our call center 800 ENBD IPO (800 3623 476)

Emirates Islamic Bank e-Subscription

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

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

Abu Dhabi Commercial Bank ("ADCB") e-Subscription

Process Steps:

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

Step # 2 Complete login authentication using UAE Pass or (Customer ID, Mobile Number and OTP)

Step # 3 Enter NIN Number

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

For any further queries, kindly contact us on 600502030

Mbank UAE Mobile Banking Application

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

Applications for Minors can also be made through the app.

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

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

Commercial Bank of Dubai ("CBD") e-Subscription

The IPO will be open to all CBD account holders.

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

For any further queries, kindly contact us on +971 4 212 1213

Dubai Islamic Bank

DIB Customers can submit the IPO subscription through WhatsApp digital journey. Add +97146092222 in your WhatsApp and type IPOSUB and follow the instruction. For any further queries kindly contact us on +971 4 609 2222 or visit the www.dib.ae".

Abu Dhabi Islamic Bank e-Subscription

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

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

By submitting the electronic subscription form, the 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 favor of the Company 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.

For any further queries, kindly contact Abu Dhabi Islamic Bank on +971 2 652 0878

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 March 2023.**
- Subscription amounts paid by way of PGS, FTS and SWIFT must be submitted by 1:00 p.m. on **22 March 2023**.
- Subscription applications received through ATM, Internet Banking, Mobile Application & Website must be made before 1:00 p.m. on **23 March 2023**.

Subscription amounts

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

Final Offer Price

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

The Offer Shares will be sold in a 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 March 2023** for the First Tranche, and the Second Tranche and closes on **23 March 2023** for the First Tranche and on **24 March 2023** for the Second Tranche.

Lead Receiving Bank: Emirates NBD Bank PJSC

Receiving Banks

A list of all Receiving Banks is attached in Annex (3) to this Prospectus.

Method of allocation of Offer Shares to different categories of Subscribers

Under 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 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 **29 March 2023** (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 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 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 Lead Receiving Bank. 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 March 2023**
Closing Date of the First Tranche	**23 March 2023**
Closing Date of the Second Tranche	**24 March 2023**
Announcement of the Final Offer Price	**27 March 2023**
Allocation of the First Tranche	**no later than 29 March 2023**
SMS notification of final allocations of the First Tranche	**29 March 2023**
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 March 2023**
Commencement of refunds related to the surplus subscription monies, and any earned profit resulting thereon, to the First Tranche Subscribers as well as commencement of dispatch of registered mail relating to allotment of Offer Shares	**3 April 2023**
Expected date of Listing the Shares on the DFM	**6 April 2023**

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 March 2023** 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:	37,500,000 (thirty-seven million five hundred thousand) Shares representing 5% (five 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 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, and the Second Tranche or close the Offering at the level of applications received.

The Second Tranche:

Size:	712,500,000 (seven hundred twelve million five hundred thousand) Shares representing 95% (ninety-five 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 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. However, pursuant to the conditions prescribed by the CBUAE, no person shall be able to own 5% or more of the Company's issued and outstanding share capital without obtaining the prior approval of the CBUAE. This condition shall apply on an aggregate basis: (i) in the case of an individual, to the shares purchased by such individual and his/her immediate family members (such as his/her spouse and children); and (ii) in the case of a corporate entity, to the shares purchased by such corporate entity and its subsidiaries.
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.

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

37,500,000 (thirty seven million five hundred 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 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, or the Second Tranche.

Second Section: Key details of the Company

1. Overview of the Company

Name of the Company	**Al Ansari Financial Services 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: • Investment in Agricultural Enterprises & Management; • Investment in Industrial Enterprises & Management; and • Investment in Commercial Enterprises & Management.
Head office:	Office No. 804, Al Ansari Business Center, Al Barsha 1, Dubai, United Arab Emirates P.O Box 6176
Details of trade register and date of engaging in the activity:	License No. 758204. The Company was incorporated in the Emirate of Dubai, United Arab Emirates, on 09 May 2016 as a limited liability company under the trade license number 758204 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:	PricewaterhouseCoopers (Dubai Branch)
Major banks dealing with the Company:	**Nature of Relationship**
1. Abu Dhabi Commercial Bank	Funding to correspondent banks, Cash Management, Settlements to suppliers and other business partners.
2. Emirates NBD	Settlements to suppliers and other business partners.
3. Abu Dhabi Islamic Bank	Travel Card Program partner for settlements with Visa
4. First Abu Dhabi Bank	Settlements to suppliers and other business partners, FX Hedging arrangements.

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, of which there is **(**1**)** Executive Director, **(**6**)** Non-Executive Directors, and **(**3**)** of whom are independent non-executive Directors:

Name	**Year of Birth**	**Nationality**	**Capacity**
Mohammad Ali Abualhassan Al Ansari	1955	Emirati	Chairman (Non-Executive)
Fuad Ali Abualhassan Al Ansari	1960	Emirati	Vice Chairman (Non-Executive)
Eisa Ali Abualhassan Al Ansari	1966	Emirati	Director (Non-Executive)
Rashed Ali Abualhassan Al Ansari	1977	Emirati	Director (Executive)
Mr. Nitin Khanna	1954	Indian	Director (Non-Executive*)
Mr. Marcello Baricordi	1972	Italian	Director (Non-Executive*)
Ms Raja Al Mazrouei	1976	Emirati	Director (Non-Executive*)

Notes:

1. (*) denotes that the Director is considered "*independent*" under the Governance Rules.
2. The business address of each of the Directors is Office No. 804, Al Ansari Business Center, Al Barsha 1, Dubai, United Arab Emirates P.O Box 6176.

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**
Ms Raja Al Mazrouei	• Board member - Zand Bank (public joint stock company) • Board member – Etihad Export Credit Insurance Company P.J.S.C

	• Board Member - Arab Bank for Investment and Foreign Trade Public JSC

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 Group, except for the following:

1. Mohammad Ali AlAnsari owning 32.0775% of the share capital of the Group;
2. Fuad Ali AlAnsari owning 24.5775% of the share capital of the Group;
3. Eisa Ali AlAnsari owning 21.0775% of the share capital of the Group; and
4. Rashed Ali AlAnsari owning 14.0775% of the share capital of the Group.

Ownership of first-degree relatives of the Board in the Company:

1. Seddeqa Murtaza Ali owning 3.4125% of the share capital of the Group;
2. Maryam Ali AlAnsari owning 2.38875% of the share capital of the Group; and
3. Fatma Ali AlAnsari owning 2.38875% of the share capital of the Group.

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 the Prospectus along with the information contianed in more deteials throughout the Prospectus including the financial information and other informaiton section.

Overview

Al Ansari Financial Services PJSC (under incorporation in the Emirate of Dubai, United Arab Emirates and in the process of being converted from a limited liability company to a public joint stock company) one of the leading integrated financial services groups in the United Arab Emirates with a history dating back to its establishment as a family business in 1966. The Group's global platform provides cross-border payments, foreign exchange solutions, access to the Wage Protection System in the United Arab Emirates and other services such as bill collection and pre-paid cards as well as payment technology solutions to consumers and businesses in the large and growing payments and foreign exchange and remittance market in the United Arab Emirates. The Group delivers its products and services through a comprehensive global network underpinned by its proprietary technology.

The Group deals in over 70 currencies through over 50 correspondent banks and partners for its foreign exchange business and has remittance services in over 45 currencies through over 250 correspondent banks and partners. As at 31 December 2022, the Group operated an extensive network of 231 physical branches across the United Arab Emirates, which included 103 branches in Dubai, 57 branches in Abu Dhabi, 38 branches in Sharjah, 15 branches in Ajman, 9 branches in Ras Al Khaimah, 6 branches in Fujairah and 3 branches in Umm Al Quwain. According to the EDC Report, the United Arab Emirates is the second largest outward personal remittances market globally by total outward remittances value of USD 48 billion, and exchange houses are expected to continue to play a significant role given the large and growing low-income expatriate population who have less access to bank accounts. For the year ended 31 December 2022, the Group had 125,556 transactions per day. According to the EDC Report, for the year ended 31 December 2021, the Group represented approximately 24% of the UAE outward personal remittances market (including exchange houses and banks).

The key products, services and solutions that the Group offers to its customers include:

- **Remittances –** The Group provides remittances at its retail branches and via its digital channels, offering domestic and global money transfers through its proprietary money remittance platforms, Cash Express, Global Fund Transfer and Worldwide Cash Express, as well as through its money transfer operator partners such as Western Union and its transfer payment network where transfers to bank accounts are executed via money transfer services such as SWIFT or Ripple. The Group offers remittances for its retail and corporate customers.

- **Bank Notes –** The Group's retail and wholesale foreign exchange services primarily comprise the sale and purchase of foreign currency directly to and from retail and wholesale customers. The Group also offers pre-paid cards as part of its retail foreign exchange services. The Group offers its bank notes services in over 70 currencies across all its branches.

- **Wage Protection System –** The Group offers corporate payroll solutions, executing wage payments on behalf of companies operating in the United Arab Emirates in compliance with the directives of the UAE's Human Resources and Emiratisation, under the Wage Protection System initiative. As at 31 December 2022, there were over 163,438 companies registered to use the Group's Wage Protection System service. There were over 549,756 monthly salary disbursals in December 2022.

- **Other –** The Group's other offerings include, among others, bill collection and end-to-end cash management solutions.

Each of the Group's services are provided by a number of operating subsidiaries. As of the date of this Prospectus, these operating subsidiaries include: (i) Al Ansari Exchange; (ii) Worldwide Cash Express; (iii) CashTrans; and (iv) Al Ansari Digital Pay. The Group is also in the process of acquiring Al Ansari Exchange Kuwait (an entity owned by some of the current shareholders of the Selling Shareholder), which in turn has acquired Oman Exchange Company, a leading exchange company in Kuwait. This acquisition has been approved by the competition authority in Kuwait and the Central Bank of Kuwait. According to management, this acquisition is expected to create the fourth largest player in the Kuwait market with a 7.7% market share in terms of number of physical branches, giving the Group a strong presence in the sixth largest outward personal remittances market globally in 2021.

History

In anticipation of the IPO, the Group completed a corporate reorganization in the second half of 2022 and changed the name of the Company from Al Ansari Holding L.L.C. to Al Ansari Financial Services L.L.C. Al Ansari Financial Services L.L.C. is under incorporation and in the process of being converted from a limited liability company to a public joint stock company in the Emirate of Dubai, UAE.

Al Ansari Exchange, which started as an offshoot of a flourishing trading business by the Al Ansari family almost 60 years ago, was established primarily to meet the foreign exchange and remittance needs of the Al Ansari family's trading partners and customers at a time when formal banking was yet to be established in the United Arab Emirates and has since grown to include other businesses over time. Today, the Group is a leading exchange company, with the largest physical branch network in the United Arab Emirates.

With the evolution of banking in the United Arab Emirates in the mid-1960s, Al Ansari Exchange's first branch was opened in Abu Dhabi in 1966.

After opening its first branch in the Abu Dhabi Central Market in 1966, some of the Group's key historic milestones included adopting an integrated electronic system in all financial transactions in 1987 and launching the first awards programme in 1999. In 2002, Al Ansari Exchange Kuwait (the entity that the Group is in the process of acquiring as of the date of this Prospectus) began operations in Kuwait.

Al Ansari Exchange standardised the look and feel of all of its branches and launched its new brand identity in 2003. In 2004, the Group launched Cash Express for worldwide remittance to the market, and in 2010, opened the 100th branch in Dubai and launched its payroll solution "PayPlus", in line with the UAE's Wages Protection System.

The Group launched a number of products between 2011 and 2019, including CashTrans (2011), its website, e-Exchange (2016), Worldwide Cash Express (2017), a mobile application to enable online money transfers (2018), implemented CRM Dynamics (2019), and a Visa Platinum TravelCard with 17 currencies (2019). In addition, in 2020, the Group became a Visa principal member and established a corporate relations function.

In September 2020, Al Ansari Exchange was rated "5A1" by Dun & Bradstreet, the highest achievable rating level indicating minimal credit risk and a high degree of credit, in addition to being licensed and regulated by the Central Bank of the United Arab Emirates.

In 2021, the Al Ansari Exchange mobile app was rated as the top Fintech App in the United Arab Emirates and the GCC region and the second in the Middle East Region on the Forbes Middle East list of the Top 15 Fintech Apps 2021. In August 2022, CashTrans commenced providing cash in transit services to third parties. In 2022, Al Ansari Exchange announced the introduction of six new “smart counters” in its branches with the goal to roll out 100 smart counters by mid-2023. The Group also announced that it had launched e-Exchange for its corporate clients in 2022.

Strengths

Leading and pioneering Exchange House in the United Arab Emirates

The Group has almost 60 years of history and has grown its presence across the United Arab Emirates and introduced services to cater to changing customer needs in order to enhance the experience of its customers. The Group’s core businesses of remittances and bank notes are complemented by its strategic Wage Protection System and other offerings, which includes bill collection services and cash management solutions.

With 231 branches as at 31 December 2022, the Group has the largest physical branch network in the United Arab Emirates, which is more than double compared to the second player in the market according to the EDC Report.

The Group believes it has been able to adapt to evolving customer needs by offering a convenient transaction experience. In order to cater to more sophisticated customers, the Group introduced digital channels to transact business and the Group has witnessed rapid growth in its mobile application, which it now considers to be a vital part of its service offerings. Although the Group’s focus on these digital platforms so far has been largely focused on its retail customers, the Group has also started to incorporate digital business-to-business (“**B2B**”) solutions for its corporate customers through its e-Exchange offering.

Leading player in the second largest and growing outward remittances market

According to the EDC Report, the United Arab Emirates is the second largest outward personal remittances market globally by total outward remittances value of USD 48 billion, and exchange houses are expected to continue to play a significant role given the large and growing low-income expatriate population who have less access to bank accounts. In addition, favourable visa and citizenship programmes are expected to attract more people to the United Arab Emirates, which is expected to further increase the demand for remittances. Al Ansari Exchange is a leading player in this market and in 2021 handled approximately 2.6% of global outward personal remittances. According to the EDC Report, as at 31 December 2021, Al Ansari Exchange held 38% of the exchange house outward personal remittance market and has historically grown at a much faster pace than the UAE personal remittance market. Despite the 14% outward personal remittances market contraction between 2019 and 2020, the Group continued to grow and increased outward remittance revenues by 29% during the same period. In addition, in 2021, Al Ansari Exchange had a 14% market share in the corporate remittances through exchange houses market, however the penetration of exchange houses in this market is limited (amounting to 8.3% as per the EDC Report) and the market is currently dominated by banks. For the year ended 31 December 2021, the UAE had AED 175 billion in outward personal remittances with AED 108 billion being attributed to exchange houses and AED 67 billion being attributed to banks. The overall outward personal remittances market is expected to grow to AED 211 billion by the year ending 31 December 2027, with AED 138 billion being attributed to exchange houses and AED 73 billion being attributed to banks.

Prominent player in highly demanded banks notes offering

Being one of the top players in the UAE's foreign exchange market with a 35% retail foreign exchange market share for the year ended 31 December 2021, the Group believes that it is well-positioned to benefit from the growing tourism industry in the United Arab Emirates. Foreign currency exchange in the United Arab Emirates is expected to grow as a result of increasing tourist numbers and tourist spend in the country. According to the EDC Report, exchanged foreign currency cash volumes in the United Arab Emirates are forecasted to grow at an approximately 4.0% CAGR between 2022 and 2027 and income tourist spend in the United Arab Emirates is forecasted to grow at an approximately 6.7% CAGR over that period.

The key industry drivers for the Group's bank notes offering are inbound tourism, inbound tourist spend, outbound tourism and economic growth. The Group believes that it is well-positioned to cater to tourists given its prominent branch locations across key tourist destinations. The Group has a number of branches in malls. Malls represent a strategic location for exchange houses to capture footfall and are an easy access point for tourists. Presence in malls also allows the Group to price transactions more favourably than it would be able to in other locations.

Additionally, the need for wholesale foreign currency exchange is also expected to increase as a result of the economic growth, growing retail and wholesale bank note transactions and strong synergies between retail and wholesale bank note transactions. Al Ansari Exchange is expected to benefit from this given its leading position in the UAE wholesale market.

The Group also offers pre-paid cards to its individual customers, which has allowed the Group to access the digital space of foreign currency exchange. Both the Group's Travelcard and FlexiblePay products are reloadable pre-paid cards that can store either single or multiple currencies on the card, and which also allow the conversion of such currencies to other currencies by the user. The Group's pre-paid cards, where available, can be purchased or reloaded in the Group's branches, online or through the mobile app.

Well-defined customer acquisition and retention strategy supported by growing B2B offerings

The Group believes that it has an effective customer acquisition approach coupled with a well-tested customer retention strategy. The Group engages with its customers through physical branches, its digital platform, corporate relationships and promotional campaigns. Electronic promotion methods include online and social media marketing for the Group's entire business. The Group also maintains a reach in the Group's local community through radio advertisements and signage.

In addition, in order to enhance its service offerings and cater to the unmet needs of corporates, the Group has been expanding its B2B offering, which not only helps to attract new customers but to retain customers through effective cross-selling.

The Wage Protection System also acts as a vital customer acquisition channel for the Group for both companies that use the Wage Protection System to disburse employee salaries and for individuals who receive salaries through the Wage Protection System. The Group has a dedicated on-the-ground business development team that onboards new customers. Wage

Protection System card users also have access to branches and smart counters, which allow them to use the Group's cash withdrawal, remittances and utility payments services.

The Group's B2B offering also includes cross-border B2B payments, CashTrans and bill collections. According to the EDC Report, the UAE's serviceable SME addressable market for cross border B2B payments is expected to be three times larger than the outward personal remittance market by 2027 and the UAE's total addressable market for end-to-end-cash management is forecasted to grow at an approximately 4% CAGR over the same time period.

Setting industry standards and best practice in a highly regulated industry

The Group operates in a highly regulated industry. Remittances and foreign exchange operations can only be carried out by banks and duly licensed exchange houses. Exchange houses must comply with strict anti-money laundering compliance rules, at least 10% of their employees must be UAE nationals, UAE nationals must own at least 60% of the company, and a no objection certificate from the Central Bank of the United Arab Emirates (the "**CBUAE**") is required to open new branches.

Innovative and proprietary digital capabilities

The Group has innovative and proprietary digital capabilities. The Group operates a state-of-the-art technology suite integrated across multiple customer touchpoints allowing for cross-selling opportunities and scale through multiple digital offerings. The Group's integrated technology platform was purpose-built to implement a wide array of digital channels through its proprietary digital products, connect the Group's global network and operations, localise its marketing, products and experiences and facilitates its data-driven approach. The Group has had no data breach incidents. For the year ended 31 December 2022, the available system time was 99.96%, which is the time the Group's data system is working and is not being affected by factors such as server errors or restarts. The Group's digital capabilities allow it to collect data analytics for the Group on customer trends, which it uses to enhance its offering and customer experience.

The Group uses a combination of proprietary software and other leading and sophisticated third-party software. Given the scale of the Group's business and complexity of digital cross-border payments, the Group's technology platform has broad and complex capabilities and together with the Group's data, gives it a competitive advantage in understanding its customers. The Group's technology primarily includes the Al Ansari Exchange mobile app, which was rated as the top Fintech App in the United Arab Emirates and the GCC region and placed second in the Middle East Region on the Forbes Middle East list of the Top 15 Fintech Apps 2021. The Group also offers its e-Exchange platform to both its retail and its corporate customers.

High quality management team with a wealth of industry experience

Members of the Group's senior management team have an average of over 20 years of experience in the industry, including over 75 years of collective industry experience among Rashed Al Ansari, the Group's Chief Executive Officer, Mohammad Bitar, the Group's Deputy Chief Executive Officer, and Faisal Anwar, the Group's Chief Financial Officer. In addition to Mr Al Ansari, Mr Bitar and Mr Anwar, the Group's Chief Operating Officer, Chief Technology Officer, Chief Human Resources Officer and Chief Corporate Services Officer each have at least two decades of experience in the industry. The Group's management team has had several accomplishments including reaching the target of over 230 physical branches in operation, delivering operating income and EBITDA growth between 2020 and 2022, making the Group the first exchange house in the United Arab Emirates to implement e-KYC procedures for its digital offering, offering an in-house leading market compliance module and having strong adherence to regulatory requirements. In addition, the Group's management team retains a high level of independence as Rashed Al Ansari is the only member from the Al Ansari family on the management team. None of the members of the Board of Directors or the executive management and their first-degree relatives own any shares in the Group or its subsidiaries, except for the following members of the Board of Directors and their first-degree relatives:

- Mohammad Ali AlAnsari owning 32.0775% of the share capital of the Group;
- Fuad Ali AlAnsari owning 24.5775% of the share capital of the Group;
- Eisa Ali AlAnsari owning 21.0775% of the share capital of the Group;
- Rashed Ali AlAnsari owning 14.0775% of the share capital of the Group;
- Seddeqa Murtaza Ali owning 3.4125% of the share capital of the Group;
- Maryam Ali AlAnsari owning 2.38875% of the share capital of the Group; and
- Fatma Ali AlAnsari owning 2.38875% of the share capital of the Group.

In addition, the Group's corporate governance is overseen by a number of internal committees headed by independent directors.

Solid financial performance, resilient through the COVID-19 pandemic with a history of delivering growth

The outward remittance market for exchange houses contracted by 23.9% and tourist spend in the United Arab Emirates contracted by 52.4% between 2019 and 2021 primarily as a result of the COVID-19 pandemic. Despite the backdrop of this very challenging economic environment, the Group was able to gain market share and strengthen its position as a market leader. In particular, the Group's remittances operating income grew by an 17.7% CAGR between 2019 and 2021.

In addition, the Group's business model generated strong profitability with limited capital expenditure requirements while expanding the Group's branch network and continuing to invest in its digital offering. As a result, the Group was able to generate a sustained increase in cash flows year-on-year between 2020 and 2022.

Strategy

Expand the Group's physical branch network in the United Arab Emirates

Branches are expected to remain key to drive the Group's growth going forward. The Group believes that its customer base will prefer to continue to interact in a physical branch rather than online for the foreseeable future given its large number of low-income expatriate customers who have limited access to bank accounts and rely on face-to-face interactions. According to the EDC Report, physical branches are expected to remain key in the outward remittance market with 79.8% of the remittance market expected to still be face-to-face in 2027 (compared to 89.1% in 2021). Therefore, the Group seeks to gain scale and market share in a growing industry supported by a strong macroeconomic backdrop and take advantage of a "first mover advantage" in new communities/malls to expand its customer base as well as use its branches as a first point of contact to cross-sell its digital services.

The Group believes that a strong physical network is crucial to Its customer proposition both in the outward remittance market and for bank notes exchange services. In addition, the branch network acts as a customer acquisition tool with 32% of Al Ansari's remittances customers for the year ended 31 December 2022 also using other services offered by the Group during that period.

The Group employs a dynamic pricing model at its branches through pricing based on the preferred platform, remittance corridor and branch location. For example, the income and profile of catchment areas dictate pricing, with malls having higher pricing than lower income neighbourhoods. The Group has branches entrenched in neighbourhoods to act as an easy access point for residents and a presence across premium locations (with a focus on malls) to capture footfall and offer an easy access point for tourists. The Group believes that there is a gap to fill in the market for branches and plans to roll out additional branches to fill the gap left by the exit of UAE Exchange and the overall reduction in the number of exchange houses. The Group has been taking advantage of UAE Exchange leaving the market and has added 30 to 40 former UAE Exchange branches and the Group believes that there is still a market opportunity for an additional 200 to 300 branches to be opened.

The Group has also been successful in relocating branches. For example, the Al Khail Mall in Dubai opened in 2009 and was relocated in March 2021 to a more prominent location within the mall. As a result of this relocation, the monthly average operating income for the branch increased by 24%, the monthly average profit increased by 20% and the monthly average number of transactions increased by 23%.

The UAE economy is a high-growth economy with real GDP forecasted to grow at an approximately 4% CAGR during the 2022 to 2027 period, according to the EDC Report, which is expected to outperform other GCC countries and developed economies such as the United States and Europe.

Expand to other markets in the GCC region

The Group aims to enter other markets in the GCC region, which accounted for approximately 25.4% of worldwide outward remittance flows in 2021, according to the EDC Report.

The Group is in the process of acquiring Al Ansari Exchange Kuwait (an entity owned by some of the current shareholders of the Selling Shareholder), which in turn has acquired Oman Exchange Company, a leading exchange company in Kuwait. The Group is yet to apply for certain requisite regulatory approvals for the acquisition of Al Ansari Exchange Kuwait.

As part of the acquisition, on 31 January 2023, the Group signed a Letter of Intent with Mr. Mohammad Al Ansari and Mr Fuad Al Ansari (the "**AAEK Shareholders**") to acquire Al Ansari Exchange Kuwait for an amount equal to the higher of the book value of equity and the fair value.

In addition, Al Ansari Exchange Kuwait paid USD 24.5 million to acquire Oman Exchange Company. This acquisition has been approved by the competition authority in Kuwait and the

Central Bank of Kuwait. A sale and purchase agreement was signed between the parties in January 2023 and integration of the entities is expected to be completed in the third quarter of 2023. The Group does not expect the overall price of Al Ansari Exchange Kuwait and Oman Exchange Company to deviate substantially from the sum of the book value of Al Ansari Exchange Kuwait and the price paid for the acquisition of Oman Exchange Kuwait. According to management, this acquisition is expected to create the fourth largest player in the Kuwait market with a 7.7% market share in terms of number of physical branches, giving the Group a strong presence in the sixth largest outward personal remittances market globally in 2021.In addition, in 2021, Al Ansari Exchange Kuwait and Oman Exchange Kuwait had combined income of AED 33.9 million and combined profit for the year of AED 9.3 million.

The Group believes that the planned acquisition of Al Ansari Exchange Kuwait is the first step in becoming a market leader in the GCC region, and intends to continue to assess the potential to enter other markets in the GCC region on an opportunistic basis. Following the merger between Al Ansari Exchange Kuwait and Oman Exchange Company, the Group plans to optimise the branch network and widen the coverage through relocated branches. The Group also expects to be able to achieve a number of synergies from the integration of Al Ansari Exchange Kuwait into the Group.

In addition, the Group intends to grow its market share outside the United Arab Emirates through its fully owned subsidiary Worldwide Cash Express and by leveraging its network of correspondent banks and partners. In particular, the Group believes that Worldwide Cash Express has a differentiated offering compared to other competitors due to its more extensive agent network in what it considers the main receiving countries, its more competitive pricing and its greater range of pay-out methods.

Continue investing in the Group's digital offering

For the year ended 31 December 2022, 10% of the Group's remittances income was generated through its mobile app, which was rated as the top FinTech app in the United Arab Emirates in 2021. The Group is one of the few exchange houses in the market that offers its services through a mobile app to its customers, and the Group is keen to keep investing in its mobile app to ensure that the Group remains competitive.

The Group envisages digital transactions to grow faster than transactions executed by branch and to account for approximately 20% of the Group's overall personal outward remittance transactions by 2027, an increase from 15% in 2022.

As at 31 December 2022, there were 1.2 million customers for the Group's mobile app. The contribution of the mobile app to remittance volumes for the year ended 31 December 2022 was 15%, compared to 3% for the year ended 31 December 2019. The mobile app was developed externally but is maintained in-house. The costs of the mobile app are expensed annually, with very limited capitalised costs. The intellectual property for the mobile app is owned by Al Ansari Exchange. The Group plans to increase pricing in its branches to convert customers towards digital channels, which have lower costs and higher profitability. For example, branches contribute 87% to income annually but also contribute 97% to direct expenses annually. The Group's digital channels contribute 11% to income annually while contributing only 2% to direct expenses annually. The Group believes that there is room to reduce prices for its digital offering if required to compete more effectively.

The Group also plans to continue investing in its smart counters. The smart counters are rented from a third party. The Group has already rolled out six smart counters, which it believes have been well-received by its customers. The Group has ordered 100 smart counters in total and intends to complete the roll out of the smart counters by mid-2023.

In addition, the Group intends to increase its digital product offering, including through the launch of a digital wallet and it is looking at a number of more innovative products that focus on digital payments through Al Ansari Digital Pay, which is in the process of being incorporated with a view to creating a digital marketplace ecosystem. Exchange houses are not allowed to hold customer funds so Al Ansari Digital Pay is in the process of obtaining a store value facilities license from the CBUAE to be able to provide this and offer a digital wallet.

The Group believes that moving the Wage Protection System business to a digital wallet would allow it to increase cross-selling by keeping client funds in the digital market place and accelerate the migration of unbanked clients towards digital remittances.

The Group envisages the digital wallet framework to be fully integrated with the existing technological infrastructure of the Group, which will retain all the key functionalities in-house.

Increase margins without compromising competitiveness

The Group's prices and margins are dynamic and set at competitive levels based on market conditions. Given the Group's market position and pricing compared to the pricing of its competitors and overall pricing in the United Arab Emirates, the Group believes that there is scope to increase its prices and improve overall margins for the Group without compromising the competitiveness of its offering to its customers.

In addition, pricing is not the only criteria for choosing a remittance provider. Management believes that the Group's extensive branch network, speed of transfer, network of receiving agents, range of withdrawal options, digital app and promotions also differentiates the Group from other exchange houses, MTO players, digital players and banks.

With regard to its retail foreign exchange operations, the Group also conducted a survey on 30 October 2022 using a sample of exchange houses and banks and found that based on the sale and purchase prices of the Group compared to its peers, the Group had pricing power in U.S. Dollars and it was priced in line with the market for Euros and the Saudi Riyal.

The Group also believes that it has scope to increase prices given the quality of the services it offers (in terms of speed, reliability and customer experience) and the Group's high level of customer satisfaction. Therefore, the Group believes that it can grow its margins without impacting the customer experience going forward, which it believes will allow it to increase its profitability.

Expand its value proposition in the corporate remittances market

The Group's current B2B proposition is primarily represented by the Group's Wage Protection System offering through which it has over 163,438 registered corporate customers, mostly represented by small-to-medium enterprises ("**SMEs**"), out of the approximately 370,000 SMEs active in the United Arab Emirates. Although the Wage Protection System is a low-fee and high-volume offering, it is a valuable cross-selling channel for other services of the Group. As a result, going forward, the Group intends to further expand its value proposition to its corporate customers, particularly in relation to the cross-border remittance market.

According to the EDC Report, the size of the SME market for cross-border remittance is almost three times larger than the personal outward remittance market with a serviceable addressable market size of over AED 575 billion expected by 2027, an increase in market size from AED 482 billion compared to the year ended 31 December 2021. As a result, the Group believes that the SME market presents a significant opportunity to expand its customer base. The SME cross-border remittance market is currently mostly served by banks, but the Group believes that SMEs do not receive enough attention from banks and could get better service with more competitive terms from exchange houses, offering an increasing opportunity for the Group to increase its penetration in this market.

As a result, this has become an area of focus for the Group, which is planning to gain market share through the recent creation of a department focused on covering corporate clients, which employs over 80 corporate relationship managers, by leveraging its Wage Protection System relationships, and by increasing its ability to execute remittances globally through e-Exchange for corporates.

Expand its value proposition in the end-to-end cash management market

The Group also intends to target the end-to-end cash management market through its subsidiary CashTrans, which so far has been mostly serving Al Ansari Exchange's cash management needs rather than third-party customers. Key customers in the United Arab Emirates handle their cash logistics needs through UAE banks that rely on outsourced partners for transportation and processing of cash-related activities, exchange houses that often outsource their cash in transit needs to dedicated providers (only the Group has vertically integrated to offer this service) and retail clients. According to the EDC Report, 20% of retailers directly contract with cash in transit providers, with the remainder leveraging their bank relations. According to the EDC Report, in 2021 the market was dominated by one player, Transguard, with a 95% market share but the Group believes that recent regulatory changes implemented by the CBUAE in June 2022, and effective from 1 January 2023, that require financial institutions to have at least two providers for cash management is a good opportunity to grow its end-to-end cash management business. According to the EDC Report, the end-to-end cash management market size was approximately AED 334 million in terms of operating income opportunity in 2021 and the market is forecast to grow at a 4% CAGR between 2022 and 2027, reaching an operating income opportunity of AED 422 million by 2027.

Operations

Products

The key products, services and solutions that the Group offers to its customers include remittances, bank notes, the Wage Protection System and other offerings, which include bill collection services, cash management solutions and pre-paid cards.

Remittances

The Group provides remittances through both its retail branches and digital channels, offering domestic and global money transfers through its proprietary money remittance platform, through its money transfer operator partners such as Western Union and through its transfer-through-payment network. The Group offers cross-border payment services to its retail and corporate customers through the combination of almost any means of origination to any point of distribution. The Group also offers domestic remittances and inward remittances managed by Worldwide Cash Express as discussed in more detail below. Senders (originators of transactions) can choose to transfer funds within pre-defined turnaround times based on the corridor and channels used or instantaneously, whereby the beneficiaries receive funds on a near real-time basis. To facilitate this "any-to-any" proposition, the Group operates an integrated origination and distribution model, pursuant to which it can connect with senders either (i) directly through its branches and channels or (ii) through a money transfer operator ("**MTO**"). Payments through a MTO can be done through a third-party partner such as Western Union or through the Group's operating subsidiaries. For example, Worldwide Cash Express is a way for the Group to act as an MTO to external parties, which provides the Group with an additional revenue stream.

Bank Notes

The Group's retail and wholesale foreign exchange services primarily comprise the sale and purchase of foreign currency directly to and from retail and wholesale customers. The Group also offers pre-paid cards as part of its retail foreign exchange services. The Group's retail customers for its foreign exchange services include residents of the United Arab Emirates and tourists visiting the United Arab Emirates. The Group's domestic wholesale clients buy and sell foreign currency through the Group's wholesale operations. The Group's wholesale customers for its foreign exchange services include corporate customers who buy or sell bank notes from other financial institutions inside or outside of the Group. International wholesale involves the import and export of foreign currencies with international clients such as foreign exchange houses and foreign banks. Management believes that the Group plays an important role in managing the foreign currency supply in the United Arab Emirates.

The Group believes that it acts as a "vacuum of foreign currency" in the market purchasing an excess supply of bank notes from local exchange houses in the United Arab Emirates and redistributing the bank notes internationally thereby managing domestic liquidity of bank notes. Commission and exchange income depends on the currency being exchanged. Retail income is generated through fixed commission and exchange income. Wholesale income is generated by exchange income only with no fixed commission. Foreign exchange margin applied to customers depends on various drivers such as branch location, currency volatility and seasonality. The Group also offers pre-paid cards to its individual customers through its Travelcard and FlexiblePay products, which are Visa-branded. Both the Group's Travelcard and FlexiblePay products are reloadable pre-paid cards that can store either single or multiple currencies on the card, and which also allow the conversion of such currencies to other currencies by the user. The Group's pre-paid cards, where available, can be purchased or reloaded in the Group's branches, online or through the mobile app and are valid for five years. The Group offers pre-paid cards either in its capacity as an issuer in certain markets or as a distributor of cards issued by other partners. Customers can then use the card like a normal debit card to pay for transactions at merchant locations or online and to make cash withdrawals. Operating income from pre-paid cards primarily comprises exchange income from using foreign currencies services. The fixed commission is generated on the issuance of the card and the loading of travel currency onto the pre-paid card. The exchange income is generated when the foreign currency is loaded onto the pre-paid card and at the time the pre-paid card is used to complete a transaction. For the year ended 31 December 2022, approximately 925,000 pre-paid card transactions were executed.

The Group aims to launch corporate cards for its B2B clients, issue personalized cards and adapt its cards for the Wage Protection System offering, PayPlus.

Wage Protection System

The Group offers corporate payroll solutions, executing wage payments on behalf of companies operating in the United Arab Emirates in compliance with the directives of the UAE's Human Resources & Emiratisation, under the Wage Protection System initiative. The Wage Protection System is an electronic salary transfer system that allows institutions to pay workers' wages via agents approved and authorized to provide such a service. As of August 2022, at least 90% of UAE employees' salaries were paid via a wage protection system. According to the EDC Report, as of October 2022, there were 35 exchange houses permitted to carry out Wage Protection System disbursements and there were 117 Wage Protection System agents. On average, the Group charges up to AED 50 per salary file processing and up to AED 7 for each salary disbursal. In 2022, the Group's top 100 Wage Protection System customers accounted for less than 9% of total salary disbursals.

The Group offers Wage Protection System services through multichannel options. First, the employer or company sends the salary instruction file to a bank. Then details of the employer bank account and salary files are provided through the Wage Protection System to the CBUAE. The salary file is then checked and shared with the UAE Ministry of Human Resources & Emiratisation. The information from the CBUAE is given to an agent to request salaries to be paid. The salaries can then be distributed by the Group through multichannel options such as the PayPlus Card, the Payroll Card or bank transfer. The PayPlus Card allows customers to withdraw cash from any ATM within the United Arab Emirates or worldwide. The Payroll Card allows customers to withdraw cash from any of the Group's branches within the United Arab Emirates.

According to the EDC Report, the Group is estimated to hold the highest market share in the Wage Protection System market amongst exchange houses in the United Arab Emirates with approximately 10% of market share for corporate payroll solutions in the United Arab Emirates for the year ended 31 December 2021. Management believes that corporates choose the Group over its competitors because of the quality of service, ease of access, diversified channels of service and the integrated offerings that the Group offers.

The Wage Protection System also acts as a vital customer acquisition channel for the Group for both companies that use the Wage Protection System to disburse employee salaries and for individuals who receive salaries through the Wage Protection System.

The Group also provides Wage Protection System card users with a full-suite of services through its large branch network. Wage Protection System card users also have access to branches and smart counters, which allow them to use the Group's cash withdrawal, remittances and utility payments services. The Group's Wage Protection System customers can also use their salary card at a POS to purchase goods or withdraw cash at an automated teller machine ("**ATM**").

Other

The Group's other offerings include, among others, bill collection and cash processing and delivery services.

Bill Collection

Bill collection is a service offered to the Group's individual customers in which the Group disburses bills such as credit card and utility bills as well as government payment services on behalf of its customers. The Group is the partner of choice for cash collection on behalf of a number of corporations across the United Arab Emirates including Etisalat, Federal Electricity and Water Authority, AirArabia, Dubai Municipality and FlyDubai, among others. This service can be accessed through the Group's physical branches or through email and the Group intends to expand its bill collection offering to its mobile app. Through Paykii, an online billing platform, the Group offers customers the ability to pay utility bills when they are outside of the United Arab Emirates in select countries. In addition, bill collection also provides cross selling opportunities for retail clients and value for corporate clients.

End-to-end cash management solutions

Currently, the Group offers cash-in-transit services and cash processing services through its CashTrans subsidiary and the Group expects to open a new cash sorting facility in the first half of 2023. Through the new cash sorting facility, the Group expects to be able to offer CBUAE deposits and withdrawals, ATM replenishment and maintenance services, bank branch collection and delivery services, cash processing, cash vaulting, customer credits through banks and bulk cash deposit machines. See "– *CashTrans*" below for more information regarding the services that the Group offers as part of its end-to-end cash management solutions offering.

For the Group's end-to-end cash management solutions ecosystem, the cash in transit provider collects cash from various satellite branches of exchange houses, banks and retail clients. After collecting the cash from various branches, the cash in transit provider securely transports cash to a cash processing facility. The cash processing facility processes, packs and quality assures the cash. The cash is either then transported to the central office of the relevant branch, exchange house or retail client. This step can also be completed with an electronic wire-transfer. In the case of bank clients, cash is also then recirculated into ATMs.

Operating Subsidiaries

Each of the Group's services are provided by a number of operating subsidiaries. As of the date of this Prospectus, these operating subsidiaries include: (i) Al Ansari Exchange; (ii) Worldwide Cash Express; (iii) CashTrans; and (iv) Al Ansari Digital Pay. The Group is also in the process of acquiring Al Ansari Exchange Kuwait (an entity owned by the current shareholders of the Selling Shareholder), which in turn has acquired Oman Exchange Company, a leading exchange company in Kuwait.

Al Ansari Exchange

Al Ansari Exchange is the main subsidiary for remittances, bank notes and Wage Protection System as well as bill collection and pre-paid cards.

Worldwide Cash Express

Worldwide Cash Express allows for customers to remit money outside the United Arab Emirates with an extensive partner network of agents located globally. Worldwide Cash Express is an MTO solution that the Group created to act as an MTO to external clients. For the year ended 31 December 2022, Worldwide Cash Express had 37 sending partners, 74 receiving partners and was present in over 57 countries. The Group provides its participating agents with a web application platform for sending and receiving remittances. In addition to the United Arab Emirates, the countries in Worldwide Cash Express's receiving network include, among others, India, Pakistan, Sri Lanka, Bangladesh, Nepal, Indonesia, Philippines, Egypt, Jordan, Lebanon, Turkey, Qatar, Kuwait, Oman, Bahrain, Kenya, Ethiopia and 32 countries in Europe. The customers can send or receive the remittance transactions as cash payouts, bank transfers or transfers to e-wallets through these agent locations.

CashTrans

Established in 2011, CashTrans provides cash management and security services to leading financial institutions, private enterprises and major corporations in the United Arab Emirates. The services offered by CashTrans include cash transport and processing for all businesses in the United Arab Emirates, customs clearance and international shipping, armored vehicle and secured storage and manned guarding services, ATM services, cash recycler service, a cash centre with foreign exchange processing capabilities and currency packing.

CashTrans' services help customers improve their efficiency and mitigate the risks related to money transport, and ensure the security of their valuables. CashTrans is "ISO 9001:2015 – Quality Management System" certified for the provision of money and valuables transportation services within the United Arab Emirates. For the year ended 31 December 2022, CashTrans had six cash hubs in the United Arab Emirates.

To date, Al Ansari Exchange represented almost all of the CashTrans business but the Group started offering services to third parties in August 2022 and plans to expand its business through offering its end-to-end cash management services to more external customers and its new cash processing facility. The Group's new cash processing facility is expected to be launched in the first half of 2023.

In addition, the Group believes it can offer clients specialised services specifically with regards to handling foreign currency notes and can add additional value for external clients with real time visibility, a 24/7 control room, turnkey solutions and transfer of liability.

Al Ansari Digital Pay

Al Ansari Digital Pay is a new subsidiary under incorporation that the Group plans to use to introduce a digital wallet, which it believes will provide its customers the flexibility to make remittances digitally and enable customers to make bill payments, be a POS for merchants and recharge mobile phones. Initially, Al Ansari Digital Pay will only be available to the Group's customers based in the United Arab Emirates. Al Ansari Digital Pay is expected to launch in the first half of 2023. The Group expects that the digital wallet will be fully integrated with the Group's existing framework and aims to keep all of the key functionalities in-house. The Group plans to have two dedicated resources for the digital wallet and have the mobile app act as a key point of contact for customers with an interconnection with other third-party systems such as payment gateways.

UAE Government initiatives toward a digitalised economy and the large number of people without bank accounts (specifically low-income earners and non-residents or visitors) are some of the factors expected to provide growth opportunities to mobile wallet providers in the United Arab Emirates. In addition, the increasing youth population in the United Arab Emirates, which is tech- savvy, coupled with a growing number of retailers accepting mobile wallet payments and installing POS, together with the rising adoption of such payment platforms by the local banking industry is expected to fuel the UAE's mobile wallet market.

Al Ansari Exchange Kuwait

The Group is also in the process of acquiring Al Ansari Exchange Kuwait (an entity owned by the current shareholders of the Selling Shareholder), which in turn has acquired Oman Exchange Company, a leading exchange company in Kuwait. This combination is expected to operate 35 branches with a 7.7% market share in terms of number of branches. Al Ansari Exchange Kuwait is expected to offer remittances and bank notes services. This acquisition has been approved by the competition authority in Kuwait and the Central Bank of Kuwait. According to management, this acquisition is expected to create the fourth largest player in the Kuwait market with a 7.7% market share in terms of number of physical branches, giving the Group a strong presence in the sixth largest outward personal remittances market globally in 2021.

According to the EDC Report, Kuwait is the sixth largest market by outward remittances at USD 18.5 billion in 2021, with remittances from Kuwait amounting to 13.6% of the country's GDP. Kuwait has one of the largest expatriate workforces and they account for 69% of the total population of Kuwait with an increasing population. For the year ended 31 December 2022, Al Ansari Exchange Kuwait's standalone income market share was 1.2% and Oman Exchange's standalone income market share was 2.2%.

Treasury Management

The Group deals in more than 70 foreign currencies and has a centralised treasury management function that facilitates foreign exchange operations at branches, ensures the sufficiency of physical bank notes and management of foreign exchange rates for all currencies kept at the branches. The foreign exchange margins for each foreign currency are set taking into account the branch location, market dynamics and volatility of the currency. The treasury function also ensures that excess cash in dirhams and foreign currencies is sent back to treasury hubs.

The treasury function analyses the demand and supply dynamics of the local market and deals with local banks and correspondent partners to meet their foreign exchange requirements. Any excess foreign currency over and above the local market demand is sold to foreign banks or correspondent partners whereas local currency cash is deposited into bank account.

Alternatively, any shortfall is fulfilled through import of respective foreign currencies. The treasury function monitors and sets foreign exchange rates for each currency at each branch based on location, currency volatility, market dynamics and days and holidays.

The treasury function is also responsible for risk management arising from handling of bank notes and remittances. For managing the foreign exchange currency fluctuation risk, it continuously monitors the foreign exchange positions of all currencies and either enters into hedging arrangements with various banks or takes necessary steps for the disposal of unhedged currencies. It also monitors the insurance and in transit movement of physical bank notes. The Group also has insurance coverage for physical bank notes at the counters and in the safe. Further, the treasury function also manages the counter party risk taking into account the financial strength of counter parties and setting up the credit limits for dealing with them. The treasury function is also responsible for making sure all nostro accounts are prefunded in order for the Group to be able to service instant transfers through its Cash Express platform.

The Group also has a centralised reporting process. The Group's finance function is divided into three departments, which include finance operations, finance control and regulatory and management information systems. Each of these three departments reports to a designated head that in turn reports to the Chief Financial Officer. The Group's finance operations department is responsible for day-to-day operations including branch reconciliations, banks and agents reconciliations, fund transfers to banks and agents, the Wage Protection System and payments to vendors and suppliers. The Group's management information system prepares the monthly management reports or ad hoc reports as needed and consists of five employees. The Group has five employees in its financial controls and regulatory team that, apart from ensuring the financial reporting and system controls, are also responsible for filing VAT, CBUAE and other regulatory returns and corporate tax returns. These employees are also responsible for facilitating audits, reviews and investigations. For the Group's cash handling process the cash count is done at the end of each shift in the branches and any discrepancy over AED 100 is investigated. Each branch also has cash holding limits and any excess cash is sent through CashTrans to the central Treasury hub.

Transaction Process

The Group provides cross-border payment services through a number of points of origination and settlement. Regardless of the means used to send or receive the payment, each transaction has three key steps: origination (omni-channel touch-points for interaction and transaction initiation), processing (transaction processing, back-office operations, treasury, risk management and compliance screening) and settlement (fund delivery).

Origination

The Group originates its cross-border payments services through following channels:

- **Branches –** The Group has a widespread network of branches across UAE, which facilitate direct customer interaction and transaction origination. As at 31 December 2022, the Group had 231 branches across the United Arab Emirates.

- **Smart Counters –** The Group has started to place smart counters in its branches. As at 31 December 2022, the Group had six smart counters and is expected to expand the presence of smart counters in its branches to 100 smart counters by mid-2023.

- **Digital** – The Group has a number of online, mobile and e-Exchange origination channels. These services are primarily offered through its mobile app and online website.

Processing

The Group processes its remittance transactions either through its proprietary money remittance platforms, through its MTO partners or its transfer-through-payment network.

The Group's proprietary money remittance platform includes Cash Express and Global Fund Transfer. These are in-house developed platforms for global remittances that present cross-selling opportunities with the ability to integrate with third parties through an application programme interface. The Group's proprietary money remittance platform serves over 180 countries and has over 200 correspondent banks and partners in its network.

The Group has a number of established partnerships with external leading MTOs, which enables the Group to have a wider agent network reach. Direct relationships service 83% of the Group's transactions. The Group's primary MTO partner is Western Union, which is the largest agent in the United Arab Emirates. The Group is able to serve over 200 countries through its partnerships with MTOs. The Group typically enters into a revenue sharing agreement with external MTOs in which the sending agents pay a share of commission and foreign exchange fees for the transaction that they generate, as MTOs give them access to their agent network to complete the transaction as receiver. MTOs pay a commission to receiving agents for access to their network of locations to facilitate the payout to the receiver.

Settlements

For cross-border payments, the Group has entered into arrangements with correspondent banks and partners that facilitate the payment services against remittances sent by the sender. The Group's anti-money laundering standards are in line with CBUAE standards. As part of its policy, the Group performs enhanced due diligence procedures before onboarding any business partners. As part of the due diligence, anti-money laundering documents are collected from counterparties depending on the risk rating of the company, which is based on, among other factors, business operations and jurisdiction. Risk parameters are set by management to evaluate the risk of new business relationships. The manager in charge is required to review the due diligence assessment to make the final decision on the potential business relationship. After a thorough evaluation, if required, a meeting with the compliance team is carried out prior to issuing a final decision. The Board of Directors is involved in the decision-making process if the counterparty is owned by a politically exposed person. The manager in charge and the Board of Directors cannot override decisions in cases where the entity is owned by a politically exposed person. The due diligence process is repeated either annually or at license expiration of the counterparty (whichever is first) and ad hoc reviews are conducted based on counterparty risk or triggers in change in ownership and new business arrangements.

The Group's expanded network of correspondent banks and partners allows senders to transfer funds to the bank accounts or mobile wallets, in some cases, of beneficiaries with respective banks or third-party banks and partners. The expanded network also allows senders to give an option to the beneficiary to collect cash payments directly through these correspondent banks and partners. Given that for most transactions, the remittances payment is sent instantly, the Group is required to pre-fund accounts in the destination countries.

Digital Offering

The Group operates a state-of-the-art technology suite integrated across multiple customer touchpoints allowing for cross-selling opportunities and scale through multiple digital offerings. The Group's integrated technology platform was purpose-built to implement a wide array of digital channels through its proprietary digital products, connect the Group's global network, localise its marketing, products and experiences and drive its data-drive approach.

Given the scale of the Group's business and complexity of digital cross-border payments, the Group's technology platform has broad and complex capabilities and together with the Group's data, gives it a competitive advantage in understanding its customers. The Group's technology primarily includes the Al Ansari Exchange mobile app and smart counters. The Group also offers its e-Exchange platform to its corporate customers.

Management believes that the Group is a pioneer within exchanges houses being the first exchange house to launch a mobile app. The Group plans to continue focusing on improving its customers' digital experience as demonstrated by being the first exchange house to introduce innovative solutions such as the integration with UAE Pass, which is a digital identity service in the United Arab Emirates and digital KYC.

Mobile App

The Al Ansari Exchange mobile app was launched in 2018 and offers remittance, travel card reload, credit card bill payments and bill payments. With the Al Ansari Exchange mobile app, individuals can send money online, anytime and anywhere and can choose from multiple payment options and benefits. There is no need for an individual to visit a branch to use the services on the app and registration through the app can be used through UAE Pass, which is a digital identity service in the United Arab Emirates. This results in lower operating costs for the Group and faster turnaround time for customers. The Group was the first exchange house in the United Arab Emirates to integrate UAE Pass. Through the mobile app, the Group is also able to obtain data analytics on customer trends. In addition, the Group is authorised to perform digital KYC on its customers and was the first exchange house in the United Arab Emirates permitted to do so. The app allows individuals to pay through multiple options such as online bank transfers, cards, Visa debit cards, direct debit, PayPlus card or even cash at a branch.

The Group's mobile app is currently available in the Apple App Store, on Google Play, through Huawei and in AppGallery. As at 31 December 2022, there were 114,000 app reviews and the

Group's mobile app received a rating of 4.8. As at 31 December 2022, only five of the top 10 exchange houses in the United Arab Emirates have launched a mobile app.

Smart Counters

In June 2022, the Group announced the introduction of six "smart counters" across the Group's branches. The Group's smart counters provide a delivery channel in conjunction with Etisalat, leveraging modern technologies to ensure that customers can avail themselves of the Group's services at their convenience with a user-friendly interface that allows easy, secure and simple money remittances as well as other services without the need to see an in-person cashier. The smart counters are rented from a third party. The Group believes the new smart counters will help increase operational efficiencies by reducing personnel costs while increasing onboarding capabilities and providing customers with a convenient and fast way to pay for simple transactions such as bill payments. The Group also expects that the smart counters will increase customer retention and satisfaction due to reduced wait times, improve efficiency especially during peak days, educate customers to interact with a machine accelerating the number of customers who will use the mobile app, provide cross-selling opportunities.

e-Exchange

e-Exchange was launched in 2016 and was expanded to the Group's corporate customers in September 2022. e-Exchange offers remittance, travel card, credit card bill payments and Wage Protection System processing through a money exchange portal. Although e-Exchange is offered to the Group's individual and corporate clients, most of the Group's individual clients use the Group's mobile app as opposed to e-Exchange. e-Exchange is primarily used by the Group's corporate customers for the Group's Wage Protection System offering.

Technology Strategy

The Group plans to continue investing in its digital offering, specifically its mobile app and smart counters. In addition, the Group intends to increase its digital product offering, including through the launch of a digital wallet and it is looking at a number of more innovative products that focus on digital payments through Al Ansari Digital Pay, which is in the process of being incorporated with a view to creating a digital marketplace ecosystem. The Group has a Digital Transformation Strategy in place with the aim to improve customer experience, create a competitive advantage in the digital space, create new and profitable business models for its digital offer, increase operational efficiencies and improve customer satisfaction, loyalty and retention.

Expansion of Branch Network

The Group has an extensive branch network across the United Arab Emirates to serve the large expatriate population. As at 31 December 2022, the Group had 231 physical branches, more than 2.5 times as many as the next largest player. The Group employs a dynamic pricing model at its branches through pricing based on the preferred platform, remittance corridor and branch location. For example, the income and profile of catchment areas dictate pricing, with malls having higher pricing than lower income neighbourhoods. The Group believes that there is a gap to fill in the market for branches and plans to roll out additional branches to fill the gap left by the exit of UAE Exchange and the overall reduction in the number of exchange houses. The Group has been taking advantage of

UAE Exchange leaving the market and has added 30 to 40 former UAE Exchange branches and the Group believes that there is still a market opportunity for an additional 200 to 300 branches to be opened. The Group has branches entrenched in neighbourhoods to act as an easy access point for residents and a presence across premium locations (with a focus on malls) to capture footfall and offer an easy access point for tourists. The locations of the Group's branches in the United Arab Emirates are shown in the map below.

The Group opened 47 new branches between 1 January 2020 and 31 December 2022 and intends to open more branches in the future and relocate underperforming branches. The Group takes into account a number of factors when deciding to open a new branch to make sure there is a consistent look and feel across its branches. Some of the key factors considered in opening a new branch include: (1) location, size and visibility of the potential new branch as well as rent compared to the market for rent and the rent of the Group's nearest branch; (2) the catchment area of the potential new branch; (3) the distance of the potential new branch to the nearest Al Ansari Exchange branch and the branches of competitors; (4) the Group's assessment of the day-to-day footfall around the proposed new branch based off of their visits to the proposed new branch at various times of day; (5) pragmatic approach to close/re-locate branches that are not performing in line with expectations; and (6) benchmarking of the expected minimum monthly number of transactions at the proposed new branch. The Group intends to increase its presence in UAE airports and metro station with a goal of opening 20 to 25 branches in these locations. The Group is having ongoing discussion with the Roads and Transport Authority to open approximately 20 branches in metro stations in 2023.Dubai metro ridership on both the red and green lines reached 109.1 million riders in the first half of 2022.

Generally, the Group's Branch Committee approves the opening of new branches except in the case of branches that do not meet the normal criteria in terms of rent price, in which case the opening of the new branch is approved by the Group's senior management. In making its decision whether to open a new branch, the Group's Branch Committee reviews a feasibility report, which includes rental and staff requirements and the expected number of transactions that will be executed at the proposed branch. The Group's Branch Committee also monitors a new branch's performance and decides whether to relocate or close underperforming branches. The Branch Committee consists of the Deputy Chief Executive Officer, the Chief Financial Officer, the Chief Corporate Services Officer and the Chief Operating Officer. In addition, a no objection certificate from the CBUAE is required to open a new branch.

Customer Base

The Group has approximately three million active customers who have made cross border or domestic remittance transactions through Al Ansari Exchange.

The Group's remittance customer base primarily consists of low-income expatriates who have less access to bank accounts and rely on face-to-face transactions. The Group's bank notes are offered to retail customers, which include tourists and residents as well as corporate customers that include corporates such as banks, other exchange houses and the CBUAE. Each of the Group's corporate customers is onboarded after a KYC is conducted and after the receipt of an authority letter from the respective company. The Group registers its corporate customers and assigns its corporate customers with a membership ID. The Group's pre-paid cards are offered to retail customers who can use these cards overseas or within the United Arab Emirates. These multi-currency cards can be used at banks, ATMs, merchant locations and online portals.

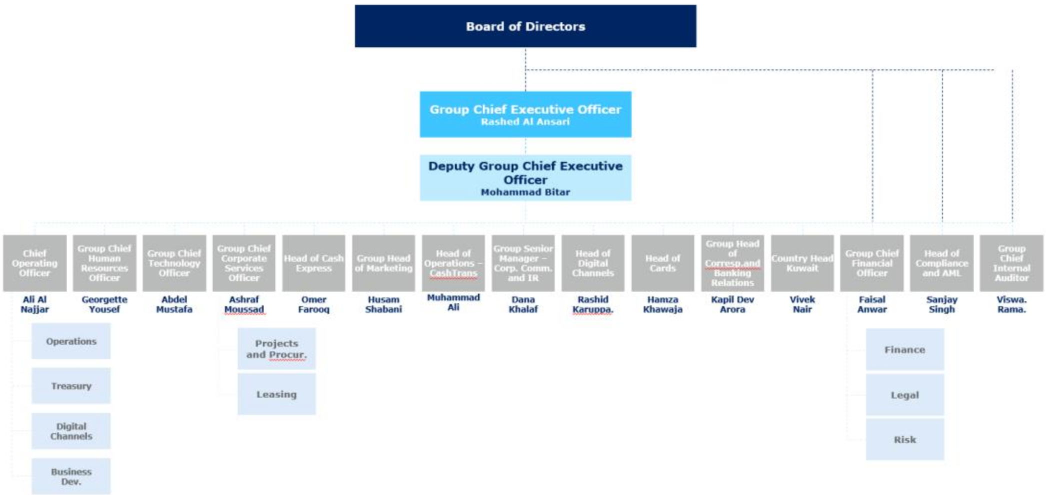
Customer Support

The Group has a dedicated call centre team to answer customer queries in a timely manner. The call centre team is based in the United Arab Emirates and can answer questions in both English and Arabic. The Group's key performance indicator for customer support is the number of calls the call centre team is able to answer and attend to compared to the number of calls that it was not able to answer.

Employees

The Group's employee base consists of back office support and frontline operations staff. As at 31 December 2020, 2021 and 2022, the Group had 2,856, 3,469 and 4,123 full time employees, respectively. As at 31 December 2022 3,790 employees were on full-time contracts.

The Group also has a centralised corporate office multiple functions and roles. Key corporate functions are centralised at the Group level to ensure efficiency and efficacy of the Group's processes. Some of the centralised corporation functions that the Group has includes finance, legal and risk management, treasury and dealing, information technology and research and development, human resources, compliance, projects and procurements, internal audit and banking and correspondent relationships. In addition to the Group's Chief Executive Officer and Deputy Group Chief Executive Officers, who are directing the organization, the corporate leadership includes the Chief Operating Officer, Chief Commercial Officer, Group Chief Human Resources Officer, Group Chief Corporate Services Officer, Group Chief Technology Officer, Group Chief Financial Officer, Head of Banking Relations, Head of Compliance & AML and Head of Internal Audit. The organisation of the Group is summarized in the chart below.



The Group believes continued learning is an investment, investing in its people to help them excel not only in their current roles but in their future ambitions as well. The Group's employees are its ambassadors wherever they go and the Group aims to give them the opportunity to acquire the skills and qualifications they need in a way that is convenient for them whether that is through face-to-face training, online courses or opportunities to learn outside the classroom.

Al Ansari Exchange Learning Academy led by the Learning and Development team plays a pivotal role in every employee's journey right from their onboarding experience up to hands-on in-service training programmes about product knowledge, customer service, counterfeit detection and anti-money laundering.

Social Responsibility and Sustainability

Ever since the Group's inception in 1966, it has given high priority to community participation in the United Arab Emirates, fully recognising the importance of embracing the concept of social responsibility and promoting charitable activities since they form an integral part of everyday life and play a crucial role in community development.

The Group has launched a series of Corporate Social Responsibility initiatives and charitable programmes throughout the years including programmes to provide financial support to families in need, the disabled and orphans, as well as initiatives that support education, healthcare and charitable societies. Furthermore, the Group takes a keen interest in providing humanitarian and disaster relief assistance to different regions of the world as a part of the Group's commitment to achieve positive change and promote social responsibility. For example, in September 2022, the Group announced a donation of AED 1 million to aid the flood relief efforts in Pakistan. In addition, in April 2022, the Group announced a donation of AED 1 million in support of the "1 billion meals initiative", the largest campaign of its kind in the region to feed vulnerable groups and those affected by crises and natural disasters in 50 countries across the world. This follows the Group's donation in March 2022 of AED 10 million to support the initiatives of the "Al Faraj Fund", which supports charitable and humanitarian activities globally. The Group's commitment to supporting health programmes and initiatives has helped reduce the incidence of Guinea worm disease and contributed to the measles programme in Guinea, Nigeria and Senegal, As part of the Polio Eradication Initiative, the Group helped provide more than 1.9 million vaccines in 41 countries and the Group is committed to ending Neglected Tropical Diseases in Mali, Niger, Nigeria and Yemen and supports several humanitarian funds. The Group also invested in supporting the Al Jalila Foundation's medical education and treatment programmes. The Group contributed to the "Hamdan Bin Rashid Cancer Charity Hospital" in the United Arab Emirates and "Magdi Yacoub" hospital in Egypt, provided clean drinking water for five million people around the world and over two million meals to needy people in 50 countries around the world and focused on four major diseases affecting the most vulnerable countries around the world. In terms of education, over the last 10 years the Group has contributed to the rehabilitation of 300 schools, the organization of 1,000 learning camps, the equipment of speech labs and the distribution of five million books and the education of more than 250,000 students across the United Arab Emirates, Pakistan, Nepal, the Philippines, Lebanon, Niger, Sierra Leone and refugees from Rohingya.

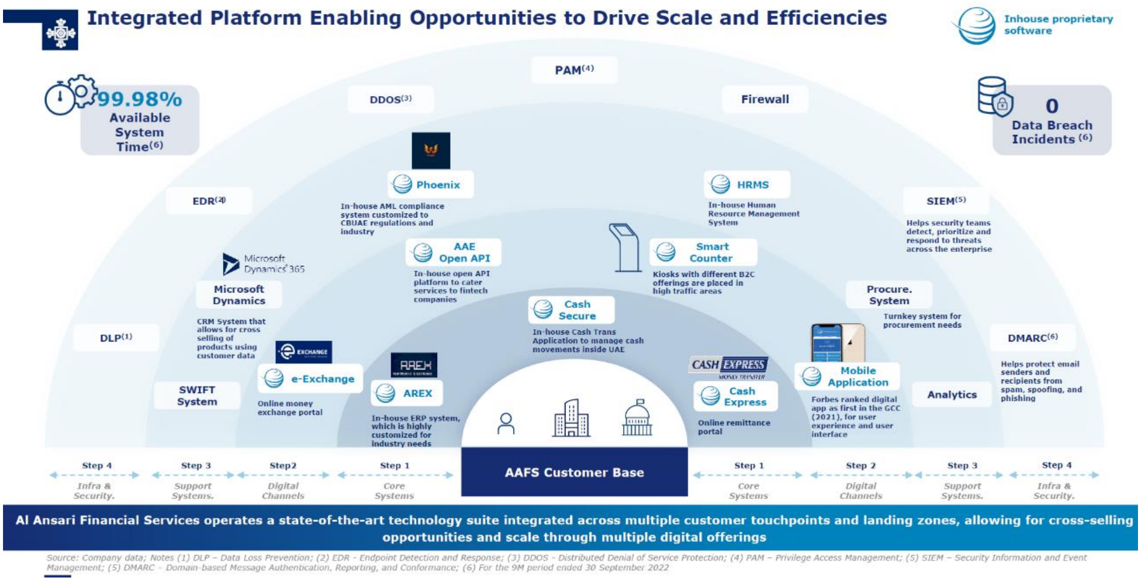
The Group has also contributed over AED 4.5 million to support disaster recovery initiatives in India, Pakistan, Yemen, Indonesia, Senga, Somalia and Syria. In February 2023, Al Ansari Exchange announced a donation of AED 3.7 million to aid relief and humanitarian initiatives for the Syrian people affected by the earthquake in the region.

As of August 2022, there were more than 20 employee wellbeing initiatives and activities launched across the Group. Management believes the Group offers a safe and inclusive work environment for all of its employees. In line with the Group's Code of Conduct, if an employee wants to raise a complaint, the Group has an established a procedure where they can present their grievances to the management and, if required, attend a hearing with responsible management representatives. Prompt and fair consideration is given to each grievance. Employees are not subjected to retaliation for initiating the grievance process or for participating in the grievance process as witnesses. If an employee has any concerns, the Group encourages them to raise them directly to their managers or through the Group's formal grievance platform. The Group undertakes yearly employee engagement surveys to understand issues and implement practices to continuously nurture talent, improve employee satisfaction, and enhance productivity.

Information Technology

The Group is dependent on the efficient and uninterrupted operation of its computer and communication systems, including its proprietary IT platforms, AREX and Cash Express, as well as third-party systems, such as the UAE Fund Transfer System and UAE Payment Gateway offered by the CBUAE for the transfer of funds as well as SWIFT for settlement of transactions.

The Group's IT operations includes application development, IT infrastructure management, IT service management and information security and cyber security management. The Group believes that robust controls are in place to support the Group's IT infrastructure from external and internal threats and to protect consumer and organizational data with adequate data backup measures. For example, the Group has a disaster recovery plan in place that presents a comprehensive analysis of potential operational and disaster failures and associated impacts on the Group's operations along with recovery plans for the different scenarios. It also provides a qualified view and model of operational risks and exposures to the Group's operational technologies which includes critical business applications. In addition, as part of the Group's business continuity plan, the Group has its main data centre in Dubai with a geo-redundant data centre in Abu Dhabi. The graphic below shows the structure of the Group's information technology system. For the purposes of the graphic below "AAFS" refers to Al Ansari Financial Services PJSC (under incorporation).



The Group has over 50 information technology and research and development professionals and five professionals dedicated to product research and development of digital solutions as at 31 December 2022. For the year ended 31 December 2022, the Group spent AED 14 million on its research and development activities and information technology infrastructure.

Intellectual Property

The Group relies on trademark rights and licenses as well as confidentiality, privacy and other laws and contractual provisions to protect its intellectual property rights. The Group invests in the development and protection of its brand by strategically registering trademarks, domain names, applications, source codes etc. used in its business, and all of its major brand names are protected by nationally or internationally registered trademarks. Trademarks are registered in most of the countries relevant to the actual or intended use of the trademark. The Group has implemented internal policies that cover, among other things, trademark registrations, the use of the various trademarks by third parties, the consistent use of the trademarks and brand protection. The Group has entered into and will continue to enter into confidentiality and intellectual property assignment agreements with employees and independent contractors, and confidentiality agreements with third parties with whom it does business. The Group actively monitors the use of its intellectual property rights and takes steps to protect them when it considers it appropriate to do so.

Real Property

As at 31 December 2022, the Group operated 231 physical branches across the United Arab Emirates. All of the Group's properties, including the head office in Dubai, United Arab Emirates, are leased. The Group's head office is leased for a term of six years from Al Ansari Real Estate at arm's length terms through a written contract. The Group continually reviews its property requirements, taking into account cost controls as well as growth initiatives in strategic core activities. The Group's lease terms differ based on the location of the various branches and market conditions and opportunities and typically have short terms, with tenures ranging between one and three years. The Group is not aware of any environmental issues affecting the use of its properties. The Group plans to expand its number of physical branches in the coming years. See "*– Expansion of Branche Network*".

Insurance

The Group's operations are subject to various losses, potential claims, lawsuits and other proceedings, risks and hazards. The Group has insurance coverage for cash-in-transit, property damage (including contents and computers), business interruption, network security/cyber liability and terrorism. In particular, the Group has cash policies in place with a variety of insurers that cover the risk of damage or loss of cash, with the Group covered for any losses exceeding its deductibles.

The Group believes that its insurance coverage, including the limits of indemnity and the conditions pursuant to which such coverage is provided, is reasonable taking into account the cost of the insurance coverage and the potential risks to its business and operations.

Legal Proceedings

From time to time, the Group is involved in non-material employment-related litigation. Moreover, in the ordinary course of the Group's business activities, the Group may, from time to time, have disputes with customers. The Group has not been involved in any material governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Group's management is aware), other than as described below, during the twelve months preceding the date of this Prospectus that may have, or have had, a significant effect on the Group's financial position or profitability.

During 2020, the FTA assessed that the share of income received by the Group from sending agents relating to inward remittances should be subject to a standard rate of tax. According to the FTA, this would mean that the Group should have paid an additional AED 9.4 million in VAT based on the number of agents that reside in the United Arab Emirates. The Group challenged this assessment in court on the basis that, according to VAT regulations, the receipt of such income should not be subject to tax because the remittances that the Group is providing are to sending agents that reside outside of the United Arab Emirates. During 2021, the FTA revised its assessment of the taxes owed by the Group to AED 6.5 million. On 8 February 2022, the Federal Court of First Instance decided the matter in the favour of the Group. However, the FTA has challenged the decision of the court and the matter is currently pending in the Court of Appeal.

In addition, in order to avoid further penalties, the Group filed voluntary disclosures in 2021 for the tax periods from February 2019 to October 2020 and paid AED 5.3 million in total for VAT and related penalties in relation to the same tax periods. The Group reserves the right to request a refund from the FTA if the matter is decided by the Court of Appeal in the Group's favour.

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 75,000,000, divided into 7,500,000,000 (seven billion five hundred million) Shares with a nominal value of AED 0.01 (one fils) each. All Shares are equal in respect of all rights.

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

As at the date of this Prospectus –

Before Offering

Name	Nationality / Country of Incorporation	Type of shares	Number of shares owned	Total value of shares owned*	Ownership proportion
Al Ansari Holding LLC	United Arab Emirates	ordinary	7,500,000,000	AED 75,000,000	100%

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
Al Ansari Holding LLC	United Arab Emirates	ordinary	6,750,000,000	AED 67,500,000	90%
Successful Subscribers at Listing	Various	ordinary	750,000,000	AED 7,500,000	10%

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 75,000,000 (seventy-five million UAE dirhams), divided into 7,500,000,000 (seven billion and five hundred million) Shares with a nominal value of AED 0.01 (one fils) per Share.

Assuming all of the Offer Shares are allocated, the Selling Shareholder will hold in aggregate 90% (ninety 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 10% (ten per cent) of the total share capital of the Company. The Selling Shareholder reserves the right to amend the size of the Offering and size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and the SCA's approval.

No. of Selling Shareholder's Shares:	6,750,000,000 (six billion seven hundred fifty million) Shares
No. of total Subscribers' Shares (assuming all Offer Shares are allocated including all tranches mentioned under the Prospectus):	750,000,000 (seven hundred fifty million) Shares
Total:	7,500,000,000 (seven billion five hundred million) Shares

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

From time to time, the Group is involved in non-material employment-related litigation. Moreover, in the ordinary course of the Group's business activities, the Group may, from time to time, have disputes with customers. The Group has not been involved in any material governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Group's management is aware), other than as described below, during the twelve months preceding the date of this Prospectus that may have, or have had, a significant effect on the Group's financial position or profitability.

During 2020, the FTA assessed that the share of income received by the Group from sending agents relating to inward remittances should be subject to a standard rate of tax. According to the FTA, this would mean that the Group should have paid an additional AED 9.4 million in VAT based on the number of agents that reside in the United Arab Emirates. The Group challenged this assessment in court on the basis that, according to VAT regulations, the receipt of such income should not be subject to tax because the remittances that the Group is providing are to sending agents that reside outside of the United Arab Emirates. During 2021, the FTA revised its assessment of the taxes owed by the Group to AED 6.5 million. On 8 February 2022, the Federal Court of First Instance decided the matter in the favour of the Group. However, the FTA has challenged the decision of the court and the matter is currently pending in the Court of Appeal.

In addition, in order to avoid further penalties, the Group filed voluntary disclosures in 2021 for the tax periods from February 2019 to October 2020 and paid AED 5.3 million in total for VAT and related penalties in relation to the same tax periods. The Group reserves the right to request a refund from the FTA if the matter is decided by the Court of Appeal in the Group's favour.

5. Statement of the number and type of employees of the Group:

As at 31 December 2022, we had 3,790 full-time and 333 flexi-hours employees. The table below provides the distribution of the employees: .

	Full time employees	Flexi employees
Al Ansari Exchange	3,666	330
CashTrans	113	3
Worldwide Cash Express	11	-
	3,790	333

6. Accounting policies adopted by the Company:

The Company prepares its financial statements in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC) and the applicable requirements of laws of the United Arab Emirates.

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

Type of financing facility	Company name	Bank	Facility limit	Facility utilized as on 31-Dec-22	Security
			AED	**AED**	
Term Loan	Al Ansari Exchange	Abu Dhabi Commercial Bank	1,000,000,000[1]	300,000,000	Lien on 100% deposit placed by Al Ansari Holding LLC against utilised Loan
Bank Overdraft	Al Ansari Exchange	National Bank of Umm Al Qaiwain	50,000,000	50,000,000	Lien on margin deposit
Funded Loan facilities			**1,050,000,000**	**350,000,000**	

[1] As at the date of this Prospectus, discussions are underway with ADCB to renegotiate the terms of the Al Ansari Exchange Facility to reduce the sanctioned amount from AED 1 billion to AED 750 million (with AED 600 million available to Al Ansari Exchange and AED 150 million available to the Company).

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

Company Name	Pledge with Bank	Pledged Amount (AED)	Security
Al Ansari Exchange	Abu Dhabi Commercial Bank	34,276,000	Margin deposit placed against issuance of bank guarantees in favour of CBUAE and other correspondent partners
CashTrans	Abu Dhabi Commercial Bank	1,200,000	Margin deposit placed against issuance of bank guarantees in favour of Ministry of Interior and others
Al Ansari Exchange	National Bank of Umm Al Qaiwain	5,000,000	Margin deposit placed against issuance of bank guarantees in favour of business partners
		40,476,000	

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

On 4 November 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 this 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.

10. 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:

- Mohammad Ali Abualhassan Al Ansari (Chairman);
- Fuad Ali Abualhassan Al Ansari (Member)
- Eisa Ali Abualhassan Al Ansari (Member); and
- Rashed Ali Abualhassan Al Ansari (Member).

11. 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 the Business of the Group

***Demand for the Group's products and services may be affected by global and regional economic, social and political changes and the occurrence of natural disasters, terrorist acts and/or public health issues, such as the outbreak of pandemics in the future. Furthermore, a significant change or disruption in international migration patterns could adversely affect the business, prospects, results of operations, cash flows and financial condition of the Group*.**

The Group's business is affected by global and local macroeconomic events and conditions, including political and social conditions, economic growth rates and government spending and regulation, including protectionist policies and legislation, changes in investment policies and any resulting imposition of any foreign exchange and currency controls. Changes in global and local macroeconomic events and conditions may have an impact on the demand for the Group's products and services and the products and services of its corporate customers and partners.

A significant portion of transactions through the bank notes and remittance products are initiated by expatriate workers, holiday makers and tourists and persons with family living outside the UAE. Changes in immigration laws and government restrictions on international travel that discourage international migration and political or other events (such as war, terrorism or health emergencies) that make it more difficult for individuals to travel, migrate or work abroad could adversely affect the volume of bank notes transactions, cross-border payment volumes or growth rate. Sustained weakness in global economic conditions could also reduce economic opportunities for migrant workers and result in reduced or disrupted migration patterns. Furthermore, any reduction in the demand for workers in the UAE could impact the number of workers employed by customers utilising the wages protection system ("**WPS**") services of the Group, thereby impacting the income it is able to generate from the WPS product. Therefore, reduced or disrupted migration patterns are likely to reduce money transfer transaction volumes and therefore have an adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

The occurrence of one or more natural disasters, terrorist acts, disruptive global political events and pandemics in the future could restrict the Group's business by causing the temporary or permanent closure of one or more of its branches, a reduction in the work force available for a branch, a reduction in the transportation available to customers and/or employees to access the Group's branches and a general decrease in customer traffic. For instance, the outbreak of the COVID-19 pandemic, as well as government measures implemented to reduce the spread of COVID-19, had a substantial impact on the Group's operations, and led to a decline of 48.7% in bank notes transactions undertaken in 2020 as compared to those undertaken in 2019 due to reduced tourism and travel on account of international travel restrictions imposed in the UAE. The most significant impact related to government restrictions in 2020, which limited the ability of the Group to operate its existing branches and open new branches, led to the permanent closure of two airport branches and the temporary closure of some of its other branches and reduced the number of customers using its services due to curfews and lockdowns imposed in locations where the Group's branches were located, such as shopping malls. Furthermore, cash pay-out remittances made through the Group's remittance product were significantly affected during the COVID-19 pandemic due to the inability of recipients of remittances to access cash pay-out points on account of lockdowns and curfews.

Furthermore, any deterioration in the relationship of the UAE with, or any political instability in or the imposition of sanctions on, any country or region to which remittances are made through the Group's remittance product could adversely impact the volume of remittances made to such countries or regions and/or its ability to provide remittance services to its customers seeking to make remittances to such countries or regions. For instance, following the imposition of sanctions on Syria in 2011, the Group was unable to offer remittance services to Syria. Any such instances in the future could reduce transaction volumes and therefore have an adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

Any changes in economic, social and political conditions and/or the occurrence of natural disasters, terrorist acts and/or public health issues, such as the outbreak of pandemics in the future, in the regions in which the Group operates could reduce demand for its products and services and impact its ability to conduct business, which could materially and adversely affect the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group's businesses are subject to currency exchange rate risk.

The Group provides products and services that are denominated in over 70 currencies and it purchases and settles transactions with correspondent banks in USD and/or AED. The Group is subject to various currency exchange risks, including transaction risk. It is exposed to transaction risk because fluctuations in foreign exchange rates impact the value in USD and AED of cash flows arising from its bank notes business, particularly with respect to the physical currencies that it holds in its branches, vaults, treasury hubs and smart counters. Recently, there has been increased volatility in foreign exchange rates on account of global inflationary pressures and consequent changes to the monetary and fiscal policies of various countries.

The Group has foreign exchange hedging arrangements with two banks and it hedges its exposure to 16 major international currencies, including EUR, GBP, Swiss Franc, Australian Dollar and Canadian Dollar. Whilst the Group hedges its foreign exchange exposure, there can be no assurance that its hedging activities will effectively manage its foreign exchange risks. In particular, the Group may be unable to fully hedge its positions in certain currencies and may not always obtain funding in all the currencies that it requires. Therefore, to the extent the Group is unable to hedge its position in a currency or is imperfectly hedged in respect of that currency, it may experience unrealised or realised losses.

In addition, whilst the AED has been pegged to the USD since 22 November 1980 and the USD to AED exchange rate, like those of other GCC currencies, is currently fixed and has been so since 1997, at a rate of AED 3.6725 per USD, there can be no assurance that the UAE and other GCC governments will not de-peg their currencies from the USD in the future. Alternatively, the existing fixed rates may be adjusted in a manner that increases certain of the Group's operating costs. Any adjustment of the fixed rate or de-pegging of the AED and other GCC currencies from the USD in the future could have an adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

Any cyberattacks or data security breaches could have a material adverse effect on the

***reputation, business, prospects, results of operations, cash flows and financial condition of the Group*.**

The Group is dependent on IT systems to operate its businesses, including its proprietary ERP systems, AREX and Cash Express, and the mobile applications that it has developed. Any cybersecurity threats, including advanced and persisting cyberattacks, cyber extortion, spear phishing and social engineering schemes, the introduction of computer viruses or other malware, and the physical destruction of all or portions of the Group's IT systems and infrastructure could compromise the confidentiality, availability, and integrity of the data in its systems. The Group may, in the future, experience breaches of its systems due to human error, malfeasance, insider threats, system errors or vulnerabilities, or other irregularities.

If improper access is gained to the Group's systems or databases or those of third parties who have access to its data, such data may be stolen, published, deleted, copied or unlawfully or fraudulently used or modified. A security breach could also result in monetary and other losses for the Group or its customers as well as identity theft, and may result in temporary cessation in its operations, an inability to expand its business, additional scrutiny and restrictions and fines or penalties from regulatory or governmental authorities, exposure to civil litigation, breaches of contracts with lenders/ financiers or other third parties, liquidity risks or may adversely impact its relationships with correspondent banks and partners, financial services providers partners and other third parties. In addition, the Group's reputation could suffer irreparable harm, causing loss of customer confidence in its services, and its current and prospective customers to decline to use its products in the future.

In the event of any cybersecurity or data breaches, the Group may have to expend significant financial and operational resources in response, including repairing system damage, increasing security protection costs, investigating and remediating any information security vulnerabilities, complying with data breach notification obligations and defending against and resolving legal and regulatory claims, all of which could divert resources and the attention of its management and key personnel and involve the occurrence of significant additional cost. Whilst the Group maintains insurance policies, its coverage may be insufficient to compensate it for all costs and losses caused by security breaches and any such security breaches may result in increased costs for such insurance. The Group cannot ensure that its existing cybersecurity insurance coverage will continue to be available on acceptable terms or that the insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against the Group that exceed available insurance coverage or the occurrence of changes in its insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could adversely affect its business, prospects, results of operations, cash flows and financial condition.

Furthermore, correspondent banks and partners that are part of the Group's remittance network and its bill collection partners usually integrate their core IT systems with its remittance portal and the Group's IT systems are integrated with its partners for the remittance product. The Group's ability to monitor their cybersecurity practices is limited. Such entities may experience cybersecurity incidents and as a result, the Group may experience additional exposure through them.

Any cyberattacks or data security breaches could have a material adverse effect on the reputation, business, prospects, results of operations, cash flows and financial condition of the Group.

If the Group does not provide a positive customer experience or it is unable to maintain customer satisfaction, it could adversely affect the business, prospects, results of operations, cash flows and financial condition of the Group.

As part of the Group's operations, it interacts with customers on a constant basis. If the experience delivered to customers of the Group at its branches or through the use of its digital channels is unsatisfactory and it is unable to maintain existing levels of customer satisfaction with its services for any reason, including due to its inability to provide services instantly and/or accurately either at its branches or through its mobile app or website, employees of the Group or of its partners not being properly trained or poor customer service, long wait times or inconvenience in accessing its branches or its partners' locations, existing customers may reduce their business with the Group or may elect to not use its services in the future and new customers may be deterred from utilising its services, any of which could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

If the Group is unable to renew its existing leases on favourable terms or at all, it may be required to close certain branches.

The Group leases all of the sites of its branches and these leases typically have short terms, with tenures ranging between one and three years. The Group's ability to renegotiate financially acceptable lease terms for its branches with expiring leases may be adversely affected by fluctuations in the property rental market, such as increases in market rents or competition for sites from other exchange houses or commercial enterprises such as retailers and office space operators.

If leases are not renewed, the Group may be required to find alternative sites to relocate such branches. It could incur significant additional costs in identifying and securing suitable alternative sites or may be forced to close branches in desirable locations if alternative sites cannot be secured. If branches are closed, customers served by such branches may elect to use its competitors' services in locations convenient for them. If the Group is unable to renew its leases as they expire, renew them on commercially acceptable terms or secure other favourable sites on acceptable terms, or if a significant number of its existing lease agreements are terminated for any reason, its business, prospects, results of operations, cash flows and financial condition could be materially adversely affected.

If the Group is unable to identify and secure sites on favourable terms for new branches that meet its selection criteria, it may not be able to implement its growth strategy.

A significant part of the Group's growth strategy is the opening of new branches. As the Group leases all of its branches, it is dependent upon finding and securing new leasehold sites from time to time. The Group employs an extensive site selection strategy that incorporates a number of selection criteria, including rent, local population density and mix of nationalities, existence of the branches of any competitors nearby and the distance to its nearest branch. The Group's ability to identify and negotiate financially acceptable lease terms for new sites may be adversely affected by the availability of suitable sites that meet its selection criteria, fluctuations in the property rental market or significant competition for suitable sites from competitors or other commercial enterprises such as retailers, leisure and office space operators.

As a result, the Group may be unable to identify suitable sites and secure them at rental prices or on terms acceptable to it in a timely manner or at all. If the Group is unable to secure sufficient sites that meet its selection criteria at acceptable rental prices within its planned roll out timeframe, it may not be able to implement its growth strategy.

Any inability to identify or secure sites on favourable terms for new branches, including for any of the above reasons, could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group is subject to extensive legal, regulatory and licensing risks.

The Group operates in a highly regulated environment and its businesses are subject to varying levels of supervision and regulation by the Central Bank of the UAE ("**CBUAE**") and, in the case of Worldwide Cash Express Limited, the Abu Dhabi Global Market. For instance, the Standards for the Regulations Regarding Licensing and Monitoring of Exchange Business (2018) ("**2018 CBUAE Standards**") prescribe various requirements for licensed exchange houses, including with respect to paid-up capital, shareholding restrictions, provision of bank guarantees to the CBUAE, reporting, capital adequacy, liquidity, constitution of the board of directors and corporate governance, risk and fraud management and anti-money laundering compliance requirements. In addition, Al Ansari Exchange requires approval from the CBUAE prior to making any dividend distributions to the Company, introducing new pricing measures, increasing the pricing for its existing products or opening new branches. and is required to ensure that its total debt does not exceed 50% of its equity at any point in time and the terms and conditions of any credit facilities, including any subsequent amendments thereof, are required to be notified to the CBUAE. Furthermore, the CBUAE is empowered to undertake examinations of licensed exchange houses when it deems appropriate and assign a risk grading to the examined entity. Following its examinations, the CBUAE assigns risk ratings to licensed exchange houses, ranging from 'low' risk to 'unacceptable' risk, with entities assigned 'very high' and 'unacceptable' risk ratings not being permitted to undertake any WPS business. Al Ansari Exchange is also required to submit action plans to the CBUAE detailing the proposed measures to rectify the CBUAE's observations. The CBUAE may conduct follow-up examinations to assess the progress in taking such measures. Implementation of any such action plans could result in the Group incurring substantial costs and could divert management time and attention.

In the latest examination of Al Ansari Exchange undertaken by the CBUAE, Al Ansari Exchange is engaging with the CBUAE on the outcomes of this examination report including in relation to the CBUAE’s requirements and conditions for maintaining no objection certificates(“**NOCs**”) that the Group relies on for key parts of its business, including pre-paid cards. There can be no assurance that such NOCs will continue to remain valid in the future and should the CBUAE require a separate licensing process to be followed in the future, it could cause significant disruption to the products offered by the Group that are the subject of such NOCs. Furthermore, if Al Ansari Exchange is found to be non-compliant in the future with CBUAE regulations, the Group may have to change its business practices or be required to bear substantial costs to rectify instances of non-compliance. In such circumstances, the CBUAE may impose financial penalties or fines, suspend or revoke Al Ansari Exchange's licence or elect to not renew its licence or allow any future applications for additional products or services to be added to its existing licence. Al Ansari Digital Pay, a new subsidiary that the Group plans to introduce as a digital wallet once it is incorporated, will also be subject to regulation by the CBUAE. Furthermore, due to the extent to which the Group is dependent on transacting in USD, it is subject to additional United States regulations and Al Ansari Exchange Company WLL ("**Al Ansari Exchange Kuwait**"), which is in the process of being acquired by the Company, is subject to the supervision of the Central Bank of Kuwait.

Additional regulatory requirements may be imposed on the Group in connection with new or existing operations, including as a result of different or more stringent interpretations or enforcement of existing or new laws and regulations. The Group may not be able to anticipate these additional requirements, and it may need to change its operations significantly and/or incur increased costs to comply with additional requirements. Regulatory requirements are constantly evolving, are subject to frequent change and their interpretation by regulatory bodies and enforcement agencies may change quickly and with little notice. For instance, in November 2021, the CBUAE revised the portions of the 2018 CBUAE Standards relating to anti-money laundering and combating financing of terrorism and new guidelines were implemented. In February 2022, the CBUAE amended the bank guarantee requirements for exchange houses and linked them to the average monthly remittance value (in terms of volume of transactions) in the previous financial year, which caused the bank guarantee requirements applicable to the Group to increase and the Group had to arrange additional bank guarantees to comply with the new requirements. The Group cannot predict whether it will be able to meet changes to existing regulations or the introduction of new regulations in a timely manner or at all.

Furthermore, if any of the Group's correspondent banks or partners that facilitate the execution of remittance transactions become subject to any changes in the regulations that apply to them or there are any changes to the policies or procedures of their operations, including but not limited to those designed to combat terrorism or money laundering, such changes could impact the Group's operating and compliance procedures and increase the cost of doing business.

If the Group is unable to conduct its business in compliance with the various laws, regulations and standards to which it is subject, or if it is not able to remain compliant as they change, or if changes negatively impact its businesses, the Group may fail to maintain its licences, have to cease offering certain products, terminate certain services and/or pay increased operational and compliance costs or fines, any of which could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

***The Group is subject to extensive anti-money laundering, combating financing of terrorism sanctions and anti-bribery regulation, related compliance costs and third-party risks*.**

The Group's business is subject to extensive domestic anti-money laundering and combating financing of terrorism ("**AML / CFT**") laws and regulations, which require it to undertake customer due diligence processes, including enhanced due diligence measures where there are identified high risks, and report suspicious transactions to the UAE Financial Intelligence Unit. These laws and regulations were enacted to combat, amongst others, money laundering via financial institutions, including exchange houses. In addition, the Group is subject to international laws and regulations which prohibit it from transmitting money to specified countries or to or on behalf of prohibited individuals, including the laws and regulations of the Office of Foreign Assets Control of the Department of the Treasury in the United States, His Majesty's Revenue & Customs in the United Kingdom and regulations enacted by the European Union's Common Foreign & Security Policy and the United Nations Security Council. In the latest examination of Worldwide Cash Express undertaken by the Financial Services Regulatory Authority of the ADGM ("**FSRA**"), the FSRA identified certain matters requiring remediation. The FSRA prescribed remedial actions to be completed by Worldwide Cash Express by 31 December 2022 or earlier and Worldwide Cash Express has taken all the remedial actions prescribed by the FSRA by December 2022.

Whilst the Group is required to implement a comprehensive AML/CFT policy that is based on its AML/CFT risk assessment and effective AML/CFT procedures for employees to follow whilst carrying out their day to day responsibilities, there can be no assurance that the risk of non-compliance will be completely mitigated through such a policy or procedures. Any failure, or suspected failure, by the Group to comply with its obligations relating to AML /CFT laws, could lead to significant consequences, including regulatory and/or criminal investigations, criminal liability and/or the payment of fines, the suspension or revocation of its licence by the CBUAE, and could have a material adverse effect on the reputation, business, prospects, results of operations, cash flows and financial condition of the Group. Any failure by the Group's correspondent banks, partners or third party service providers to comply with AML / CFT laws and regulations applicable to them could have a material adverse effect on reputation and business of the Group and could deter new and existing customers from utilising its services. Furthermore, the enforcement of more stringent AML, sanctions or anti-bribery legislation could create increased reporting obligations and require the commitment of further resources to AML or other compliance functions, which would in turn increase the associated costs of the Group.

There can be no assurance that regulatory actions in the future relating to compliance with AML / CFT laws and regulations will not result in sanctions, fines, penalties or other actions that could have a material adverse effect on the reputation, as well as the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group's income, profits and cash flows are concentrated in the UAE*. *Furthermore, a significant proportion of the Group's income is generated from its remittance product and a significant proportion of remittance transactions are undertaken on certain remittance corridors.

The Group's operations are concentrated, and its income, profits and cash flows are generated, in the UAE. Accordingly, the Group's results of operations may be negatively affected by adverse economic or political developments in or affecting the UAE. These factors could negatively impact the Group's income including by materially adversely impacting its customers or the broader UAE economy. For more information, see the section entitled "*– Risks Relating to Political, Economic and Social Environment of the UAE*". Furthermore, for the year ended 31 December 2022, 64% of the Group's operating income was generated from its remittance product and over 62% of the remittance transactions undertaken through its remittance product were directed to the Philippines, India and Pakistan. Any reduction in the demand for its remittance services or any political or economic developments in these remittance corridors that restrict the outflow or availability of amounts remitted from the UAE could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

***The Group's ability to attract and retain qualified management and specialist staff is critical to its success and growth*.**

The Group depends on the continued service and performance of its executives, senior management and skilled personnel. This is particularly the case for commercial, data, digital, marketing, finance and technology professionals. The Group's reliance on these employees is likely to intensify as it continues to expand its digital payment channels and seek to maintain its market-leading position, as well as due to the increased competition in the market for skilled workers, particularly in the areas of compliance, programming and IT. The specialised skills that these employees need are difficult and time-consuming to acquire. As a result, employees with these skills as well as innovative ideas may be in short supply and the Group may face competition from other exchange houses in recruiting such employees. Furthermore, even after successfully recruiting suitable employees, the Group must invest significant time to train them, and there can be no assurance that the anticipated benefits of these investments will be realised.

If the Group cannot recruit and retain a sufficient number of qualified employees and ensure that their skills remain current as the demands of the industry of the Group change, including technological advances, the ability of the Group to maintain its competitive position and to bring new products and services to market could be delayed or impaired, which could adversely affect the business, prospects, results of operations, cash flows and financial condition of the Group.

***The Group's business is exposed to potential losses due to the high volume of banknotes it handles*.**

The Group's business requires it to maintain high values and stocks of banknotes at its branches and smart counters and to undertake high-value shipments of banknotes. Furthermore, CashTrans offers cash-in-transit services to third parties and may, in the future, focus on increasing the business generated from third parties. The Group is therefore vulnerable to losses resulting from employee errors, such as approving any unauthorised transactions or failing to ensure adequate stock of banknotes at relevant branches or smart counters, or theft or physical disasters at any of the facilities at which banknotes are stored or handled or affecting the containers of banknotes it transports, any of which could adversely affect the operation of its business. Although the Group maintains insurance against these risks, there can be no assurance that its insurance coverage will be sufficient or continue to be available, or that it would pay out in a timely fashion to allow it to meet its obligations.

Any failure to control or reduce employee errors, theft of currency or physical disasters could materially and adversely affect the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group is exposed to fraud by its customers, employees, suppliers and/or business partners.

The Group is subject to loss from fraud if customers present counterfeit money for transfer or exchange. Furthermore, the Group offers consumers the ability to transfer money utilising their bank account, and in the case of its mobile app, through Visa debit cards. The Group applies verification and other tools to help authenticate transactions and protect against fraud. However, there can be no assurance that such tools will always be successful in protecting the Group against fraud. As the merchant of these transactions, it may bear the financial risk of the full amount sent in such fraudulent transactions. Issuers of credit and debit cards may also incur losses due to fraudulent transactions through the Group's services and may elect to block transactions by their cardholders in these channels with or without notice, which could cause the customers of the Group using these credit and debit cards to cease utilising its services and instead elect to use the services offered by its competitors. Furthermore, the Group is subject to chargeback risk for fraudulent transactions undertaken through its pre-paid card products.

Third parties and employees may attempt to engage in a variety of fraudulent activities using its products and services. For example, an employee could knowingly process unauthorised transactions or embezzle banknotes from a branch. Third parties may, in the future, take fraudulent measures or conduct scams, such as impersonating the Group or its products, in order to secure the transfer of funds from customers. Whilst it has security measures in place to detect, prevent and stop such fraudulent activities, there can be no assurance that these measures will be effective against new and continually evolving forms of fraud or scams or that customers will continue to view the Group as secure.

Furthermore, any instances of fraudulent activities by its third party suppliers or any of its business partners could cause the Group to suffer reputational harm and/or incur losses and could deter new and existing customers from utilising its services. If the Group terminates its relationship with such suppliers or partners on account of any fraud, there can be no assurance that it will be able to enter into similar arrangements with other third party suppliers or business partners on commercially reasonable terms in a timely manner or at all.

There can be no assurance that the Group's policies, procedures and internal controls, or insurance, would adequately protect its business or reputation or maintain its continued ability to operate, especially if such illegal, improper or fraudulent activities are discovered to have taken place on its platforms. The Group's fraud loss expenses may increase if its fraud systems lose effectiveness or if new methods or schemes are developed to defraud the Group. Since the methods and schemes utilised by perpetrators of fraud are constantly evolving or, in some cases, not immediately detectable, there can be no assurance that the policies, procedures and controls of the Group for managing fraud will be effective over time or of its ability to update these measures to address emerging fraud risks. In addition, if illicit or fraudulent activity levels involving its services were to rise, it could lead to regulatory intervention and reputational and financial damage to the Group. This in turn could lead to regulatory enforcement actions, investigations by the CBUAE and the suspension or revocation of the licence of Al Ansari Exchange or potential refusal to renew it, a reduction in the use and acceptance of the services of the Group or an increase in its compliance costs, any of which may harm the reputation, business, prospects, results of operations, cash flows and financial condition of the Group. On the other hand, if the measures the Group has taken to detect illegal, improper or fraudulent activities are too restrictive and/or inadvertently prevent or delay proper transactions, this could result in suspension of legitimate customer activity on its payment system, deter new and existing customers or otherwise diminish the Group's customer experience, any of which could harm its business.

Instances of fraud by its customers, employees, suppliers and/or business partners as well as its failure to control fraud relating to the products it offer could materially and adversely affect the reputation, business, prospects, results of operations, cash flows and financial condition of the Group.

The Group's success largely depends on its ability to develop and execute an effective business strategy, and its results of operations and financial condition could suffer if it is unable to successfully establish and deliver on its strategy and generate anticipated growth and cost savings and efficiencies.

The Group's business strategy includes focusing on IT and digital investments, particularly the establishment of a digital payments product and the creation of a digital marketplace ecosystem. Furthermore, in order to remain competitive, the Group must continually adapt, expand and enhance its existing business strategy, technology and product offerings as well as develop new products. To do this, it needs to anticipate customer demand and market shifts and devote appropriate resources to meeting these customer expectations. Efforts to enhance and improve existing products and technologies, as well as develop new ones, involve inherent risks and the existing business strategy of the Group may not be able to meet these demands and expectations, which could result in financial loss, reputational damage or failure to meet internal and/or public policy objectives.

Any changes in the exchange houses business or introduction of new technologies could lead the Group to invest in technologies and product offerings that do not gain market acceptance or generate sufficient returns. There is also a risk that the Group may not be able to secure appropriate products to satisfy the demand of its customers. Any delay in the delivery of new products or services, or any failure to differentiate its products and services from those of current or future competitors, could render them less desirable to its customers or possibly even obsolete. Furthermore, there can be no assurance that pursuing new business strategies or introducing any new products will increase or maintain the satisfaction of the Group's customers with its product offerings. The failure to continually develop and execute optimally its business strategy could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

Furthermore, one of the Group's business strategies is to focus on increasing the margins it is able to charge customers. There can be no assurance that the Group will be able to achieve such increases in a timely manner or at all, either of which could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group. For further details, see the risk factor entitled "*The Group operates in a competitive market and may be unable to compete successfully against existing and future competitors*".

The Group is dependent on information technology ("IT") systems to operate its businesses**.** ***Any significant interruption or failure of its system availability, including failure to successfully implement upgrades or new technologies to its mobile app or***

website, could adversely affect its business, prospects, results of operations, cash flows and financial condition. Furthermore, the Group may not be able to maintain the compatibility of its digital platforms with mobile devices, desktop browsers and other devices, its income and growth prospects may decline.

The Group is dependent on the efficient and uninterrupted operation of its computer and communication systems, including its proprietary IT platforms, AREX and Cash Express, as well as third-party systems, such as the UAE Fund Transfer System and UAE Payment Gateway offered by the CBUAE for the transfer of funds as well as SWIFT for settlement of transactions. This includes maintaining ready customer access and acceptable load times for its services at all times. Any inadequate system design, failure of current or future systems or transition to new systems could impair the ability of the Group to receive, process and reconcile transactions, manage its compliance and risk functions and conduct other day-to-day operations of its business. If the Group's services are unavailable when customers attempt to access them or take time to operate, customers may consider such services as unreliable or slow to meet their needs. Furthermore, if the Group's products and services are interrupted for a prolonged period of time or frequently, customers may choose to switch to the services provided by other companies, which would impact the profitability and growth of the Group. If any system failure results in damage to its customers or partners, they could also seek significant compensation for their losses, which, even if unsuccessful, would likely be time-consuming and costly, divert the management attention and could have a negative impact on the reputation of the Group. The Group has recently expanded its mobile app's offerings to include pre-paid cards and in the future, may expand it further to serve corporate customers utilising the remittance and WPS products. In addition, an increasing proportion of the Group's income originates through transactions undertaken through digital channels, so failures of, or disruptions to, its online infrastructure could have an adverse effect on its operations.

The Group has built and implemented, and is dependent on, its proprietary enterprise resource planning systems, AREX and Cash Express, for the operation of its businesses. AREX contains, amongst others, modules for remittances, bank notes, pre-paid cards, WPS and accounting and is utilised by the Group across its product range whilst Cash Express contains a remittance module. AREX and Cash Express require periodic changes and upgrades to cater to customer demands, to satisfy compliance requirements, for operational reasons or to align with technological developments and industry practice. If the Group is unable to manage such upgrades, developments or changes, its businesses could be subject to operational disruption, reputational damage, regulatory scrutiny and significant additional costs. Furthermore, the cost of implementation of any other emerging and future technologies could be significant.

Any significant disruption to the Group's IT systems could significantly affect its ability to manage such systems or lead to recovery costs and/or could adversely impact its reputation and its relationships with its customers and third parties and could cause litigation to be brought by customers or business partners or a diminished ability to operate its businesses, which could in turn have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

Furthermore, the Group's customers increasingly access its product offerings through its mobile app and other technologies. If any of the Group's software providers change the features of their APIs, discontinue their support of such APIs, restrict its access to their APIs or alter the terms governing their use in a manner that is adverse to its business, the Group may not be able to provide synchronization capabilities, which could significantly diminish the value of the Group's platform and harm its business, prospects, results of operations, cash flows and financial condition.

The functionality and popularity of the Group's platform depends, in part, on its ability to integrate its platform with its correspondent banks and partners. Such entities may periodically update and change their systems, and although the Group has been able to adapt its platform to their evolving needs in the past, there can be no assurance that it will be able to do so in the future. While the Group has multiple API integrations and partner redundancies built into its platform, if it is unable to adapt to the needs of its strategic partners' platforms, its remittance transaction process may be interrupted or delayed, and such strategic partners may terminate their agreements with the Group, leading to a loss of access to large numbers of customers at the same time and consequent negative impact on its growth and customer retention.

The Group is dependent on relationships with correspondent banks, partners and third-party partners and service providers to deliver its services and products.

The Group uses correspondent banks, remittance and bank notes partners and third-party partners and service providers to facilitate its operations, including for remittances, its pre-paid card products, supply of banknotes, cash distribution and logistics and transaction management. If, due to competition or other reasons, partners decide to leave the Group's network, or if it is unable to procure new partners or maintain its partner network under terms consistent with those currently in place, its results of operations may be adversely affected. Partner attrition might occur for a number of reasons, including: (i) a competitor engaging a partner; (ii) a partner's dissatisfaction with its relationship with the Group or the income derived from that relationship; (iii) a partner's unwillingness or inability to comply with the Group's standards or legal requirements, including those related to compliance with AML/CFT laws and regulations, anti-fraud measures, or partner registration and monitoring requirements; (iv) an increase in various taxes, including income and withholding taxes, to which partners may be subject as a result of providing the Group's services; or (v) increased costs or loss of business as a result of difficulty for the Group or its partners to establish or maintain relationships with correspondent banks needed to conduct remittances. Some of the Group's partners presently have, and may in the future have, similar arrangements with its competitors and accordingly, may elect to promote its competitors' offerings to their customers instead of the Group's own products and services. Furthermore, the Group may not be able to terminate its existing relationships with partners and other third-party service providers on account of low standards of service or performance, and, even if it were able to do so, there can be no assurance that it will be able to engage other partners or third-party service providers on similar commercial terms or at all.

In addition, partners that facilitate inward remittances may generate fewer transactions or less income for various reasons, including increased competition or economic or other changes, and the costs associated with the maintenance of partner locations may make it uneconomic for the Group to continue a partner relationship. The Group also relies on partners' information systems and/or processes to obtain transaction data. If a partner loses information, there is a significant disruption to its information systems or if a partner does not maintain the appropriate controls over or experiences a breach of its systems, the Group may experience reputational and other harm which could result in financial losses. Furthermore, in some cases, the Group may provide physical instructions to its partners for the execution of transactions. If there is any delay by partners in processing such instructions and executing the transactions, it could lead to customer dissatisfaction and may deter new and existing customers from utilising its services.

The Group has partnered with Western Union for its remittance product and provides Western Union-branded services through its remittance product offerings in addition to its in-house remittance services. The Group's relationship with Western Union allows the customers of the Group to remit amounts to countries where the Group does not have a network of correspondent banks or partners. For further details, see the section entitled "*Material Contracts – Agreement with Western Union*". The pricing for any Western Union-branded services offered by the Group through its remittance product is determined by Western Union and the Group does not have any control over the prices charged to customers for such services. Accordingly, the Group relies on Western Union to implement an appropriate and competitive strategy and there can be no assurance that in the future, the pricing strategies implemented by Western Union will not adversely impact the demand for Western Union-branded services and consequently, the income generated by the Group from such services. Furthermore, whilst the agreement with Western Union provides for automatic renewal for successive one-year terms unless terminated in writing, there can be no assurance that Western Union will not terminate the agreement in the future or that the Group will be able to extend its relationship with Western Union on similar commercial terms or at all. Furthermore, if its relationship with Western Union were to be terminated in the future, there can be no assurance that the Group will be able to partner with other global providers of remittance services on similar commercial terms in a timely manner or at all.

The Group also partners with and uses third-party service providers for certain aspects of its business, such as operational and treasury systems, its pre-paid card and WPS payroll card products, payment networks, foreign exchange quotations, data analytics, cloud storage, hedging platforms and other support services. Any failure of the systems of any of these providers, a change to key product features or contractual supply terms, a failure to maintain necessary licensing, a failure to remain up-to-date with market developments, insolvency of a provider or a termination of any of the agreements it has in place with any of these providers could adversely impact the Group's ability to provide its products and services and its income and reputation. In addition, there can be no assurance that an equivalent provider for any adversely affected products or services could be found on commercially acceptable terms or that the Group will be able to develop replacement technology or operations in a timely manner or at all.

***The Group is subject to counterparty risk through its correspondent banks and partners*.**

The Group is subject to various counterparty risks through its association with third parties, such as correspondent banks and partners. Changes in the financial position of any of these counterparties could negatively impact the financial condition of the Group, in particular where monies owed to the Group are unsecured or where amounts recoverable under the terms of the applicable agreements exceed the amount of any financial provisions the Group may have recorded in its financial statements against them. The Group is also exposed to the default risk of the financial institutions, correspondent banks and partners with which it transacts, particularly with relation to the sourcing of currency. More generally, interdependence within financial institutions may mean that counterparty defaults may occur in rapid succession or in a related fashion. Whilst the Group actively monitors and manages its counterparty risk, it may not be successful in limiting its exposure, which could adversely affect the business, prospects, results of operations, cash flows and financial condition of the Group.

***Any disruptions to global or local currency supply chains or events affecting the currencies held by the Group could have an adverse effect on its business, prospects, results of operations, cash flows and financial condition*.**

The possibility of a general breakdown in the currency supply chain, and the resulting disruption to trade, could impair the ability of both corporations and individuals to pay their financial obligations and result in economic instability. The Group's ability to conduct its businesses could be impaired if national or international funds transfer mechanisms are damaged.

In addition, in the normal course of the bank notes business, the Group maintains significant cash balances, which increases its exposure to changes in monetary policies around the world. For example, in late 2016, the demonetisation of certain banknotes in India resulted in prolonged cash shortages of Indian Rupees and the Group lost the value of the invalidated banknotes that it held at the time by having to sell its stock of those banknotes at a discounted price. Similarly, the value of pound sterling held by the Group reduced as a result of the UK's withdrawal from the EU and the value of EUR held by it reduced as a result of the de-pegging of the Swiss Franc from the EUR by the Swiss National Bank in 2015.

Any such events could adversely affect the business, prospects, results of operations, cash flows and financial condition of the Group.

***The Group's failure to ensure business continuity in the event of any system failures or operational problems could have a material adverse effect on its reputation, business, prospects, results of operations, cash flows and financial condition*.**

The Group is required by the 2018 CBUAE Standards to implement business continuity management procedures to ensure timely resumption of its business in the event of any disruptions. As part of the Group's business continuity procedures, it is required to comply with certain minimum requirements, such as putting in place plans to avoid suspension of operations or plans to minimise the period of suspension of operations to minimise losses, as well as to impart training to employees for the effective implementation of such plans. Although business continuity and disaster recovery plans have been implemented by the Group and these plans are tested annually, there is no assurance that these plans will be successful in mitigating the impact of any system failures or operational problems. If the Group's business continuity procedures are unable to completely or partially mitigate the impact of any such instances, the Group may incur significant costs in remedying these and any such instances could divert management time and attention, and have a material adverse effect on the reputation, business, prospects, results of operations, cash flows and financial condition of the Group.

The Group is subject to data protection and information security requirements. Failure to comply with such data protection laws and information security requirements could have a material adverse effect on its reputation, business, prospects, results of operations, cash flows and financial condition.

The Group is subject to data protection and information security requirements in the UAE, including under the 2018 CBUAE Standards. Under the 2018 CBUAE Standards, it is required to ensure that its customer and transaction database is held or stored within the UAE and is kept confidential at all times. Furthermore, it is required to comply with certain minimum information security requirements prescribed by the CBUAE, such as implementing a board-approved information security policy, encryption of card transaction data whilst sharing data externally, conducting IT training for employees on joining and on an annual basis, implementing any changes to its hardware, software, applications, databases, configuration in accordance with formal change control procedures and ensuring that audits and testing by external experts are conducted on an annual basis. The CBUAE may introduce additional measures depending on the size and the complexity of businesses and after considering the results of tests and audits undertaken by external experts.

A significant breach of these requirements could result in sanctions being imposed by the CBUAE, including financial penalties or fines, suspension or revocation of the licence of Al Ansari Exchange or restricting the growth of its business by declining approval requests for new branches and/or products in the future. Furthermore, if the Group were found to be non-compliant with these requirements or if it experiences a serious breach in its information security systems, the Group may be required to undertake remedial measures that could represent a significant cost for its business. The Group could also suffer material damage to its brand and potential loss of customer trust and confidence, which in turn could materially and adversely affect the reputation, business, prospects, results of operations, cash flows and financial condition of the Group.

The Group's business generated from its bank notes and remittance products is impacted by seasonality.

The Group's business generated from its bank notes product is subject to seasonality because this product is highly dependent on inbound tourism in the UAE, which is particularly active during December and January and decreases during the summer months. Furthermore, there is higher demand for Saudi Riyal during the annual Hajj pilgrimage period. The bank notes and remittance products also witness increased transaction volume during holiday periods in the UAE, such as Eid, summer holidays and Christmas. Furthermore, seasonal factors such as migrant worker remittances, which are higher during festival seasons, may affect its results of operations during a particular quarter. In particular, the Islamic observance of Ramadan can impact remittance volumes and income. As Ramadan is the ninth month of the Islamic calendar, the dates on which it falls in the Gregorian calendar change each year. Therefore, the Group's results for the financial quarter in which Ramadan falls may be affected, preventing direct comparisons to equivalent periods in previous years in some cases.

The Group's businesses and the markets in which it operates are subject to rapid technological changes.

The financial services market is characterised by rapid technological change, such as the uptake in the use of blockchain technology to facilitate money transfers. The Group will need to continue developing new and upgraded functionality and adapt to new business environments and competition to remain relevant and attractive to consumers. The Group must also ensure that its technology is compatible with new or emerging industry standards to be able to integrate and operate its mobile applications on smartphones or tablets or with third-party applications. If competitors are better able to exploit advances in technologies or offer superior functionality, its products and services may become less relevant or attractive to consumers, which could have a material adverse effect on its business, prospects, results of operations, cash flows and financial condition.

The Group may face platform and resource constraints that prevent it from developing new or upgraded products and services internally. As it expands its smart counters and digital payment offerings, demands on its technology architecture will significantly increase and there will be an additional load on its existing resources. If the Group's current technology becomes obsolete or it is unable to develop technologies internally, it may have to licence or acquire technologies from third parties. Any failure to remain innovative or to introduce new or upgraded technologies that are responsive to changing consumer preferences, such as a significant decrease in the use of cash, may have a material adverse effect on its competitiveness and could cause the Group to lose its market share.

Widespread adoption of new digital and communication technologies or other technological changes could also require the Group to incur significant costs to modify or adapt its technology architecture, including increases in the sophistication of its software and the capacity of hardware servers. The evolution of existing, and the emergence of new, industry standards could also require the Group to make significant changes to its technology architecture or move to completely new technology architecture(s) and systems to prevent obsolescence. These changes may be challenging to develop and implement, may require substantial investment, may result in loss of data and may cause consumers to experience delays or interruptions in service. Changes, delays or interruptions in service may also cause consumers to become dissatisfied with the Group's products and services and to move to competitors. Furthermore, there can be no assurance that the Group will be able to continue to design, develop, implement or use, in a cost-effective manner, new technology systems that provide the capabilities necessary for it to compete effectively. A failure to effectively manage any of the foregoing challenges could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group is reliant on its nostro bank accounts, primarily for USD, EUR and GBP, as well as settlement currencies. Furthermore, it may not be able to source banknotes on attractive terms or at all.

In order to process remittance and bank notes transactions, and to accept settlements, the Group needs uninterrupted access to *nostro* (foreign-currency denominated) bank accounts, primarily for USD, EUR and GBP, as well as settlement currencies such as Philippine peso, Indian rupee and Pakistani rupee. An inability to open or access its *nostro* bank accounts could significantly reduce the Group's ability to process remittances and bank notes transactions and to accept settlements in a quick and efficient manner, which could increase the cost of transactions and adversely affect customer satisfaction with the services of the Group. The Group is also reliant on having settlement bank accounts in local currencies to accept cross-border payments and wholesale banknotes. An inability to open or access these *nostro* bank accounts in local currencies for settlements could also adversely affect its ability to process remittances and bank notes transactions, and to accept settlements in a quick and efficient manner. Any impact on the Group's services based on its failure to access its bank accounts in USD, EUR, GBP or local currencies could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

Furthermore, the Group is dependent on its ability to source USD, EUR and GBP banknotes and other currencies from third parties, including from large commercial banks and partners. If the Group is no longer able to obtain currencies from its regular sources, whether as a result of legal or regulatory requirements, counterparty choice or any other reason, its ability to provide currency to its customers would be adversely affected, which would in turn, have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group operates in a competitive market and may be unable to compete successfully against existing and future competitors.

The Group competes with global and local exchange houses, banks, financial institutions, payment service providers, the financial technology industry, digital currencies and other businesses of varying sizes operating in the UAE market. In particular, the remittance market in the UAE consists of multiple players with similar service offerings but varying brand outreach and network. Actions taken by its competitors, as well as actions taken by the Group to maintain its market share and reputation, may place pressure on its pricing, margins and profitability, as well as the ability of the Group to retain personnel and to retain existing and win new contracts. With the increasing availability of digital channels to undertake remittance transactions, larger financial institutions such as banks, including digital banks, emerging digital payment platforms and free zone enterprises may seek to enter the remittance market, increasing the number of its competitors. Furthermore, whilst the Group has partnered with Western Union for its remittance product, Western Union also offers similar services through some of the competitors of the Group and may continue to do so in the future or may elect to provide such services independently. The Group's significant competitors for its WPS product are banks and card payment processing companies, who are significantly larger than the Group and have more scale and name recognition and more resources to deploy. The Group also competes against banks, digital banks, card payment processing companies and informal person-to-person money transfer service providers that may have more ability to effectively tailor products and services and marketing to the preferences and requirements of customers.

Any re-entry of the Group's erstwhile competitors in the market or an increase in, or consolidation of, its competitors may restrict it from increasing its market share in the future, reduce its existing market share and make it more challenging to compete. For instance, competitors may use their resources, which may be greater than the Group's, in a variety of ways, including by making additional acquisitions, investing more aggressively in product development and capacity, and displacing demand for its services. Furthermore, some of the

Group's competitors may introduce new products or services that render it unable to retain its existing customers or attract new customers at prices that are consistent with its pricing model and operating budget. The Group's pricing strategy, including any increase in the margins charged by it, may prove to be unappealing to its customers and its competitors could choose to bundle certain products and services that are competitive with those of the Group. Furthermore, its competitors may elect to price their services at rates lower than those generally prevailing in the UAE market. If any of these were to occur, it is possible that the Group would have to change its pricing strategies, delay the introduction of or reverse any increase in margins or reduce its existing prices, which could have a materially adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

Introduction of new service offerings in the future could also result in the Group having to compete in new markets and in ways it has not had to do in the past. For instance, the broader financial services sector is experiencing rapid evolution in technologies and there has recently been significant advancement in the development of digital assets and cryptocurrency that could materially impact the financial services industry in the future. The advancement in the development of cryptocurrencies has led to new entrants in the market for remittance and financial services more generally, including companies that have traditionally focused on social networks. Although still in early stages, cryptocurrency usage is growing, and, if the Group is unable to integrate cryptocurrency or other new financial technologies into its services, it may be unable to compete successfully.

***The Group's ability to remain competitive depends in part on its ability to protect its brands and reputation*.**

The Group relies on its brands, including Al Ansari Exchange and Worldwide Cash Express, that are material to its business and are protected by trademark registrations owned by Al Ansari Exchange. Furthermore, the Group utilises brands and marketing names such as CashTrans, FlexiblePay, TravelCard and PayPlus, for which trademark registration applications are pending or yet to be made. The inability to obtain or the loss of a trademark or a diminution in the perceived quality associated with these brands as a result of reputational damage or otherwise could harm the business of the Group. The Group also relies on the reputation and strength of its brands to attract and retain customers. Its brands could be damaged by any number of issues, including operational or user experience failures, data breaches, or negative press or social media reports. In addition, the proliferation of online information, social media, consumer protection groups and public reviews about consumer experiences may exacerbate the potential impact of any negative publicity generated. Factors affecting brand reputation may also be outside of the control of the Group, and its efforts to maintain or enhance its favourable brand reputation may not have their desired effects. As a party to numerous direct and indirect contractual and non-contractual relationships, agreements and/or associations with correspondent banks and partners, the Group's reputation and brands are vulnerable to the actions of these third parties.

The Group is also vulnerable to reputational concerns that affect the exchange houses sector in the UAE as a whole. Increased scrutiny by the CBUAE or consumer protection groups as a result of AML / CFT practices, any data breach or a similar incident at a significant competitor or for any other reason could erode public trust in the sector. Damage to, or a negative perception of, any of the entities the Group is associated with or the financial services industry more broadly could also have a material adverse effect on the Group.

Any event that causes consumers to lose confidence in the Group's brands or its service offerings could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group may be unable to protect or continue to use its intellectual property.

The Group's success and ability to compete depends in part upon its intellectual property. A significant portion of its IT systems and related software are designed in-house, such as AREX and Cash Express. Whilst the patent registration in respect of these technologies is in process, there can be no assurance that such registration will be obtained in a timely manner or at all, or that the Group will be able to protect its proprietary technology, which could allow competitors to develop competing services. Even if protected, third parties may attempt to reverse engineer or otherwise obtain, use and/or duplicate the intellectual property of the Group without its permission or knowledge. In addition, third parties may independently design and exploit software similar to the software developed by the Group without infringing its intellectual property rights, but in a way that diminishes its competitive advantage.

The Group may also, from time to time, make use of the intellectual property rights held or claimed by others. The Group's competitors as well as other companies and individuals may have obtained or may obtain in the future patents related to technologies used by it. There can be no assurance that the Group's use of this intellectual property will not lead to a claim of infringement by third parties of their intellectual property rights.

Whilst the Group has not yet filed nor faced any material third-party actions for intellectual property infringements, intellectual property litigation is generally complex, expensive and unpredictable, and could result in substantial costs to it. Any inability to protect its intellectual property could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

***The Group is dependent on third-party arrangements to operate its pre-paid cards and WPS business*.**

The Group offers pre-paid card products based in partnership with Visa and WPS payroll cards in partnership with First Abu Dhabi Bank PJSC ("**FAB**"), through which the Group is able to issue MasterCard-branded WPS payroll cards, and the Group relies on third-party card processing services for its pre-paid card products. As its pre-paid card and WPS offerings expand in the future, there can be no assurance that Visa or MasterCard, or any other payment networks or processors it may partner with or rely on in the future, will process its transactions adequately or will maintain or renew the existing agreements with the Group on commercially reasonable terms. They may also impose additional costs or requirements on the Group, give preferential treatment to its competitors or directly compete with it. If the Group is unsuccessful in establishing, renegotiating or maintaining mutually beneficial relationships with them, or any payment networks and processors it may partner with in the future, the business, prospects, financial position and results of operations of the Group could be materially and adversely affected. Furthermore, if the Group's relationship with Visa or FAB were to be terminated in the future, there can be no assurance that it will be able to partner with other global payment processors on similar commercial terms in a timely manner or at all.

The Group relies on NOCs issued by the CBUAE for engaging third party service providers and suppliers and is required to comply with relevant outsourcing standards established by the CBUAE. If the Group is required to replace any third party service providers or suppliers in the future, any such replacement may require obtaining a revised NOC from the CBUAE. There can be no assurance that such revised NOCs will be obtained in a timely manner or at all. The Group may become subject to additional CBUAE requirements due to such replacement and this may cause disruption to the business of the Group.

Furthermore, the ability of the Group's customers to use any of its pre-paid cards and its payroll cards is dependent on a relationship between Visa and MasterCard, respectively, and relevant retailers. If a retailer stops accepting payments using these products (whether as a result of an increase in interchange fees or otherwise), its customers may not be able to use their Al Ansari-branded cards with that retailer, which, if it were to expand to a widespread issue, could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

The integrity, reliability and efficiency of the Group's internal controls and procedures may not be successful.

The Group's business relies on internal controls and procedures that regulate customer and management information, finance, credit exposure, foreign exchange risk, regulatory compliance and other aspects of its business. If the Group's internal controls and procedures are not adequately designed to meet the changing needs of its business, it may incur further costs to design and implement new controls.

The Group also relies on the integrity of its management, employees and partners to properly implement these controls and procedures. If its employees or partners fail to do so, the internal controls and procedures may not be as effective as would otherwise be the case. Furthermore, training employees and investing in compliance systems to remain in compliance with applicable laws and regulations imposes additional costs for the operation of its business.

Any of the foregoing factors, including a failure of internal controls or significantly increased costs in maintaining them, may materially and adversely affect the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group's insurance coverage may be insufficient to cover its losses.

The Group has comprehensive insurance with leading insurers to cover, among others, losses related to cash transportation, theft, physical loss or damage, operational risks and general third-party liability. In particular, it has policies in place with a variety of insurers which cover the risk of damage or loss of cash. The occurrence of losses or other damages that are not covered by its existing insurance policies, or that exceed insurance limits, could result in unexpected additional costs. In particular, if the Group faces losses or liabilities in connection with cybersecurity issues or data security breaches, it may not be covered by insurance for the full extent of liabilities that it may face. In addition, the Group's insurance policies are subject to review by its insurers and the level of premia may increase, which could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group has limited experience in managing a publicly listed company.

Prior to the Offering, the Group has operated as a private group and, accordingly, it has limited experience in managing a publicly listed company complying with the specific laws and regulations pertaining to public companies listed in the UAE. Whilst it has historically operated in accordance with robust internal policies and procedures, the regulatory oversight, compliance and reporting obligations imposed on public companies will require substantial attention from the senior management, including in order to rapidly invest time and financial resources in the appropriate governance and compliance infrastructure, as well as to attract, empower, and retain professionals able to ensure governance and compliance in a manner meeting or exceeding legal and regulatory requirements for a public company. There can be no assurance that the Group will be successful in this transition, which could have a material adverse effect on its business. Non-compliance in a timely manner with the regulations and disclosure requirements imposed on listed companies may expose the Group to regulatory sanctions and fines. The imposition of any fines could adversely impact the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group's Chairman, Mr. Mohammad Ali Abualhassan Al Ansari, and the Al Ansari family have played an important role in the growth and development of the Group, and if it was unable to continue to rely on their support, its business could be adversely affected.

Mr. Mohammad Ali Abualhassan Al Ansari and the Al Ansari family, through their significant, direct and indirect, beneficial ownership of the Company's share capital and their support, reputation and influence, have played an important role in the growth and development of the Group's business, including by virtue of Mr. Mohammad Ali Abualhassan Al Ansari's chairmanship of the Foreign Exchange and Remittance Group, an industry body formed out of a CBUAE initiative that consists of entities engaged in the bank notes and remittance businesses in the UAE. However, there can be no assurance that the benefits currently enjoyed by the Group by virtue of its association with the Al Ansari family will continue to be available. Any reduction in, or absence of, their support or any failure to realise the intended benefits the Group anticipates from its relationship with the Al Ansari family could limit its ability to identify and engage future business relationships and potential counterparties, which could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group may be involved in disputes and legal proceedings.

In the ordinary course of business, the Group is subject to risks relating to legal and regulatory proceedings. Furthermore, it is presently involved in the material legal proceedings described below:

During 2020, the Federal Tax Authority (the "**FTA**") assessed that the share of income received by the Group from sending agents relating to inward remittances should be subject to a standard rate of tax. According to the FTA, this would mean that the Group should have paid an additional AED 9.4 million in VAT based on the number of agents that reside outside the United Arab Emirates. The Group challenged this assessment in court on the basis that, according to VAT regulations, the receipt of such income should not be subject to tax because the remittances that the Group is providing are to sending agents that reside outside of the

United Arab Emirates. During 2021, the FTA revised its assessment of the taxes owed by the Group to AED 6.5 million. On 8 February 2022, the Federal Court of First Instance decided the matter in the favour of the Group. However, the FTA has challenged the decision of the court and the matter is currently pending in the Court of Appeal. In addition, in order to avoid further penalties, the Group filed voluntary disclosures in 2021 for the tax periods from February 2019 to October 2020 and paid AED 5.3 million in total for VAT and related penalties in relation to the same tax period. The Group reserves the right to request a refund from the FTA if the matter is decided by the Court of Appeal in the Group's favour.

The Group may be involved in material disputes in the future, including those initiated by regulatory, competition and tax authorities as well as proceedings with competitors, customers, employees and other parties. The Group's involvement in litigation and/or regulatory proceedings may result in the imposition of fines or penalties. Any such disputes or legal proceedings, whether with or without merit, could be expensive and time consuming, could divert the attention of the Group's management and, if resolved adversely to it, could harm its reputation, result in the payment of monetary damages, injunctive relief and/or increase its costs, all of which could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

The acquisition of Al Ansari Exchange Kuwait may not be completed in a timely manner or at all. The implementation of the acquisition is subject to the receipt of certain regulatory approvals. Furthermore, unforeseen difficulties may arise in integrating Al Ansari Exchange Kuwait and Oman Exchange Company WLL ("Oman Exchange Company") in the Group.

The Company is in the process of acquiring Al Ansari Exchange Kuwait (an entity owned by certain of the current shareholders of the Selling Shareholder). The Company and the current shareholders of Al Ansari Exchange Kuwait have entered into a non-binding letter of intent ("**LoI**") on 31 January 2023, pursuant to which the Company proposes to acquire 100% of the outstanding shares of Al Ansari Exchange Kuwait subject to certain conditions, including the satisfactory completion of legal, financial, commercial and compliance due diligence. Al Ansari Exchange Kuwait is in turn currently in the process of acquiring Oman Exchange Company WLL in Kuwait. The acquisition of Oman Exchange Company has been approved by the competition authority in Kuwait and the Central Bank of Kuwait, and the Company is yet to apply for the requisite approvals for the acquisition of Al Ansari Exchange Kuwait by the Company. There can be no assurance that these regulatory approvals will be obtained, and the failure to obtain such regulatory approvals may result in the acquisition of Al Ansari Exchange Kuwait by the Company not being completed in a timely manner or at all. Any delay or failure in completing the acquisition of Al Ansari Exchange Kuwait or any unforeseen difficulties in the process of integrating Al Ansari Exchange Kuwait and Oman Exchange Company WLL in the Group could have a material adverse effect on the Group's ability to pursue its growth strategy of expanding to other markets in the GCC region.

Risks Relating to Political, Economic and Social Environment of the UAE

General economic, financial and political conditions, especially in the UAE, may materially adversely affect the business, prospects, results of operations, cash flows and financial condition of the Group.

General economic, financial, and political conditions, especially in the UAE, may have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group. An adverse change in the credit rating of the UAE, declines in consumer confidence and/or consumer spending, changes in unemployment, significant inflationary or deflationary changes or disruptive regulatory or geopolitical events could contribute to increased volatility and diminished expectations for the economy and markets, including the market for the Group's products and services, and lead to demand or cost pressures that could negatively and adversely impact the business, prospects, results of operations, cash flows and financial condition of the Group. The UAE's economy may be adversely affected by tightening global economic conditions and external shocks, including financial market volatility, trade disruptions and protectionist trade policies or threats thereof. In particular, 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. These conditions could affect all of the Group's products. Examples of such conditions could include:

- a general or prolonged decline in, or shocks to, regional or broader macro-economies;
- regulatory changes that could impact the markets in which the Group operates; and
- deflationary economic pressures, which could hinder the Group's ability to operate profitably in view of the challenges inherent in making corresponding deflationary adjustments to its cost structure.

In addition, in the event of a significant geopolitical conflict or a macroeconomic downturn, the demand of the Group's potential end customers may fall. Similarly, political or economic upheavals in certain countries or markets could lead customers to delay purchasing decisions for considerations linked to political or reputational risks. Such events may damage its ability to obtain customer orders and lead to a decrease in future orders received, which could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group. There is no assurance that any escalation of geopolitical tension in the future will not create instability in macroeconomic and social conditions, which could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group. The nature of these types of risks make them unpredictable and difficult to plan for or otherwise mitigate, compounding their potential impact on the business, prospects, results of operations, cash flows and financial condition of the Group.

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

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

- economic and political developments both in oil-producing regions, particularly in the MENA region, and globally (see "Risk Factors — General economic, financial and political conditions, especially in the UAE, may materially adversely affect the business, prospects, results of operations, cash flows and financial condition of the Group"). For instance, 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. 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;

- global and regional supply and demand, and expectations regarding future supply and demand, for oil and gas products;
- the ability of the members of OPEC and OPEC+ to agree upon and maintain specified global production levels and prices, such as the production cut announced in October 2022;
- the impact of international environmental regulations designed to reduce carbon emissions, and global weather and environmental conditions; and
- prices, availability and trends relating to the use of alternative fuels and technologies.

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

As COVID-19 related lockdown measures and restrictions on international and domestic travel and transport are eased globally, oil-producing countries may further increase output to meet recovering demand, which may result in further volatility of crude oil prices, in the UAE and globally.

Any of the factors described above, including further developments with respect to the COVID-19 pandemic (and the possibility of additional waves or resurgences thereof) and OPEC or OPEC+ agreements, could have a material adverse effect on the economic, political and fiscal position of the UAE, and may consequently have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

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

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

These changes include, amongst others:

- an increase in inflation and government measures to curb such inflation, including through policies such as price controls;
- external acts of warfare and civil clashes;
- governments' actions or interventions, including tariffs, protectionism, foreign exchange and currency controls and subsidies;
- regulatory, taxation and legal structure changes, including foreign ownership restrictions, cancellation of contractual rights, expropriation of assets and potential lack of certainty as to title to real estate property;
- difficulties and delays in obtaining new permits and consents for new operations or renewing existing permits;
- changes to the availability of, requirements for, and cost to secure, employment and residence visas for expatriate staff and their dependents;
- policies of nationalisation of assets and requirements to employ local national employees; and
- inability to repatriate profits and/or dividends.

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

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

The Company is headquartered and conducts its business in the UAE. The MENA region is strategically important geopolitically and has been subject to political and security concerns and social unrest, especially in recent years. The MENA region is currently subject to a number of armed conflicts including those in Yemen, Syria (in which multiple state and non-state actors are involved, such as the USA, Russia, Turkey and Iran), Iraq and Palestine, as well as conflicts with militants associated with the Islamic State. It is not possible to predict the occurrence of events or circumstances such as civil unrest, war or other hostilities, or the impact that such events or occurrences might have on the UAE.

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

Furthermore, the UAE, has and will continue to be, affected by political developments in or affecting the wider MENA region, and investors' reactions to developments in any country in the MENA region may affect securities of issuers in other markets, including the UAE. On 14 September 2019, the Abqaiq processing facility and the Khurais oil field in the KSA were significantly damaged in attacks by unmanned aerial vehicles and missiles, which caused an immediate significant reduction in the oil output of Saudi Aramco. In January 2020, direct confrontation occurred between the USA and Iran when a targeted drone strike killed a senior Iranian military commander in Iraq which was followed by an Iranian attack using ballistic missiles on a USA military base in Iraq. In the course of this confrontation, the government of Iran confirmed that it would no longer adhere to the terms of the Joint Comprehensive Action Plan in respect of Iran's nuclear power programme. On 11 April 2021, a major power failure occurred at the Natanz complex south of Tehran, Iran, as a result of an explosion which has been reported to be caused by an attack on the Natanz complex. On 18 January 2022, Abu Dhabi experienced a drone attack launched by Houthi rebels near the Abu Dhabi airport that killed at least three people. Although the UAE has otherwise generally not experienced terrorist attacks or armed conflict such as those experienced by a number of other countries in the MENA region, there can be no assurance that extremists or terrorist groups will not initiate terrorist or other violent activity in the UAE, or that the UAE will not be impacted by any escalation of regional armed conflict. Any terrorist incidents in or affecting the UAE and increased regional geopolitical instability (whether or not directly involving the UAE), or any heightened levels of military conflict in the region or globally, including the current Russia-Ukraine conflict, may have a material adverse effect on the UAE's attractiveness for foreign investment and capital, their ability to engage in international trade, their tourist industry, and, consequently, their economic, external and fiscal positions, and therefore could adversely impact the business, prospects, results of operations, cash flows and financial condition of the Group.

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

A developing legal system and the introduction of new laws and regulations can create

an uncertain or changed environment for investment and business activity, which could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

The UAE in particular and emerging market economies generally are characterized by less comprehensive legal and regulatory environments than are found in more developed regions. The following risk factors relating to these legal systems create uncertainty with respect to the legal and business decisions that the Group makes and such uncertainties may not exist in countries with more developed market economies:

- inconsistencies between and among the constitution, federal law, presidential, governmental and ministerial decrees, and conflicts between federal, regional and local legislation;
- lack of fully developed corporate and securities laws;
- lack of judicial and administrative guidance on interpreting legislation;
- gaps in the regulatory structure due to delay or absence of implementing legislation;
- the relative inexperience of judges and courts in interpreting legislation;
- lack of an independent judiciary;
- difficulty in enforcing court orders;
- a high degree of discretion on the part of governmental authorities, which could result in arbitrary actions such as suspension or termination of the Group's licences; and
- under-developed bankruptcy or insolvency procedures that are subject to abuse.

The rapid evolution of these legal systems in ways that may not always coincide with market developments can result in ambiguities, inconsistencies and anomalies in the law and judicial practice. These weaknesses affect the Group's ability to protect its rights under its licences and contracts, or to defend itself against claims by others, including challenges by regulatory and governmental authorities in relation to its compliance with applicable laws and regulations and could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

Furthermore, as these economies mature, and in part due to the desire of certain countries in the MENA region, including in particular the UAE, to accede to the World Trade Organization, the governments of these countries have begun, and are expected to continue, to implement new laws and regulations that could impact the way the Group conducts its business. Changes in investment policies or in the prevailing political climate could result in the introduction of changes to government regulations with respect to:

- price controls;
- export and import controls;

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

There can be no assurance that the introduction of any changes to current laws or taxation, nor the introduction of any new laws or taxes, would not increase the costs or otherwise materially and adversely affect the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group may be exposed to a number of different uncertainties relating to taxes, which could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group determines the tax liability, which presently comprises VAT, that it is required to pay based on its interpretation of applicable tax laws and regulations. The Group is also subject to tax audits by governmental authorities, which are inherently uncertain. Negative or unexpected results from one or more such tax audits could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group. Tax controls and changes in tax laws or regulations (including retrospective changes) or the interpretation given to them may also expose it to negative tax consequences, including interest/profit payments and potential penalties, which could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group. For example, the Group is not currently subject to corporate income tax in the UAE, and the UAE has historically not had any tax regime. However, on 31 January 2022, the UAE Ministry of Finance announced its intention to introduce a 9% federal corporate tax regime for the first time in the UAE effective for financial years commencing on or after 1 June 2023 (UAE entities with an accounting year ending on 31 December shall be subject to this regime from 1 January 2024) and on 9 December 2022, Federal Decree-Law No. 47 of 2022 was released, which introduced a corporate tax regime for financial years commencing on or after 1 June 2023. The UAE Federal Tax Authority will be responsible for administering, collecting and enforcing corporate tax in line with rules and regulations to be issued by the Ministry of Finance. There can be no assurance that the introduction of a corporate income tax in the UAE or other applicable taxes in other jurisdictions in which it operates would not increase its costs or otherwise have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

The Group is subject to certain legal requirements to maintain certain levels of localization with respect to personnel, such as the UAE's Emiratisation initiative, which may increase its costs and may reduce its ability to rationalise its workforce.

The UAE has laws and regulations which impose requirements to locally source a certain amount of their employees and personnel, including a requirement under the 2018 CBUAE Standards (applicable to Al Ansari Exchange) for the total number of employees who are UAE nationals across the UAE to be not less than 10% of the total number of employees or for there to be at least one UAE national employee in each branch, whichever is higher. In addition, in December 2022, the CBUAE announced that it is requiring exchange houses to increase their Emiratisation percentage by 4% annually until it reaches the target ratio of 30% of the total number of employees by 2027. In the UAE, Emiratisation is an initiative by the UAE government to employ its citizens in a meaningful and efficient manner in the public and private sectors and to reduce its reliance on foreign workers. Under the initiative, companies are encouraged to employ Emiratis in management, administrative and technical positions. However, the cost of employing UAE nationals typically is significantly higher than the cost of employing foreign workers. In addition, meeting and maintaining the Emiratisation targets of the Group reduces its flexibility to rationalise its workforce, which limits its ability to reduce costs in many areas of its operations and may be made difficult as a result of any additional waves or resurgences of the COVID-19 pandemic.

As a result, there can be no assurance that meeting and maintaining its Emiratisation targets will not have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group.

Risks Relating to the Offering and the Shares

Al Ansari Holding LLC ("Al Ansari Holding"), as the major shareholder of the Company retains significant interest in, and exercises significant influence over, the Group and its interest may differ from those of the other Shareholders.

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

The ownership level of Al Ansari Holding, as well as the condition prescribed by the CBUAE to obtain CBUAE’s prior approval before acquiring 5% or more of the Company’s issued and outstanding share capital, may have the effect of delaying, deferring or preventing a change of control, merger, consolidation, takeover or other business combination or discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company, which in turn could have a material adverse effect on the trading price of the Shares.

As a result of the above, Al Ansari Holding will be in a position to exercise a significant degree of influence over the Company's management and operations. The interests of Al Ansari Holding may not be aligned with those of other Shareholders, which could have a material adverse effect on the trading price of the Shares.

The Company is a holding company and substantially all of its operations are conducted through its subsidiaries. The Company's ability to pay dividends on the Shares depends on its ability to obtain cash dividends or other cash payments or obtain loans from such entities.

As a holding company, the Company does not have significant operations of its own. The

Company currently conducts all of its operations through its subsidiaries, and such entities generate substantially all of its operating income and cash flow. Since the Company has no direct operations or significant assets other than the capital stock of these entities, the Company relies on those subsidiaries for cash dividends, investment income, financing proceeds and other cash flows to pay dividends, if any, on the Shares and, in the long term, to pay other obligations at the holding company level that may arise from time to time.

The ability of such entities to make payments to the Company depends largely on their financial condition and ability to generate profits. In addition, because the Company's subsidiaries are separate and distinct legal entities, they will have no obligation to pay any dividends or to lend or advance it funds and may be restricted from doing so by contract, including other financing arrangements, charter provisions, other shareholders or applicable laws and regulations of the various countries in which they operate. For instance, Al Ansari Exchange requires approval from the CBUAE prior to making any dividend distributions to the Company. Similarly, because of the Company's holding company structure, claims of the financiers of its subsidiaries, including trade creditors, banks and other financiers, effectively have priority over any claims that the Company may have with respect to the assets of these entities.

Further, there can be no assurance that, in the long term, its subsidiaries will generate sufficient profits and cash flows, or otherwise prove willing or able, to pay dividends or lend or advance to it sufficient funds to enable the Company to meet its obligations and pay interest//finance cost, expenses and dividends, if any, on the Shares.

The inability of one or more of these entities to pay dividends or lend or advance to the Company funds, and currency control restrictions and restrictions on the repatriation of dividends imposed on the Company or its subsidiaries, may adversely affect not only the Company's ability as a holding company to pay dividends, but also its business, prospects, results of operations, cash flows and financial condition.

Whilst the Company intends to pay dividends in respect of the Shares, there can be no assurance that it will do so. Any decision to declare and pay dividends in the future will be made at the discretion of the Board of Directors and will depend on, among other things, applicable laws and regulations, results of operations, financial condition, cash requirements, contractual restrictions, the Company's future projects and plans and other factors that the Board of Directors may deem relevant. As a result, Shareholders may not receive any return on an investment in the Shares unless they sell their Shares for a price greater than that what they paid for them (see the section entitled "*Dividend Policy*").

The market price of the Shares may fluctuate widely in response to different factors, many of which are outside the Group's control.

The market price of the Shares could be subject to significant fluctuations due to a change in sentiment in the stock market regarding the Shares or securities similar to them or in response to various facts and events, including any regulatory changes affecting the Group's operations, variations in its quarterly or yearly operating results and its business development or those of its competitors.

In addition, stock markets have from time to time experienced extreme price and volume volatility, which in addition to general economic and political conditions, could adversely affect the market price for the Shares. To optimise returns, investors may need to hold the Shares on a long-term basis and they may not be suitable for short-term investment. The value of the Shares may go down as well as up and the market price of the Shares may not reflect the underlying value of the Group's business and investments.

In addition, the Company has applied for the Shares to be listed on the DFM. No assurance, however, can be given that an active trading market in the Shares will develop upon or following Listing. If an active trading market is not developed or maintained, the liquidity and trading price of the Shares could be adversely affected.

Future issuances of Shares by the Company and/or sale of Shares by Al Ansari Holding may, where applicable, dilute the holdings of Shareholders and/or may depress the price of the Shares.

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

Furthermore, if Al Ansari Holding (or any other significant shareholder from time to time) sells substantial amounts of Shares in the public market, the market price of the Shares could fall. Al Ansari Holding has agreed in the Underwriting Agreement to certain restrictions on its ability to sell, transfer and otherwise deal in its Shares for a period of 180 calendar days from the Closing Date, except in certain limited circumstances, unless otherwise consented to by the Joint Lead Managers (such consent not to be unreasonably withheld or delayed). Nevertheless, the Group is unable to predict whether substantial amounts of Shares (in addition to those which will be available in the Offering) will be sold in the open market following the completion of the Offering. Any sales of substantial amounts of Shares in the public market, or the perception that such sales might occur, could materially and adversely affect the market price of the Shares.

It may be difficult for Shareholders to enforce judgments against the Company in the UAE, or against its directors and senior management.

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

The Offering may not result in an active or liquid market for the Shares, and trading prices of the Shares may be volatile and may decline. In addition, the DFM is significantly smaller in size than other established securities markets, which may also affect liquidity in the Shares.

Prior to the Offering, there has been no public trading market for the Shares. There can be no assurance that an active trading market will develop or be sustained following the completion of the Offering, or that the market price of the Shares will not decline thereafter below the offer price. The trading price of the Shares may be subject to wide fluctuations in response to many factors, as well as stock market fluctuations and general economic conditions or changes in political sentiment that may adversely affect the market price of the Shares, regardless of the Company's actual performance or conditions in the UAE. Factors such as variation of financial results, general circumstances, general economic conditions, the regulatory environment within which the Group operates and other factors that are beyond the Group's control could cause significant volatility in the trading liquidity and the price of the Shares in the market.

The Company has applied for the Shares to be listed on the DFM. The DFM has been open for trading securities since September 2005, but its future success and liquidity in the market for the Shares cannot be guaranteed. The DFM is substantially smaller in size and trading volume than other established securities markets, such as those in the United States and the United Kingdom. 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 Shares and impair the ability of a holder of Shares to sell any Shares on the DFM in the desired amount and at the price and time achievable in more liquid markets and adversely affect the value and trading price of the Shares.

Following the Offering, the price of the Shares on the DFM may differ from the Offer Price and could be adversely affected by several factors.

The Offer Price may not be indicative of the price at which the Shares will be traded on the DFM following completion of the Offering. Investors may not be able to resell their Shares at or above the Offer Price or may not be able to sell them at all. The price of shares on the DFM following the Offering may be adversely affected by several factors, including the following:

- negative fluctuations in the operating performance of the Group and improved performance of its competitors;
- actual or anticipated fluctuations in quarterly or annual operating results;
- securities analysts publishing research reports about the Group, its competitors or the financial services sector;
- the public reaction to the Group's press statements and other public announcements;
- the performance of the Group or that of its competitors being contrary to analysts' expectations;
- resignation of key employees;
- important and strategic decisions taken by the Group or its competitors or existence of changes in the business strategy;

- regulatory environment changes affecting the Group or the financial services sector; and
- changes in accounting regulations and policies adopted.

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

Under the Company's Articles of Association to be adopted in connection with the Offering, holders of the Shares generally have the right to subscribe and pay for a sufficient number of the Company's ordinary shares to maintain their relative ownership percentages prior to the issuance of any new ordinary shares in exchange for cash consideration. U.S. holders of the 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 ordinary shares or an exemption from the registration requirements of the Securities Act is available. Similar restrictions exist in certain other jurisdictions outside the UAE. The Company currently does not intend to register the Shares under the Securities Act or the laws of any other jurisdiction, and no assurance can be given that an exemption from such registration requirements will be available to enable U.S. or other holders of the Shares to exercise their pre-emptive rights or, if available, that the Company will utilise such exemption. To the extent that the U.S. or other holders of the 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 and proposed tax regimes applicable in the UAE and the current practice of the UAE authorities as at the date of this Prospectus. The comments do not purport to be a comprehensive analysis of all the tax consequences applicable to all types of shareholders and do not relate to any taxation regime outside the UAE. Each shareholder is responsible for its own tax position and, if you are in any doubt as to your own tax position, you should seek independent professional advice without delay.

Taxation of Companies in the UAE

Current Emirate level corporate tax regime

The UAE currently has no system of federal corporate tax ("**CT**"). Instead, most of the Emirates have their own CT decrees. Whilst these decrees could potentially levy CT on all companies, in practice corporate tax is currently only applied to certain companies operating in the upstream oil and gas industry. Further, some of the individual Emirates have also issued banking tax decrees which are applicable to mainland branches of foreign banks in the UAE on their net income. On this basis, the Company is not currently subject to corporate tax in the UAE or required to make any corporate tax filings.

Proposed federal UAE corporate tax law

On 31 January 2022, the UAE Ministry of Finance ("**MoF**") announced their intention to introduce a federal corporate tax law, effective for financial years commencing on or after 1 June 2023 (UAE entities with an accounting year ended 31 December will become subject to UAE CT Law from 1 January 2024). Following the announcement, MoF released the Public Consultation Document ('**PCD**'). The PCD is not a law and does not have any legal power. Instead, it was created and published to provide taxpayers with the general principles of the proposed CT regime.

On 9 December 2022, the UAE released the Federal Decree-Law No 47 of 2022 ("**CT Law**"), which introduced a CT regime for financial years commencing on or after 1 June 2023, published in the Official Gazette on 10 October 2022. On 9 December 2022, the MoF and the Federal Tax Authority ("**FTA**") also released a set of Frequently Asked Questions ("**FAQs**") meant to provide guidance on the UAE CT regime. Whilst the rules and FAQs have been published, some provisions may be subject to interpretation and further guidance is expected from the MoF and FTA. It should be noted that the CT Law is expected to be complimented with Cabinet Decisions, which will provide detailed provisions of the implemented tax regime.

CT shall be imposed on taxable persons, either resident or non-resident persons (in limited circumstances). The term resident person includes *inter alia* juridical persons that are: (1) incorporated in the UAE, or (2) incorporated in a foreign jurisdiction, but effectively managed and controlled in the UAE. Non-resident person is a person that is not resident and includes *inter alia a* person with permanent establishment in UAE.

The UAE CT Law will have a much wider application than the existing emirate level CT regime and will apply to all businesses and commercial activities operating across the UAE, with the exception of:

- entities engaged in the extraction of UAE natural resources (these are predominantly upstream oil and gas companies, which will continue to be subject to Emirate level corporate taxation);
- entities engaged in non-extractive business (such as mid-stream operations)
- charities and other public benefit organizations, provided that an exemption application is made to the ministry of finance and approved by Cabinet decision;
- the federal UAE government, Emirate governments and their departments and authorities;
- directly or indirectly wholly government-owned and controlled UAE companies that carry out specified activities, provided they are approved by Cabinet decision ("**Government Controlled Entity**");
- public and regulated private social security and retirement pension funds that meets any condition that may be prescribed by the Minister of Finance ("**Minister**");
- qualifying investment funds that meet the conditions prescribed. Regulated investment funds and REITs can apply for exemption if they meet certain requirements;
- juridical person incorporated in UAE that is wholly owned and controlled by government, government-controlled entity, qualifying investment funds, public and regulated private social security and retirement pension funds.
- individuals earning income from employment and/or in their personal capacity (i.e. salary, investment income, etc.) as long as the income generating activity is not in the nature of business or business activity; and
- qualifying freezone persons (i.e., a juridical person incorporated, established or otherwise registered in a freezone) on their qualifying income, subject to certain conditions prescribed in the CT Law. Freezone person will have to register and file a CT return. Qualifying income is not defined and is subject to Cabinet decision. This is subject to comments on the application of Pillar 2 provisions explained later in the document.

The proposed rates

The CT rate is set at 0% for taxable income up to AED 375,000, and 9% for taxable income above AED 375,000.

UAE entities within a large multinational group that fall under the scope of Pillar 2 of the OECD Base Erosion and Profit Shifting ("BEPS") 2.0 framework (i.e. those with consolidated global revenues of more than EUR 750m, equivalent to approximately AED 3.15 billion on or about the date of this Prospectus) will have a different higher rate, which is still to be announced (but is likely to be 15%, given the global minimum effective tax rate proposed by the OECD).

It is not currently clear how the Pillar 2 regime will interact with the new federal CT regime, but it should be noted that this may impact the application of the 0% rate for free zone entities within groups that fall within the Pillar 2 regime.

Taxable profit

UAE CT will be payable on the accounting net profit reported in the financial statements of the business, with a certain adjustments, limitations on expense deductions including, but not limited to:

- Interest/finance expense deductions will be limited to 30% of EBITDA.
- Penalties, recoverable VAT or donations paid to organisations that are not an approved charity or public benefit organisation will not be deductible.
- Entertainment expenses will be deductible up to 50%.
- Deduction for exempt income such as local dividends, capital gain subject to participation exemption, etc.
- Adjustment for transaction with related parties that are not on arm's length

A UAE resident group of companies can elect to form a tax group and be treated as a single taxable person if the parent company holds at least 95% of the share capital, voting rights, profits and net assets of its subsidiaries. To form a tax group, neither the parent company nor any of the subsidiaries can be an exempt person or a Free Zone Person that benefits from the 0% CT rate, and all group members must use the same financial year.

Withholding tax

As of the date of this Prospectus, under current legislation in force in the UAE, with respect to any payment on securities, there is no withholding or deduction for or on account of any taxes in the UAE or any other tax implications in the UAE.

Following the implementation of the CT Law, the UAE will apply withholding tax at a rate of 0% to domestic and cross-border payments made by UAE businesses.

Given the rate of withholding tax is proposed to be at 0%, UAE businesses will not be required to make any deductions from payments made to resident or non-resident recipients, nor will there be an obligation to file withholding tax returns.

Transfer pricing ("TP")

Under the UAE CT law, transactions carried out between related parties should be priced in line with the arm's length price ("**ALP**"). The ALP should be supported by a functional analysis aligned with the Organisation for Economic Cooperation and Development (OECD) TP Guidelines and an OECD compliant benchmarking study. The term 'related parties' is defined in detail in the CT Law, which *inter-alia* include 50% or more ownership interest as also direct / indirect control between parties.

Tax considerations for prospective shareholders

Taxation of individuals in the UAE

As of the date of this Prospectus, there is currently no federal or emirate-level personal income tax levied on individuals in the UAE. Non-UAE tax residents, or dual tax residents, individuals and corporations, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Offering based on local tax regulations in their respective jurisdictions.

Taxation on purchase of Shares

Completion of the Offering is likely to be characterised for UAE tax purposes as a purchase of shares by the 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 tax jurisdiction.

There are no transfer taxes in the UAE on the purchase of Shares. Accordingly, the purchase of Shares should not result in any transfer tax liabilities for shareholders who are individuals or corporations that are tax resident in the UAE. Non-UAE tax residents, or dual tax resident individuals and corporations, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations in their respective jurisdictions.

From a VAT perspective, the purchase of shares is considered an exempt supply for the purposes of VAT unless a zero-rating provision applies pursuant to Article 42 of the UAE VAT Executive Regulations. As such, we do not anticipate VAT implications for the purchase of Shares.

Taxation of dividends and capital gains on sale

UAE tax resident individual shareholders

Based on the current tax practice within the UAE outlined above, the purchase of Shares and any related dividend income, or gains on sale, should not result in any UAE tax liabilities for UAE tax resident individuals.

Non-UAE tax resident individual shareholders

Non-UAE tax residents, or dual tax residents, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations in their respective jurisdictions.

UAE tax resident corporate shareholders

Under the currently applicable Emirate level CT regime, the purchase of Shares should not result in any UAE tax liabilities for 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 a branch of a foreign bank. Such shareholders should consult their own tax advisers as to the taxation of dividend income and gains on the future sale.

Under the new federal UAE CT (as detailed above), dividends received from resident persons are exempt from tax. However, gains realized by UAE resident corporate shareholders in relation to their investment may be taxable subject to the participation exemption, which may exempt such income from CT provided certain conditions are met.

Non-UAE tax resident corporate shareholders

Non-UAE tax resident companies, or dual tax resident corporations, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations in their respective jurisdictions, and should consult their own tax advisors.

Under the new federal UAE CT (as detailed above), dividends from resident persons are exempt from tax. Further, gains realised by non-UAE tax resident companies would not be subject to tax unless they have a permanent establishment in UAE and the gain is attributable to such permanent establishment.

Withholding tax

UAE CT law is introducing a withholding tax of 0%, hence, there should be no withholding tax implications for dividend payments following the introduction of the new UAE CT law.

Value Added Tax

Value Added Tax ("**VAT")** was introduced in the UAE on 1 January 2018, pursuant to the Cabinet decision No. 52 of Federal Decree Law No. (8). The general VAT rate is 5% and applies to most goods and services, with some goods and services subject to a 0% rate or an exemption from VAT (subject to specific conditions being met).

The 0% VAT rate applies to goods and services exported outside the VAT-implementing GCC member states, international transportation, the supply of crude oil/natural gas, the first supply of residential real estate, and some specific areas, such as health care and education. Presently, the UAE does not recognise any of the GCC states that have introduced VAT (at the time of this Offering, KSA, Oman and Bahrain) as "Implementing States" for VAT purposes and therefore the special intra-GCC rules do not apply to transactions taking place between the UAE and other GCC states (treated similar to transactions with other non-GCC states).

A VAT exemption applies to certain financial services, as well as to the subsequent supply of residential real estate. Further, transactions in bare land and domestic passenger transport are also exempt from VAT.

Further, certain transactions in goods between companies established in UAE Designated Free Zones (as notified specifically for VAT purposes) ("**DZs"**) may not be subject to VAT. The supply of services within DZs is, however, subject to VAT in accordance with the general application of the UAE VAT legislation.

Businesses are entitled to claim a credit for VAT paid on their purchases if they relate to a supply that is standard rated or zero-rated (taxable supplies). However, any VAT incurred in connection with a supply that is exempt from VAT cannot be reclaimed. Where VAT incurred cannot be attributed specifically to a taxable or an exempt supply, it is possible to recover a portion of this (for example, overhead costs for the business, or costs relating to a single supply with both taxable and exempt components). This recovery can be made in line with an apportionment calculation and subsequent annual washup exercise.

Excess input VAT can, in principle, be claimed back from the (FTA), subject to a specific procedure. Alternatively, VAT credits may be carried forward and deducted from future output VAT.

Businesses that do not comply with their VAT obligations can be subject to fines and penalties. There are both fixed and tax-geared penalties.

Under the UAE VAT legislation, no VAT should be payable in respect to the acquisition or sale of Shares. However, it should be noted that fees relating to the transfer of ownership of shares would be subject to VAT at the standard rate of 5%.

For completeness, dividend income received by merely holding shares in a company does not constitute consideration for a supply. Therefore, passively earned dividend income would not amount to a consideration for a taxable supply and should be outside the scope of UAE VAT.

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.

Emirates NBD ISSC has issued a Fatwa confirming the Shariah compliance of the IPO. The issued Fatwa in relation to the subject IPO does not cover the above mentioned potential transactions unless such transactions are Sharia'h compliant.

Third Section: Financial disclosures

Summary of the Financial Statements and a Summary of Key Notes and Key Financial Indicators as of and for the year ended 31 December 2022, 31 December 2021, and 31 December 2020.

The following should be read in conjunction with the Financial Statements included in this Prospectus. Investors should also read certain risks associated with the purchase of Offer Shares in the section entitled “Investment Risks”.

This section also includes certain Non-IFRS measures including operating income, EBITDA, EBITDA margin, capital expenditure, free cashflows, cash conversion and dividend pay-out ratio. These Non-IFRS measures were calculated by the Company based on data derived from the Financial Statements.

Selected Financial Information and Operating Data

The summary historical financial information set forth below should be read in conjunction with the “Presentation of Financial and Other Information” section and the Financial Statements, included elsewhere in this Prospectus. Investors should also read certain risks associated with the purchase of Offer Shares in the section entitled “Investment Risks”.

1. Consolidated statement of comprehensive income

	For the year ended 31 December		
	2022	*2021*	*2020*
	(AED '000)		
Income			
Net gain on currency exchange	607,070	458,529	357,424
Net commission income	547,410	515,952	464,814
Interest income - net	11,484	6,570	16,865
Rental income	-	13,084	8,472
Other income	4,339	8,313	1,003
	1,170,303	1,002,448	848,578
Expenses			
Salaries and benefits	(406,607)	(355,339)	(318,248)
General and administrative expenses	(99,951)	(83,983)	(92,806)
Provision for expected credit losses	(2,000)	(4,000)	-
Depreciation and amortisation	(70,585)	(65,054)	(60,109)
Finance cost on lease liabilities	(2,306)	(1,642)	(2,212)
Bank charges	(1,196)	(1,215)	(505)

	For the year ended 31 December		
	2022	*2021*	*2020*
	(AED '000)		
Profit from continuing operations[1]	587,658	N/A	N/A
Profit from discontinued operations[2]	7,637	N/A	N/A
Profit for the year	595,295	491,215	374,698
Other comprehensive income	-	-	-
Total comprehensive income for the year	595,295	491,215	374,698
Net profit attributable to:			
Shareholders of Al Ansari Financial Services L.L.C.[3]	594,859	491,150	374,643
Non-controlling interest	436	65	55
	595,295	491,215	374,698

(1) Profit from continuing operations for the years ended 31 December 2021 and 2020 in the 2021 Financial Statements and 2020 Financial Statements was not presented separately as there were no discontinued operations in 2020 and 2021.

(2) On 30 September 2022, the Board resolved to carry out an internal restructuring of the Group whereby the entirety of the shares owned by the Company in Al Ansari Real Estate LLC and Al Ansari Financial Brokerage LLC ("the Subsidiaries") were resolved to be sold to Al Ansari Holding L.L.C., the parent entity incorporated in 2022. These subsidiaries were sold on 24 November 2022 and 30 November 2022, respectively and are reported in the 2022 Financial Statements as discontinued operations. Consequently, the Group re-presented the disclosures relating to the year ended 31 December 2021 presented in the consolidated statement of comprehensive income in the 2022 Financial Statements. Hence the financial information for the year ended 31 December 2021 presented above, which is extracted from the 2021 Financial Statements, may differ from the 31 December 2021 re-presented comparatives in the 2022 Financial Statements. Please see "Presentation of Financial and Other Information – Discontinued Operations" and note 5 to the 2022 Financial Statements.

(3) In anticipation of the IPO, the Group completed a corporate reorganisation in the second half of 2022 and changed the name of the Company from Al Ansari Holding L.L.C. to Al Ansari Financial Services L.L.C. on 21 October 2022.

2. Consolidated statement of financial position

	As at 31 December		
	2022	2021	2020[(1))]
	(AED '000)		
Assets			
Non-current assets			
Right of use assets	67,235	49,524	47,988
Property, equipment and intangibles	49,067	58,055	48,238
Capital work in progress	4,337	2,598	2,077
Investment properties	-	240,863	245,511
	120,639	351,040	343,814
Current Assets			
Cash in hand and in transit	1,051,113	1,078,135	961,619
Due from banks	1,432,617	1,674,606	1,725,208
Due from exchange houses and agents	64,863	114,411	45,110
Due from related parties	217	15,857	5,975
Prepayments and other receivables	94,001	116,730	107,250
Investments securities at fair value through profit or loss	-	4,612	3,756
	2,642,811	3,004,351	2,848,918
Total assets	2,763,450	3,355,391	3,192,732
Liabilities and Equity			
Liabilities			
Non-current liabilities			
Lease liabilities	23,658	18,115	17,956
Provision for employees' end of service benefits	41,853	39,381	37,307
	65,511	57,496	55,263

	As at 31 December		
	2022	2021	2020[(1)]
	(AED '000)		
Current liabilities			
Trade and other payables	657,492	587,042	531,457
Due to banks	10,824	8,836	20,861
Due to exchange houses and agents	39,861	40,082	27,078
Due to related parties	817	109,406	161,077
Borrowings from banks	348,750	-	-
Lease liabilities	33,965	26,059	22,960
	1,091,709	771,425	763,433
Total liabilities	1,157,220	828,921	818,696
Equity			
Share capital	75,000	50,000	50,000
Acquisition reserve	286,143	1,381,043	1,381,043
Shareholders current account	-	96,934	259,787
Retained earnings	1,245,087	983,980	668,758
Total shareholders' equity	1,606,230	2,511,957	2,359,588
Non-controlling interest	-	14,513	14,448
Total equity	1,606,230	2,526,470	2,374,036
Total liabilities and equity	2,763,450	3,355,391	3,192,732

(1)The balances pertaining to: Due from banks, Total current assets, Total assets, Trade and other payables, Total current liabilities, Total liabilities; and Total liabilities and equity are extracted from the restated comparatives for the years ended 31 December 2020 included in the 2021 Financial Statements. Please refer to the “Presentation of financial and other information.” section

3. Consolidated statement of cash flows

	For the year ended 31 December		
	2022	2021	2020[1]
	(AED '000)		
Net cash generated from operating activities	664,811	487,270	611,948
Net cash from/(used in) investing activities	(245,960)	211,963	(233,794)
Net cash used in financing activities	(873,484)	(380,132)	(241,284)
Cash and cash equivalents at the beginning of the year	2,681,258	2,362,157	2,225,287
Cash and cash equivalents at the end of the year	2,226,625	2,681,258	2,362,157

(1) Cash flows of discontinued operations are disclosed in note 5 to the 2022 Financial Statements.

(2) The consolidated statement of cash flow balances pertaining to 2020 (except for "Net cash used in financial activities") are extracted from the restated comparatives for the years ended 31 December 2020 included in the 2021 Financial Statements. Please refer to the "Presentation of financial and other information" section."

4. Consolidated statement of changes in equity

	For the year ended 31 December 2020						
	Share capital	Acquisition reserve	Shareholders' current account	Retained earnings	Total Shareholders' equity	Non-controlling interest	Total equity
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
At 1 January 2020	50,000	1,381,043	117,859	630,709	2,179,611	14,393	2,194,004
Total comprehensive income for the year ended 2020	-	-	-	374,643	374,643	55	374,698
Distribution of dividend	-	-	-	(336,594)	(336,594)	-	(336,594)
Contribution to current account	-	-	141,928	-	141,928	-	141,928
At 31 December 2020	50,000	1,381,043	259,787	668,758	2,359,588	14,448	2,374,036

	For the year ended 31 December 2021						
	Share capital	Acquisition reserve	Shareholders' current account	Retained earnings	Total Shareholders' equity	Non-controlling interest	Total equity
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
At 1 January 2021	50,000	1,381,043	259,787	668,758	2,359,588	14,448	2,374,036
Total comprehensive income for the year ended 2021	-	-	-	491,150	491,150	65	491,215
Distribution of dividend	-	-	-	(175,928)	(175,928)	-	(175,928)
Contribution to current account	-	-	(162,853)	-	(162,853)	-	(162,853)
At 31 December 2021	50,000	1,381,043	96,934	983,980	2,511,957	14,513	2,526,470

	For the year ended 31 December 2022						
	Share capital	Acquisition reserve	Shareholders' current account	Retained earnings	Total Shareholders' equity	Non-controlling interest	Total equity
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
At 1 January 2022	50,000	1,381,043	96,934	983,980	2,511,957	14,513	2,526,470
Total comprehensive income for the year ended 2022	-	-	-	594,859	594,859	436	595,295
Distribution of dividend	-	(1,069,900)	-	(333,752)	(1,403,652)	-	(1,403,652)
Contribution to current account	-	-	-	-	-	-	-
Distribution from current account	-	-	(96,934)	-	(96,934)	-	(96,934)
Increase in Share Capital through transfer from acquisition reserve	25,000	(25,000)	-	-	-	-	-
Sale of subsidiaries	-	-	-	-	-	(14,949)	(14,949)
At 31 December 2022	75,000	286,143	-	1,245,087	1,606,230	-	1,606,230

Non-IFRS financial measures

The Company presents in this Prospectus certain measures to assess the financial performance of its business that are termed "non-IFRS measures" because they exclude amounts that are included in, or include amounts that are excluded from, the most directly comparable measure calculated and presented in accordance with IFRS, or are calculated using financial measures that are not calculated in accordance with IFRS. These selected non-IFRS financial measures include operating income, EBITDA, EBITDA margin, capital expenditure, free cash flows, cash conversion and dividend pay-out ratio. The Company presents non-IFRS measures because it believes that they, and similar measures, are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. The Company believes that these non-IFRS financial measures are a useful indicator of its ability to incur and service its indebtedness and can assist certain investors, securities analysts and other interested parties in evaluating the Company. There is no authoritative literature or common standard with respect to the calculation of these non-IFRS financial measures and other companies may calculate these differently.

The non-IFRS measures the Company presents herein may not be comparable to similar measures computed by other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Company's operating results as reported under IFRS. The non-IFRS measures of the Company should be read only in conjunction with underlying IFRS financial numbers.

The table below shows the Company's non-IFRS measures for the years shown.

	For the year ended 31 December		
	2022	2021	2020
Operating income[1] *(AED '000)*	1,154,480	987,565	830,710
EBITDA[2] *(AED '000)*	656,702	551,341	420,154
EBITDA margin (%)[3]	56.9%	55.8%	50.6%
Capital expenditure[4] *(AED '000)*	30,955	28,010	15,101
Free Cash flows[5] *(AED '000)*	625,747	523,331	405,053
Cash conversion (%)[6]	95%	95 %	96%
Dividend pay-out ratio (%)[7]	N/A	67 %	74%

(1) Operating income is defined as "Income" excluding "Other Income" and "Interest income – net". Operating income is calculated as follows:

	For the year ended 31 December		
	2022	2021	2020
		(AED '000)	
Income	1,170,303	1,002,448	848,578
Other income	(4,339)	(8,313)	(1,003)
Interest income-net	(11,484)	(6,570)	(16,865)
Operating income	1,154,480	987,565	830,710

(2) EBITDA is defined as "Profit for the year" excluding "Depreciation and Amortization", Finance cost on lease liabilities" and "Interest income – net". EBITDA is calculated as follows:

	For the year ended 31 December		
	2022	2021	2020
		(AED '000)	
Profit for the year	595,295	491,215	374,698
Interest income-net	(11,484)	(6,570)	(16,865)
Depreciation and amortisation	70,585	65,054	60,109
Finance cost on lease liabilities	2,306	1,642	2,212
EBITDA	656,702	551,341	420,154

(3) EBITDA margin is calculated as EBITDA divided by operating income.
(4) Capital expenditure includes Payment for purchase of property, equipment and intangibles and Capital work in progress.
(5) Free cash flows are calculated as EBITDA minus capital expenditure.
(6) Cash conversion is calculated as EBITDA minus capital expenditure divided by EBITDA.
(7) Dividend pay-out ratio is calculated by dividing the dividend paid in respect of a certain year by the "Net profit attributable to the Company." for the same year.

Dividend Policy

The Company's ability to pay dividends is dependent on a number of factors, including the availability of distributable reserves and its capital expenditure plans, any future credit rating considerations 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 "Risk Factors - The Company is a holding company and substantially all of its operations are conducted through its subsidiaries. The Company's ability to pay dividends on the Shares depends on its ability to obtain cash dividends or other cash payments or obtain loans from such entities".

Any level or payment of dividends will depend on, among other things, future profits and the business plan of the Company, and will be at the discretion of the Board of Directors and subject to the approval of the general assembly.

The Group is targeting to pay a minimum dividend of AED 600 million with respect to 2023 earnings with the first half of the payment being made in October 2023 and the second half of the payment being made in April 2024. A dividend pay-out ratio of at least 70% of the net profit generated (paid semi-annually) is expected going forward. The Company continues to evaluate accretive investment opportunities for growth. In the absence of suitable opportunities that meet the target investment criteria and returns, the Company will consider distributing higher dividends than the minimum annual dividend (including with respect to 2023 earnings).

This dividend policy is designed to reflect the Company's expectation of strong cash flow and expected long-term earnings growth potential. This dividend policy is subject to consideration of the Board of Directors of the cash management requirements of the Company's business for operating expenses, interest expense/finance cost and anticipated capital expenditures and investments. In addition, the Company expects that the Board of Directors will also consider market conditions, the then current operating environment in the Company's markets, and the Board of Directors' outlook for the Company's business and growth opportunities when determining the dividend amounts to be paid.

In addition, as Al Ansari Exchange LLC accounts for the majority of the profits of the Group, the payment of dividends by the Company will also be subject to the approval of the UAE Central Bank on dividend payments from Al Ansari Exchange LLC to the Company.

Material events and contracts concluded (including related party agreements)

The following is a summary of material contracts that the Group is currently party to which are, or may be, material or that contain any provision pursuant to which the Group has any obligation or entitlement which is, or may be, material to the Group at the date of this Prospectus. These summaries do not purport to describe all the applicable terms and conditions of such agreements and are qualified in their entirety by the respective agreements.

Agreement with Western Union

Al Ansari Exchange Establishment (now renamed as Al Ansari Exchange) and Western Union

Network (France) SAS ("**Western Union**") entered into an international representation agreement dated 9 April 2008 (amended from time to time) (the "**WU Agreement**"), terminating and replacing a prior agency agreement dated 18 September 1995 between them. The WU Agreement acts as a continuing agency agreement between Western Union and Al Ansari Exchange Establishment relating to remittance services offered by Al Ansari Exchange Establishment. The WU Agreement contains provisions governing the continued offering of Western Union-branded remittance services by Al Ansari Exchange Establishment in certain territories.

The WU Agreement contains representations and warranties by both parties, and undertakings from Al Ansari Exchange Establishment to: (i) offer to the general public Western Union-branded remittance services during the term of the WU Agreement; (ii) provide such services from a minimum number of locations as set out in the WU agreement; (iii) transmit details of all remittance services originated by it or through it to Western Union; and (iv) advertise and promote the remittance services at its locations at its own expense which Western Union may, in its sole discretion, elect to reimburse in whole or in part.

Al Ansari Exchange Establishment's compensation is expressed as a percentage of the fee on each remittance service initiated or paid out at one of its locations. Al Ansari Exchange Establishment may receive additional compensation for additional services and additional incentive payments upon achieving specific targets.

The initial WU Agreement had a fixed term of two years from 9 April 2008 (the "**WU Agreement Start Date**") and provides for automatic renewal (as has been done since the WU Agreement Start Date) for successive one year-terms. The WU Agreement was renewed for a fixed term of seven years on and from 1 January 2020 with the same automatic renewal provisions. Termination of the WU Agreement requires termination in writing by Al Ansari Exchange Establishment and Western Union with prior written notice of not less than 90 days prior to the end of the term, in accordance with the terms of the WU Agreement. It is governed by English law.

Commercial Term Loan Facility Letter

Overview

On 24 November 2022, Al Ansari Exchange entered into a commercial term loan facility letter (the "**Al Ansari Exchange Facility Letter**") with Abu Dhabi Commercial Bank PJSC ("**ADCB**") for an AED 1 billion overdraft facility (the "**Al Ansari Exchange Facility**"). As at the date of this Prospectus, discussions are underway with ADCB to renegotiate the terms of the Al Ansari Exchange Facility to reduce the sanctioned amount from AED 1 billion to AED 750 million (with AED 600 million available to Al Ansari Exchange and AED 150 million available to the Company). Al Ansari Exchange has drawn down AED 300 million under the Al Ansari Exchange Facility.

Term and Interest

The Al Ansari Exchange Facility has an initial term of 36 months that may be extended at the option of ADCB.

During the first 12 months of the Al Ansari Exchange Facility, the interest payable is the sum of: (i) three month Emirates Interbank Offered Rate ("**EIBOR**"); and (ii) 0.4% per annum. From the date falling immediately after 12 months of the Al Ansari Exchange Facility, the interest payable will be the sum of: (i) three month EIBOR; and (ii) 0.8% per annum. Interest shall be payable on a quarterly basis.

Availability Period/Repayment mechanism

The Al Ansari Exchange Facility may be availed in multiple tranches and the principal amount of each tranche, together with the accrued interest, shall be repaid in full within 90 days of the utilisation of the relevant tranche.

Rollover of the principal utilisation of each tranche shall be allowed during the initial term.

Purpose

Under the Al Ansari Exchange Facility Letter, the Al Ansari Exchange Facility may be utilised for general corporate purposes.

Security

Each of Al Ansari Holding and the Company has granted an account pledge over fixed deposits to cover 100% of the value of each utilisation under the Al Ansari Exchange Facility.

Mandatory Prepayments

A change of control will be triggered if at any time there is a change in the current shareholding of the Company in Al Ansari Exchange without the prior written consent of ADCB. After any change of control, ADCB may notify Al Ansari Exchange of a mandatory prepayment obligation arising under the facility, which shall entitle ADCB to declare all outstanding amounts and accrued interest immediately payable.

The Al Ansari Exchange Facility Letter also contains customary mandatory prepayment events, including in the event of an illegality or in relation to the proceeds of disposal of assets (subject to certain exceptions).

Events of Default

The Al Ansari Exchange Facility Letter contains customary events of default, including: (i) non-payment; (ii) failure to satisfy an information undertaking; (iii) misrepresentation; and (iv) insolvency.

Governing Law

The Al Ansari Exchange Facility Letter is governed by the laws of the Emirate of Dubai and the federal laws of the United Arab Emirates applicable therein.

Related Party Transactions

The Group is and has been a party to various agreements and other arrangements with related parties comprising the Company and certain of its other subsidiaries. For details of the impact of related party transactions on the Group's financial position and financial results as at and for the years ended 31 December 2020, 2021 and 2022, please refer to note 11 of the 2020 Financial Statements, note 11 of the 2021 Financial Statements and notes 5 and 11 of the 2022 Financial Statements, included elsewhere in this Prospectus.

The total value of related party transactions amounted to AED 1.05 million for the year ended 31 December 2021 and AED 329.16 million for the year ended 31 December 2022.

The Group’s significant related party transactions include the following:

Acquisition of Al Ansari Exchange Company WLL ("Al Ansari Exchange Kuwait")

On 31 January 2023, the Company and the current shareholders of Al Ansari Exchange Kuwait entered into a non-binding letter of intent, pursuant to which the Company agreed to acquire 100% of the outstanding shares of Al Ansari Exchange Kuwait for an amount equal to the higher of the book value of equity and the fair value subject to certain conditions, including the satisfactory completion of legal, financial, commercial and compliance due diligence. The transaction is expected to be completed in the third quarter of 2023.

Disposal of Al Ansari Real Estate LLC and Al Ansari Securities Brokerage Services LLC

On 30 September 2022, the Board resolved to carry out an internal restructuring of the Group whereby the entirety of the shares owned by the Company in Al Ansari Real Estate LLC and Al Ansari Securities Brokerage Services LLC were resolved to be sold to Al Ansari Holding LLC. For further details, see note 5 of the 2022 Financial Statements included elsewhere in this Prospectus. The sale by the Company to Al Ansari Holding LLC of the shares owned by the Company in Al Ansari Real Estate LLC and Al Ansari Securities Brokerage Services LLC was completed on 24 November 2022 and 30 November 2022, respectively.

Rental Agreements with Al Ansari Real Estate LLC

Al Ansari Exchange rents the premises for the headquarters of the Group, two branches and one warehouse from Al Ansari Real Estate LLC. To that effect, Al Ansari Exchange has entered into a rental agreement with Al Ansari Real Estate LLC for a fixed term of six years in relation to renting the headquarters of the Group and rental agreements, each for a fixed term of one year, in relation to renting the other properties mentioned above.

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 Al Ansari Financial Services 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 Decree By Law 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 March 2023.

If the required quorum for the first meeting is not present, a second meeting will be held on **30 March 2023** electronically without physical attendance of the shareholders at **9:00 am.**

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

Proxy for Attending and Voting at the Constitutive General Assembly meeting of Al Ansari Financial Services PJSC (under incorporation)

We/I, the undersigned………………., hereby appoint and authorize pursuant to this proxy, Mr./Mrs./Ms. ………… (the "**Attorney**"), to attend the Constitutive General Assembly of Al Ansari Financial Services 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 seven (7) Directors, six (6) of whom are Non-Executive Directors, one (1) of who is an Executive Director, and three (3) of whom are independent Non-Executive Directors.

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

Mohammad Ali Abualhassan Al Ansari - Chairman

Mohammad Ali Abualhassan Al Ansari is the Chairman of the Company. He is the founding Chairman of the Foreign Exchange and Remittance Group ("**FERG**"), a non-profit association for exchange companies in the UAE established in conjunction with the UAE Central Bank. He pursued his higher education in the United States and returned to the UAE in the early 1980s.

Fuad Ali Abualhassan Al Ansari – Vice Chairman

Fuad Ali Abualhassan Al Ansari serves as the Vice Chairman of the Company. He joined the Group in 1995, and led the organization's digitalization efforts through overseeing the development of automated systems to process the volume of transactions. Prior to joining the Group, he had a decade-long tenure in Abu Dhabi Company for Onshore Oil Operations – "ADCO". Fuad Ali Abualhassan Al Ansari earned his bachelor's degree in Mechanical Engineering from the University of Pittsburgh, U.S.A.

Eisa Ali Abualhassan Al Ansari – Director

Eisa Ali Abualhassan Al Ansari serves as a member of the Board of Directors of the Company. He joined the Group in 1995 and has over 27 years of experience with the Group. Eisa Ali Abualhassan Al Ansari earned his Bachelor of Science degree in Electrical Engineering in the U.S.A. He also undertook executive education in the fields of financial and business management skills at the Michigan School of Business.

Rashed Ali Abualhassan Al Ansari - Director

Rashed Ali Abualhassan Al Ansari is the Chief Executive Officer of the Group. He joined the Group in 2010. He has previously worked at Dubai Holdings, Dubai Industrial City and Dubai Mercantile Exchange, among others. He is an associate member of the UK Institute for Mechanical Engineering and a member of the "Mohammed Bin Rashid Leadership Program". He holds a Bachelor's degree in Engineering from the University of Bradford and Master's degree in Business Administration from the Leeds University Business School in the UK. In June 2021, Rashed Ali Abualhassan Al Ansari was appointed as a member of the "Dubai Chambers Advisory Council".

Mr. Nitin Khanna – Director

Nitin Khanna serves as an independent non-executive member of the Board of Directors of the Company. He has over 40 years of experience in the Middle East region, mainly with PricewaterhouseCoopers ("**PwC**"). Whilst with PwC, he held several senior positions including serving on the Middle East leadership and Deals leadership teams, heading Transaction Services and the Corporate Finance practices of the firm in the region..

He currently serves as a member of the executive committee of Bin Dawood Holdings Ltd ("**BDH**"), a company listed on the Saudi Tadawul Exchange. Until May 2022, he was an independent non-executive director of BDH. He continues to act as a Director of Future Tech Retail, a wholly owned subsidiary of BDH engaged in making technology related investments. He is an advisor to several subsidiaries of Transmed Holdings and is a senior partner of Nucleus Consulting FZC. Previously, he served as an advisory board member of Emirates Hospital Group and as an adviser to the Chairman of PNCI LLC, a private company engaged in the real estate sector.

He pursued a bachelor's degree in Economics from Delhi University, India and is a chartered accountant from the Institute of Chartered Accountants of India.

Mr. Marcello Baricordi – Director

Marcello serves as an independent non-executive member of the Board of Directors of the Company.

Marcello is a Senior Executive with 25+ years of experience in accelerating growth especially for Multinationals across Emerging Markets and Payments. Marcello brings the experience of Senior Roles at Network International (Group President Processing), Visa International (General Manager MENA) and First Data (Managing Director Italy, currently FISERV). Marcello is currently helping Companies to accelerate growth in the region as Board Member for Strands LLC (Barcelona) and Enza Group (Abu Dhabi) and as Senior Advisor for Kearney. Marcello holds a Laurea in Business Administration from the University of Venice Italy and a corporate governance diploma and ESG certificate from the Corporate Governance Institute.

Ms. Raja Al Mazrouei - Director

Named among the global "Top 100 Women in FinTech" by Innovate Finance, Raja Al Mazrouei has been a key figure in solidifying the United Arab Emirate's position as one of the top ten global Fintech hubs.

A natural visionary, Raja is committed to scaling the latent potential of each individual and fearlessly broadening the boundaries of what is considered possible. Raja's career in FinTech was launched with an MBA in Global Leadership and Management from the United Arab Emirates University in 2005. Since then, she has held senior executive positions within the IT, operations, and marketing teams at Dubai Holding, National Bonds Corporation, and Dubai International Financial Center. She has expanded her credentials by completing programs at

Harvard Business School, London Business School, University of California at Berkeley, Singularity University, and Hawkamah Institute for Corporate Governance.

In 2017 Raja helped launch FinTech Hive, a collaborative community encompassing over 200 FinTech, RegTech, and InsurTech firms operating at the DIFC. As Executive Vice President, Raja recruited over 1000 startups and oversaw their integration into the UAE economic scene, running acceleration programs for early stage, growth stage, and scale-ups. Her fearless forward thinking has inspired countless individuals, helping to make FinTech Hive one of the region's most successful technology hubs and one of the world's top financial innovation labs. Raja's contributions as a pioneer in the field have been widely recognized. In addition to the recognition from Innovate Finance, she has been named among the "50 Most Influential Women in Middle East Finance" by Dow Jones' Financial News and the "Top 100 Power Businesswomen in The Middle East" by Forbes. She also helps shape the future of financial services in the region by serving on various boards, including the Harvard Business School MENA Advisory Board and the boards of Zand Digital Bank, National Cement Company, Etihad Credit Insurance, Al Masraf Arab Bank for Investment and Foreign Trade and a trustee member of Mohammad Bin Rashid School of Government.

Additionally, she served as the Vice President of the Harvard Business School Club of the Gulf Cooperation Council, a non-profit fostering the professional and personal growth of over 1,200 Harvard Business School alums in the Gulf region. Raja's entrepreneurial vision and passion for innovation, combined with her commitment to the growth and development of individuals and institutions alike, have made her a significant contributor to the dynamic success of FinTech in the UAE, the Gulf region, and beyond.

Executive Management

In addition to the members of the Board, the day-to-day management of the Company's operations are conducted by the senior management team, as follows:

Name	Year of birth	Position	Year of appointment
Rashed Ali Abualhassan Al Ansari	1977	Group Chief Executive Officer	2022
Mohammad Bitar	1974	Deputy Group Chief Executive Officer	2018
Ali Al Najjar	1980	Chief Operating Officer	2020
Faisal Anwar	1969	Group Chief Financial Officer	2021
Georgette Yousef	1974	Group Chief Human Resources Officer	2021
Abdel Hadi Mustafa	1970	Group Chief Technology Officer	2020
Ashraf Moussad Abdel Hafez Ahmed	1969	Group Chief Corporate Services Officer	2021
Sanjay Singh	1964	Head of Compliance and Anti Money Laundering	2021
Viswanath Ramasubramanian	1971	Group Chief Internal Auditor	2019
Omer Farooq	1978	Head of Operations of Worldwide Cash Express	2022
Husam Mahmoud Shaker Shabani	1981	Group Head of Marketing	2021
Muhammad Haroon Saadat Ali	1976	Head of Operations - CashTrans	2021
Dana Khalaf	1974	Group Senior Manager – Corporate Communications and Investor Relations	2020
Rashid Basheer Rahim Karuppamveettil	1988	Head of Digital Channels	2021
Hamza Hamid Khawaja	1989	Head of Cards	2022
Vivek Parameshwaran Nair	1980	Head of Kuwait Operations	2021
Kapil Dev Arora	1977	Group Head of Correspondent & Banking Department	2017

Below are the experiences of each member of the executive management team of the Company:

Rashed Ali Abualhassan Al Ansari – Group Chief Executive Officer

For Mr. Rashed Al Ansari's biography, see "Board of Directors" section above.

Mohammad Bitar

Mohammad Bitar is the Deputy Group Chief Executive Officer of the Company. He has more than two decades of experience in the financial services industry across a broad range of strategy, organization, operations, and information technology assignments. Bitar has previously worked with various local and international firms in the UAE, Oman, Saudi Arabia, Egypt and Jordan, including the National Bonds Corporation, Union National Bank and Accenture. He holds a post graduate diploma in Information Technology and Management from Sheffield Hallam University in the UK, and a bachelor's degree in Electrical Engineering from Jordan University of Science & Technology. He is also certified in investments and wealth management from the Chartered Institute for Securities and Investment.

Ali Al Najjar

Ali Al Najjar is the Chief Operating Officer of the Company. Ali is also in charge of executing the company's growth strategy leading the Business Development and Digital Channels departments. Ali has extensive experience of more than 17 years in operations, cash management, treasury and the foreign currency trade market. He holds a bachelor's degree in Business Administration and majored in Accounting and Financial Banking at Al Yarmouk University in Jordan.

Faisal Anwar

Faisal Anwar is the Group Chief Financial Officer of the Company. He leads the organization's financial growth strategies, budgeting and forecasting, business performance and analysis, systems implementation and tax. In addition to that he leads both Legal and Risk Management functions. Prior to joining the Group, Faisal held several key positions at Mattex Group, Majid Al Futtaim, KPMG and PricewaterhouseCoopers. He has over 30 years of experience in various sectors including financial services, commercial banks, asset management companies, manufacturing and energy. Faisal is a qualified Chartered Accountant and a member of the Institute of Chartered Accountants of Pakistan since 1997.

Georgette Yousef

Georgette Yousef is the Group Chief Human Resources Officer of the Company responsible for leading on all aspects of Human Resources within the Group. Prior to joining the Group, Georgette held the position of Director of Human Resources and Support Service at Amanat Holdings PJSC, a publicly listed company on the DFM. Georgette, holds a Diploma in Human Resources Practice – CIPD from Oakwood International, UK.

Abdel Hadi Mustafa

Abdel Hadi Mustafa is the Group Chief Technology Officer of the Company. Prior to joining the Group, Abdel Hadi led the digital transformation of United Arab Bank and Union National Bank. He has over 20 years of valuable experience in IT planning, Quality Assurance, Digital solutions and Business services. Abdel Hadi holds a master's degree in Information Systems Management and a bachelor's degree in Computer Science from University of Jordan. He is also a certified ITIL and Scrum Master.

Ashraf Moussad Abdel Hafez Ahmed

Ashraf Moussad is the Group Chief Corporate Services Officer. He is in charge of the Company's network expansion, leasing, projects, procurement, logistics, and facilities management. In addition to the above, Ashraf was leading the Human Capital, Administration and Legal functions of Al Ansari Exchange for the past eight years prior to this new role. He has around 30 years of experience in leading strategic human resources management, administration, leasing, quality management and training with prominent some of the conglomerate groups in the UAE, Kuwait, Egypt and KSA, such as DAMAS Jewellery, Sharjah Cooperative Society, Corinthia Palace Group and Shamil Group. Ashraf holds a post graduate diploma in strategic human resource management from the American University. He is a certified ISO auditor and has a diploma in Lean Management.

Sanjay Singh

Sanjay Singh is the Head of Compliance and Anti Money Laundering, leading and managing the regulatory compliance risks of the Group including functions of regulatory sanctions, regulatory reporting, transaction monitoring, corporate and financial institution on-boarding and long-term relationships with law enforcement agencies and the Central Bank of the UAE. Sanjay's former appointments include Standard Chartered Bank, First Gulf Bank, First Abu Dhabi Bank and Dunia Finance LLC, where he led the retail banking, corporate and institutional banking, group audit, risk management and governance, and corporate credit risk management. He holds a Master's Degree in Business Administration, dual Graduate Degrees in Commerce and Law, a Diploma in Banking and International Regulatory Compliance from Manchester Business School and is a certified Lead Auditor of Business Continuity Management (BS 25999).

Viswanath Ramasubramanian

Viswanath Ramasubramanian is the Group Chief Internal Auditor of the Company. Viswanath has over 25 years of experience in leading internal audit, regulatory compliance, banking operations, governance, risk management, fraud investigation and business advisory services in banking and financial services industry spanning across the Middle East and Asia Pacific region. Viswanath's former appointments include Union National Bank, RSM International - Kuwait, KPMG - Kuwait, Deutsche Bank – Mumbai etc., where he led various Internal Audit Functions. He is a Chartered Accountant from The Institute of Chartered Accountants of India. He is also a Certified Financial Crime Specialist, a Certified Information Systems Auditor and a Certified Internal Auditor.

Omer Farooq

Omer Farooq is the Head of Operations of Worldwide Cash Express. Omer leads Worldwide Cash Express business expansion strategies, market penetration and overall operations. Omer has extensive experience of more than 23 years in remittance business, cash management, and transaction banking. Prior to joining Al Ansari, Omer worked at Faysal Bank, Pakistan as Head of Global Remittances. He holds a master's degree in Business Administration at Hamdard University in Pakistan.

Husam Mahmoud Shaker Shabani

Husam Mahmoud Shaker Shabani is the Group Head of Marketing. Husam has over 20 years of experience in marketing, advertising, branding, and business development. He holds a master's degree in Business Administration at Hamifax University in the U.S.A. He also holds a diploma in Sales Management and Marketing from Cambridge International College in the U.K. Husam's former appointments include Webtec e-Solutions, Euro RSCGME & Stallions Home Entertainment where he led various Marketing & Advertising functions.

Muhammad Haroon Saadat Ali

Muhammad Haroon is the Head of Operations - CashTrans, leading and managing the entire operations of the company from cash management, cash logistics, security, loss prevention and regulatory compliance. Haroon's former appointments include G4S Cash Services, Abana Enterprises KSA, Transguard and Emrill Services. He holds a Bachelor's Degree in Computer Science.

Dana Khalaf

Dana Khalaf is a Group Senior Manager – Corporate Communications and Investor Relations. Dana is an accomplished senior marketing, content and branding professional with over 22 years of experience in strategic planning, interactive marketing, content creation, creative development and branding from prominent brands such as DP World, Nestle Water and Majid Al Futtaim. She holds a Bachelor's Degree in Modern Arts from the American University of Beirut in Lebanon.

Rashid Basheer Rahim Karuppamveettil

Rashid Basheer is the Head of Digital Channels. Prior to leading the Digital Channels team, Rashid reported to the Company's CEO as a Senior Business Analyst. He has over 10 years of experience in the company with focus on providing digital solutions and business services for the customers. Rashid holds a bachelor's degree in Commerce from Bangalore University.

Hamza Hamid Khawaja

Hamza Hamid Khawaja is the Head of Cards. Hamza has almost 10 years of experience in product development & innovation, global payment schemes, business development, fintech collaboration and merchant acquisition. He has previously worked with Noor Bank. He holds a Bachelor's Degree in Economics & Business Finance from Brunel University in the U.K.

Vivek Parameshwaran Nair

Vivek Nair is the Country Head of Kuwait Operations. He brings with him over 20 years of experience in cross border payments, product expansions and business development from Kuwait & Qatar. Vivek's former appointments include UAE Exchange & Unimoni Exchange. He holds a Master's Degree in Business Administration and Diploma in Strategic Management from the International Business Management Institute in Germany.

Kapil Dev Arora

Kapil Dev Arora heads the Group’s Correspondent & Banking Department. Kapil has over 22 years of experience in leading international cross-functional business, sales and product teams across the Middle East and Asia Pacific region. Prior to joining Al Ansari Exchange, Kapil held several key positions at HSBC, Citibank, Western Union and Kotak Bank. Kapil has a Master’s Degree in Mathematics along with a Postgraduate Diploma in Business Management from India. He also completed an ‘MBA Essentials’ program from the London School of Economics.

Group Structure Chart

The Group’s structure chart is appended to this Prospectus at Annex (5) of this Prospectus.

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 and/or other joint stock companies in the UAE.

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	Position	Legal Entity
Ali Al Najjar	Chief Operating Officer	Al Ansari Exchange LLC
Sanjay Singh	Head of Compliance & AML	Al Ansari Exchange LLC
Omer Farooq	Head of Cash Express	Worldwide Cash Express Limited
Muhammad Haroon Saadat Ali	Head of Operations - CashTrans	CashTrans Money & Valuables Transport Services
Rashid Basheer Rahim Karuppamveettil	Head of Digital Channels	Al Ansari Exchange LLC
Hamza Hamid Khawaja	Head of Cards	Al Ansari Exchange LLC

Vivek Parameshwaran Nair	Country Head - Kuwait	Al Ansari Exchange Kuwait
Kapil Dev Arora	Group Head of Correspondents and Banking Relations	Al Ansari Exchange 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 of this Prospectus was made by the Founder.

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 March 2023, electronically without physical attendance of the shareholders at 9:00am.

The business address of each of the Directors is Office No. 804, Al Ansari Business Center, Al Barsha 1, Dubai, United Arab Emirates P.O Box 6176.

Board Committees

On and following Listing, the Board intends to operate and constitute an Audit Committee, and a Nomination and Remuneration 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 membership on each of the committees of the Board on and following Listing.

Director	Audit Committee	Nomination and Remuneration Committee
Chairperson	Nitin Khanna	Marcello Baricordi
Member	Marcello Baricordi	Raja Al Mazrouei
Member	Fuad Al Ansari	Eisa Al Ansari

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 Nitin Khanna (Chairperson and independent Non-Executive Director), Marcello Baricordi (independent Non-Executive Director) and Fuad Al Ansari (Non-Executive Director). The Audit Committee is required to meet at least once every three months during the 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 Marcello Baricordi (Chairman and independent Non-Executive Director), Raja Al Mazrouei (independent Non-Executive Director), and Eisa Al Ansari (Non-Executive Director). The Nomination and Remuneration Committee is required to meet not less than once 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 this 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 PJSC 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**

The 2022 Financial Statements included in this Prospectus have been audited by PwC (the "**Independent Auditors**") in accordance with the International Standards on Auditing ("**ISAs**") as stated in their independent auditor's report appearing herein.

The 2021 Financial Statements included in this Prospectus have been audited by PwC in accordance with the ISAs as stated in their independent auditor's report appearing herein (which contains an emphasis on matter paragraph, drawing attention to notes 2(c) and 29 of the 2021 Financial Statements, included elsewhere in this Prospectus, which describe the details of amendments made to the previously issued consolidated financial statements for the year ended 31 December 2021).

The 2020 Financial Statements included in this Prospectus have been audited by PwC in accordance with the ISAs as stated in their independent auditor's report appearing herein.

PricewaterhouseCoopers (Dubai Branch)
Building 5, Emaar Square
P.O. BOX 11987
Dubai, United Arab Emirates

- **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 **Al Ansari Financial Services 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

Annex (1) – Financial Statements

Al Ansari Financial Services L.L.C.
(Formerly Al Ansari Holding L.L.C.)

Consolidated Financial Statements

For the year ended 31 December 2022

Al Ansari Financial Services L.L.C.
(Formerly Al Ansari Holding L.L.C.)

Directors' report and consolidated financial statements

For the year ended 31 December 2022

Contents	**Pages**

Al Ansari Financial Services L.L.C.
(Formerly Al Ansari Holding L.L.C.)

Directors' report for the year ended 31 December 2022

The Board of Directors are pleased to submit their report on the activities of Al Ansari Financial Services L.L.C. (the "Company") and its subsidiaries (together "the Group") for the year ended 31 December 2022 together with the consolidated audited financial statements and auditor's report thereon.

Principal activities

The Group is engaged in the business of buying and selling of foreign currencies and travellers cheques, execute remittance operations in local and foreign currencies, payment of wages through establishing a link to the operating system of "wages protection", special products (i.e. bill payments, cash collections, sale and reload of multi-currency prepaid cards) and transportation of cash and valuables.

Initial Public Offering

On 1 September 2022, the Group decided to offer a certain percentage of shares (percentage is yet to be decided) to the public through Initial Public Offering (IPO). Accordingly, these consolidated financial statements as of and for the year ended 31 December 2022 have been prepared in connection with the listing of the Company on the Dubai Financial Market in the United Arab Emirates.

Group restructuring

In November 2022, the Board has executed internal restructuring of the Group whereby the Company sold the entirety of the shares owned by it in Al Ansari Real Estate LLC and Al Ansari Financial Brokerage L.L.C. to Al Ansari Holding LLC, the parent entity incorporated in 2022. These entities were engaged in the business of real estate development and facilities management and provide brokerage services in local securities traded on Dubai Financial Market (DFM) & Abu Dhabi Stock Exchange (ADX).

Results for the year

The consolidated financial position of the Group as of 31 December 2022, together with the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended are set out in the accompanying consolidated financial statements.

During the year, the Group has witnessed a growth of income from continued operations by 19% and growth in net profit attributable to shareholders by 21%.

We are thankful to our customers, business partners and employees for their continual support to the Group. We look forward to maintaining a better trend in upcoming years and hope to reach further milestone in our business.

Mohammad Ali Al Ansari
Chairman
21 February 2023

Independent auditor's report to the shareholders of Al Ansari Financial Services L.L.C.

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Al Ansari Financial Services L.L.C. (the "Company") and its subsidiaries (together the "Group") as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2022;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Responsibilities of directors and those charged with governance for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable provisions of the UAE Federal Law No. 32 of 2021, and for such internal control as directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

Independent auditor's report to the shareholders of Al Ansari Financial Services L.L.C. (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- 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.

Report on other legal and regulatory requirements

Further, as required by the UAE Federal Law No. 32 of 2021, we report that for the year ended 31 December 2022:

i) we have obtained all the information we considered necessary for the purposes of our audit;

ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. 32 of 2021;

iii) the Group has maintained proper books of account;

iv) the Group has not purchased any shares during the year ended 31 December 2022;

v) note 11 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted; and

vi) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the year ended 31 December 2022 any of the applicable provisions of the UAE Federal Law No. 32 of 2021, or in respect of the Group, its Memorandum of Association which would materially affect its activities or its financial position as at 31 December 2022.

PricewaterhouseCoopers
21 February 2023

Douglas O'Mahony
Registered Auditor Number 834
Place: Dubai, United Arab Emirates

Al Ansari Financial Services L.L.C.
(Formerly Al Ansari Holding L.L.C.)

Consolidated statement of financial position

	Note	As at 31 December 2022 AED'000	2021 AED'000
ASSETS			
Non-current assets			
Right of use assets	6	67,235	49,524
Property, equipment and intangibles	7	49,067	58,055
Capital work in progress	8	4,337	2,598
Investment properties	9	-	240,863
		120,639	**351,040**
Current assets			
Cash in hand and in transit	10	1,051,113	1,078,135
Due from banks	10	1,432,617	1,674,606
Due from exchange houses and agents	10	64,863	114,411
Due from related parties	11	217	15,857
Prepayments and other receivables	12	94,001	116,730
Investments securities at fair value through profit or loss		-	4,612
		2,642,811	**3,004,351**
Total assets		**2,763,450**	**3,355,391**
LIABILITIES AND EQUITY			
LIABILITIES			
Non-current liabilities			
Lease liabilities	14	23,658	18,115
Provision for employees' end of service benefits	15	41,853	39,381
		65,511	**57,496**
Current liabilities			
Trade and other payables	16	657,492	587,042
Due to banks	17	10,824	8,836
Due to exchange houses and agents	17	39,861	40,082
Due to related parties	11	817	109,406
Borrowings from banks	18	348,750	-
Lease liabilities	14	33,965	26,059
		1,091,709	**771,425**
Total liabilities		**1,157,220**	**828,921**
EQUITY			
Share capital	20	75,000	50,000
Acquisition reserve	21	286,143	1,381,043
Shareholders' current account	22	-	96,934
Retained earnings		1,245,087	983,980
Total shareholders' equity		**1,606,230**	**2,511,957**
Non-controlling interest		-	14,513
Total equity		**1,606,230**	**2,526,470**
Total liabilities and equity		**2,763,450**	**3,355,391**

These financial statements were approved and authorised for issue by the Chief Executive Officer on the authority of shareholder on 21 February 2023.

Rashed Al Ansari
Chief Executive Officer

The notes on pages 9 to 45 are an integral part of these consolidated financial statements.

Al Ansari Financial Services L.L.C.
(Formerly Al Ansari Holding L.L.C.)

Consolidated statement of comprehensive income
For the year ended 31 December 2022

	Note	2022 AED'000	2021 AED'000 (Re-presented)
Continuing operations			
Income			
Net gain on currency exchange		607,070	458,529
Net commission income	23	547,410	511,682
Interest income – net		11,484	4,968
Other income		4,339	7,481
		1,170,303	**982,660**
Expenses			
Salaries and benefits	24	(406,607)	(351,892)
General and administrative expenses	25	(99,951)	(79,168)
Depreciation and amortisation	26	(70,585)	(59,730)
Provision for expected credit losses	10.5	(2,000)	(4,000)
Finance cost on lease liabilities		(2,306)	(1,679)
Bank charges		(1,196)	(605)
Profit from continuing operations		**587,658**	**485,586**
Profit from discontinued operations	5	7,637	5,629
Net profit for the year		**595,295**	**491,215**
Other comprehensive income		-	-
Total comprehensive income for the year		**595,295**	**491,215**
Net profit attributable to:			
Shareholders of Al Ansari Financial Services L.L.C.		594,859	491,150
Non-controlling interest		436	65
		595,295	**491,215**
Profit attributable to shareholders of Al Ansari Financial Services L.L.C.:			
Continuing operations		**587,658**	485,586
Discontinued operations		**7,201**	5,564
		594,859	**491,150**
Basic and diluted earnings per share			
Continuing operations – AED per share	27	0.0784	0.0647
Discontinued operations – AED per share	27	0.0009	0.0007
Total basic and diluted earnings per share - AED		0.0793	0.0654

The notes on pages 9 to 45 are an integral part of these consolidated financial statements.

Al Ansari Financial Services L.L.C.
(Formerly Al Ansari Holding L.L.C.)

Consolidated statement of equity
For the year ended 31 December 2022

	Share capital AED'000	Acquisition reserve AED'000	Shareholders' current account AED'000	Retained earnings AED'000	Total Shareholders' equity AED'000	Non-controlling interest AED'000	Total equity AED'000
At 1 January 2021	50,000	1,381,043	259,787	668,758	2,359,588	14,448	2,374,036
Total comprehensive income for the year ended 2021	-	-	-	491,150	491,150	65	491,215
Distribution of dividend (note 28)	-	-	-	(175,928)	(175,928)	-	(175,928)
Distribution from current account (note 22)	-	-	(162,853)	-	(162,853)	-	(162,853)
At 31 December 2021	50,000	1,381,043	96,934	983,980	2,511,957	14,513	2,526,470
At 1 January 2022	**50,000**	**1,381,043**	**96,934**	**983,980**	**2,511,957**	**14,513**	**2,526,470**
Total comprehensive income for the year ended 2022	-	-	-	594,859	594,859	436	595,295
Distribution of dividend (note 28)	-	(1,069,900)	-	(333,752)	(1,403,652)	-	(1,403,652)
Distribution from current account (note 22)	-	-	(96,934)	-	(96,934)	-	(96,934)
Increase in share capital through transfer from acquisition reserve (note 20)	25,000	(25,000)	-	-	-	-	-
Sale of subsidiaries (note 5)	-	-	-	-	-	(14,949)	(14,949)
At 31 December 2022	**75,000**	**286,143**	**-**	**1,245,087**	**1,606,230**	**-**	**1,606,230**

The notes on pages 9 to 45 are an integral part of these consolidated financial statements.

Al Ansari Financial Services L.L.C.
(Formerly Al Ansari Holding L.L.C.)

Consolidated statement of cash flows
For the year ended 31 December 2022

	Note	2022 AED'000	2021 AED'000
Operating activities			
Net profit for the year including profit from discontinued operations		595,295	491,215
Adjustments for:			
Depreciation and amortisation *	5, 26	75,475	65,054
Provision for expected credit losses	10.5	2,000	4,000
Provision for employees' end of service benefits *	15	6,731	4,876
Gain on disposal of property, equipment and intangibles		(119)	(490)
Operating cash flows before settlement of employees' end of service benefits and changes in working capital		**679,382**	**564,655**
Settlement of employees' end of service benefits	15	(3,664)	(2,802)
Changes in working capital:			
Due from exchange houses and agents		49,548	(69,301)
Due from related parties *		9,529	(9,882)
Prepayment and other receivables *		(13,592)	(9,480)
Trade and other payables *		80,977	55,585
Due to related parties *		(107,527)	(51,671)
Due to exchange houses and agents		(221)	13,004
Blocked deposits with banks *		(29,621)	(2,838)
Net cash generated from operating activities		**664,811**	**487,270**
Investing activities			
Payment for purchase of property, equipment and intangibles		(19,366)	(13,353)
Net cash and cash equivalents transferred upon sale of subsidiaries		(18,133)	-
Capital work in progress		(11,589)	(14,657)
Investment properties *		(106)	(91)
Fixed deposits		(196,925)	240,000
Investments at fair value through profit & loss		(4)	(856)
Proceeds from sale of property and equipment		163	920
Net cash generated (used in) / from investing activities		**(245,960)**	**211,963**
Financing activities			
Dividends paid *	28	(1,077,852)	(175,928)
Disbursements from shareholders' current account		(96,934)	(162,853)
Finance lease liabilities paid	14	(56,208)	(41,351)
Borrowings from banks *	5, 18	357,510	-
Net cash used in financing activities		**(873,484)**	**(380,132)**
Net change in cash and cash equivalents		(454,633)	319,101
Cash and cash equivalents at the beginning of the year		2,681,258	2,362,157
Cash and cash equivalents at the end of the year	13	**2,226,625**	**2,681,258**

Non-cash financing activity: refer to note 28.
Non-cash investing activity: refer to Note 6.

* For cash flows of the discontinued operations, please refer note 5.

The notes on pages 9 to 45 are an integral part of these consolidated financial statements.

1 Legal status and principal activities

Al Ansari Financial Services L.L.C (formerly Al Ansari Holding L.L.C.) (the "Company") was incorporated on 9 May 2016 and is registered under the laws of the United Arab Emirates ("UAE") as a limited liability company.

On 15 November 2022, the shareholders of the Company namely, Mr. Mohammad Ali Al Ansari, Mr. Fuad Ali Abual Hassan Al Ansari, Mr. Eisa Ali Abual Hassan Al Ansari, Mr. Rashed Ali Abual Hassan Al Ansari, Mrs. Seddeqa Murtuza Ali, Mrs. Fatma Ali Abual Hassan Al Ansari and Mrs. Maryam Ali Abual Hassan Al Ansari have transferred their equity interest in the Company to a newly incorporated entity, Al Ansari Holding L.L.C. (a company incorporated in 2022).

Accordingly, Al Ansari Financial Services L.L.C. has become the wholly owned subsidiary of Al Ansari Holding L.L.C. as at that date.

As at 31 December 2022, the ultimate shareholders of the Group were Mohammad Ali Al Ansari, Fuad Ali Al Ansari, Eisa Ali Al Ansari, Rashed Ali Al Ansari, Mrs. Seddeqa Murtaza, Mrs. Fatema Al Ansari and Mrs. Maryam Al Ansari.

The Company together with its following subsidiaries are collectively referred to hereafter as the "Group".

Name of the subsidiary	**Percentage holding**	
	2022	**2021**
Al Ansari Exchange L.L.C.	100%	100%
Al Ansari Real Estate L.L.C. (note 5)	-	100%
Al Ansari Financial Brokerage L.L.C. (Formerly Al Ansari Financial Services L.L.C.) (note 5)	-	78%
Worldwide Cash Express Limited	100%	100%
Blue Horizon on Demand Labours Supply Services L.L.C.	100%	100%
Cash Trans Money & Valuables Transport Services L.L.C.	100%	100%

All the subsidiaries mentioned above are incorporated in the United Arab Emirates.

The Group is engaged in the business of buying and selling of foreign currencies and travellers cheques, cheques, execute remittance operations in local and foreign currencies, payment of wages through establishing a link to the operating system of "wages protection", special products (i.e. bill payments, cash collections, sale and reload of multi-currency prepaid cards) and transportation of cash and valuables.

On 20 September 2021, the UAE Federal Decree Law No. 32 of 2021 ("Companies Law") was issued and came into effect on 2 January 2022 which repealed the UAE Federal Law No. 2 of 2015.

On 1 September 2022, the Group decided to offer a certain percentage of shares (percentage is yet to be decided) to the public through Initial Public Offering (IPO). Accordingly, these consolidated financial statements as of and for the year ended 31 December 2022 have been prepared in connection with the listing of the Company on the Dubai Financial Market in the United Arab Emirates.

In November 2022, the Board has executed internal restructuring of the Group whereby the Company sold the entirety of the shares owned by it in Al Ansari Real Estate LLC and Al Ansari Financial Brokerage L.L.C. to Al Ansari Holding LLC, the parent entity incorporated in 2022 (note 5). These entities were engaged in the business of real estate development and facilities management and provide brokerage services in local securities traded on Dubai Financial Market (DFM) & Abu Dhabi Stock Exchange (ADX).

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax regime in the UAE.

1 Legal status and principal activities (continued)

The Law was previously gazetted on 10 October 2022, becoming law 15 days later. The Corporate Tax regime will become effective for accounting periods beginning on or after 1 June 2023. Generally, UAE businesses will be subject to a 9% corporate tax rate, while a rate of 0% will apply to taxable income not exceeding a particular threshold to be prescribed by way of a Cabinet Decision (expected to be AED 375,000 based on information released by the Ministry of Finance).

However, there are a number of significant decisions that are yet to be finalised by way of a Cabinet Decision, including the threshold mentioned above, that are critical for entities to determine their tax status and the amount of tax due. Therefore, pending such important decisions by the Cabinet, the Group has determined that the Law was not practically operational as at 31 December 2022, and so not enacted or substantively enacted from the perspective of IAS 12 – Income Taxes. The Group shall continue to monitor the timing of the issuance of these critical Cabinet Decisions to determine its tax status and the applicability of IAS 12 – Income Taxes. The Group is currently in the process of assessing the possible impact on its consolidated financial statements, both from current and deferred tax perspective, once the Law becomes substantively enacted.

The registered office of the Group is at PO Box 6176, Dubai, UAE.

2 Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC) and the applicable requirements of laws of the United Arab Emirates.

(b) Basis of measurement

The financial statements have been prepared under the historical cost convention except for derivatives and investment securities at fair value through profit or loss which are recognised at fair value and the provision for employees' end of service benefits which is measured in accordance with the projected unit method under IAS 19, and on a going concern basis.

(c) Functional and presentation currency

The functional and presentation currency of the Group is UAE Dirham ("AED"), the currency of primary economic environment in which the Group operates.

(d) Basis of consolidation

Subsidiary

A subsidiary is an investee controlled by the Group. The Group controls an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of a subsidiary are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but to the extent that there is no evidence of impairment.

3 Significant accounting policies

3.1 New and revised IFRSs applied on the consolidated financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2022, have been adopted in these financial statements. The application of these revised IFRSs, except where stated, has not had any material impact on the amounts reported for the current and prior years.

- **Narrow-scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 9 and IFRS 16**

  Amendments to IFRS 3, 'Business combinations' update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

  Amendments to IAS 16, 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

  Amendments to IAS 37, 'Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making.

  Annual improvements make minor amendments to IFRS 9, 'Financial instruments', and the Illustrative Examples accompanying IFRS 16, 'Leases'.

- **IFRIC Agenda decision – Lessor forgiveness of lease payments (IFRS 9 and IFRS 16)**

  In October 2022, the IASB finalised the agenda decision approved by the IFRS Interpretation Committee (IFRS IC) on 'Lessor Forgiveness of Lease Payments (IFRS 9 and IFRS 16)'. The agenda decision addresses the accounting from the perspective of the lessor, and in particular:

  - how the expected credit loss ('ECL') model in IFRS 9 should be applied to the operating lease receivable when the lessor expects to forgive payments due from the lessee under the lease contract before the rent concession is granted.
  - whether to apply the derecognition requirements in IFRS 9 or the lease modification requirements in IFRS 16 when accounting for the rent concession.

3 Significant accounting policies (continued)

3.2 New and revised IFRSs issued but not yet effective and not early adopted (continued)

New and revised IFRSs	**Effective for annual periods beginning on or after**
IFRS 17, 'Insurance contracts' - On 18 May 2017, the IASB finished its long-standing project to develop an accounting standard on insurance contracts and published IFRS 17, 'Insurance Contracts'. IFRS 17 replaces IFRS 4, which currently permits a wide variety of practices. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. The standard applies to annual periods beginning on or after 1 January 2023, with earlier application permitted if IFRS 15, 'Revenue from contracts with customers' and IFRS 9, 'Financial instruments' are also applied. IFRS 17 requires a current measurement model, where estimates are remeasured in each reporting period. The measurement is based on the building blocks of discounted, probability-weighted cash flows, a risk adjustment and a contractual service margin ("CSM") representing the unearned profit of the contract. A simplified premium allocation approach is permitted for the liability for the remaining coverage if it provides a measurement that is not materially different from the general model or if the coverage period is one year or less. However, claims incurred will need to be measured based on the building blocks of discounted, risk-adjusted, probability weighted cash flows. Management expects that the adoption of IFRS 17 will not have an impact on the amounts reported and disclosures made in these consolidated financial statements.	1 January 2023
Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8 ¬ The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. The impact of the above amendments is expected to be immaterial on the consolidated financial statements of the Group.	1 January 2023

3 Significant accounting policies (continued)

3.2 New and revised IFRSs issued but not yet effective and not early adopted (continued)

New and revised IFRSs	**Effective for annual periods beginning on or after**
Amendment to IAS 12 – deferred tax related to assets and liabilities arising from a single transaction- These amendments require companies to recognise deferred tax on transactions that, on initial recognition gives rise to equal amounts of taxable and deductible temporary differences.	1 January 2023
Amendment to IFRS 16 – Leases on sale and leaseback- These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.	Annual periods beginning on or after 1 January 2024
Amendment to IAS 1 – Non-current liabilities with covenants - These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.	Annual periods beginning on or after 1 January 2024

The Group is currently assessing the impact of these standards, interpretations and amendments on the future consolidated financial statements and intends to adopt these, where applicable, when they become effective. There are no other relevant applicable new standards and amendments to published standards or IFRIC interpretations that have been issued but are not effective for the first time for the Group's financial year beginning on 1 January 2023 that would be expected to have a material impact on the consolidated financial statements of the Group.

3 Significant accounting policies (continued)

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.3 Revenue recognition

Income mainly comprises of net gain on exchange, commission earned on remittances, sale and purchase of bank notes, prepaid cards and other related services.

Net gain on currency exchange is recognised when the transaction is executed. Commission on remittances, bank notes, prepaid cards and other related services is recognised when the related services are performed and instruments are issued / accepted. Commission expense is only recognised when the remittances are processed.

3.4 Interest income / expense

Interest income and expense for all interest-bearing financial instruments are recognized in the statement of comprehensive income on an accrual basis using the effective interest rates of the financial assets or financial liabilities to which they relate.

The effective interest rate is the rate that discounts estimated future cash receipts and payments earned or paid on a financial asset or a liability through its expected life or, where appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

When calculating effective interest rates, the Group estimates cash flows considering all contractual terms of the financial instruments excluding future credit losses. The calculation includes all amounts paid or received by the Group that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

3 Significant accounting policies (continued)

3.5 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged to the consolidated statement of comprehensive income on a straight-line basis so as to write off cost of furniture & equipment over estimated useful lives as follows:

Class of assets	**Life (years)**
Building	50
Furniture	4
Fixtures	5 years or lease term, whichever is lower
Office equipment	4
Computers (hardware and software)	4
Motor vehicles	3

Useful life, residual values and depreciation method are reassessed at each reporting date with the effect of any change in the estimate, accounted for on the prospective dates.

The cost of replacing part of an item of furniture and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in the consolidated statement of comprehensive income as incurred.

3.6 Intangibles

Software developed in-house or externally by the Group is stated at cost less accumulated amortisation and impairment losses, if any. Cost of the software represents the costs incurred to develop and bring the specific software to use.

Amortisation is recognised in the consolidated statement of comprehensive income on a straight-line basis over the estimated useful life of the software, from the date it is available for use. The useful life of software is estimated to be four years.

3.7 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including investment property under construction for such purposes). Investment properties are measured at cost, including related transaction costs, less accumulated depreciation and any accumulated impairment losses in accordance with the cost model of IAS 40: Investment property.

Depreciation is charged on a straight-line basis over the estimated useful lives as follows:

	Life (years)
Buildings	20 - 50

No depreciation is charged on land and capital work in progress.

3 Significant accounting policies (continued)

3.7 Investment properties (continued)

The useful lives and depreciation method of investment properties are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these properties.

Management does not consider any residual value as it is deemed immaterial.

Expenditure incurred to replace a component of an item of investment properties that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written-off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of investment properties. All other expenditure is recognised in the consolidated statement of comprehensive income as the expense is incurred.

Investment properties are derecognised upon disposal or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the consolidated statement comprehensive income in the period in which the property is derecognised.

3.8 Capital work in progress (CWIP)

Capital work in progress represents expenditure incurred in respect of renovation and setting up of new branches are stated at cost less impairment loss, if any. CWIP is transferred to property and equipment once set up is completed.

3.9 Impairment of non-financial assets

Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are measured at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that incurred impairment are reviewed for possible reversal of the impairment at each reporting date.

3 Significant accounting policies (continued)

3.10 Financial instruments

(i) Classification and measurement

A financial instrument is any contract that gives rise to a financial asset / liability for the Group and a financial asset / liability or equity instrument of another party. The Group classifies its financial assets into the following measurement categories:

i. those to be measured at fair value; and
ii. those to be measured at amortised cost.

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

The classification depends on the Group's business model for managing financial assets and the contractual terms of the financial assets' cash flows. All financial instruments, other than investment securities, are classified as financial assets at amortised cost or financial liabilities at amortised cost. Financial assets at amortised cost are assessed for impairment at each reporting date.

Financial assets of the Group consist of cash at bank and in hand, due from exchange houses and agents, due from related parties and other receivables. The financial assets are initially recognised at fair value and measured subsequently at amortised cost using the effective interest method.

Investment securities, held at fair value through profit and loss, are initially recognised at fair value, with transaction costs incurred in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the consolidated statement of comprehensive income as they arise.

Financial liabilities of the Group consist of due to banks, due to exchange houses and agents, trade and other payables, due to related parties and bank borrowings. Financial liabilities are recognised initially at fair value net of transaction costs incurred and subsequently stated at amortised cost, using the effective interest rate method.

(ii) Derecognition of financial assets and financial liabilities

The Group derecognises a financial asset when contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired.

3 Significant accounting policies (continued)

3.10 Financial instruments (continued)

(iii) Impairment of financial assets

Measurement of Expected Credit Losses ("ECL"): IFRS 9 outlines a 'three-stage' model for impairment of financial assets based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Group identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). If the Group determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. Note 4 (i) includes how the Group determines when a SICR has occurred.

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- exposure at default (EAD);
- loss given default (LGD).

PD - The probability of default is an estimate of the likelihood of default over a given time horizon.
EAD - The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date.
LGD - The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

ECL should reflect an unbiased, probability-weighted outcome as opposed to the single best estimate allowed under the current approach. The probability-weighted outcome considers multiple scenarios based on reasonable forecasts.

IFRS 9 Impairment model uses a three-stage approach based on the extent of credit deterioration since origination:

Stage 1 – 12-month ECL applies to all financial assets that have not experienced a significant increase in credit risk (SICR) since origination and are not credit impaired. The ECL will be computed using a 12-month PD that represents the probability of default occurring over the next 12 months. For those assets with a remaining maturity of less than 12 months, a PD is used that corresponds to the remaining maturity.

Stage 2 – When a financial asset experiences a SICR subsequent to origination but is not credit impaired, it is considered to be in Stage 2. This requires the computation of ECL based on a lifetime PD that represents the probability of default occurring over the remaining estimated life of the financial asset. Provisions are higher in this stage because of an increase in risk and the impact of a longer time horizon being considered compared to 12 months in Stage 1.

Stage 3 – Financial assets that have objective evidence of impairment will be included in this stage. Similar to Stage 2, the allowance for credit losses will continue to capture the lifetime expected credit losses.

3 Significant accounting policies (continued)

3.10 Financial instruments (continued)

(iii) Impairment of financial assets (continued)

The Group applies three-stage model for impairment, based on changes in credit quality since initial recognition to recognises loss allowances for expected credit losses (ECL) on the following financial instruments that are not measured at FVTPL:

- Due from banks
- Due from exchange houses and agents
- Due from related parties

Financial assets measured at amortized cost are presented in the consolidated statement of financial position net of the allowance for ECL. Changes in amortised cost, net of allowance for ECL, are recognised in consolidated statement of comprehensive income.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

For other receivables, the Group applied the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Under this approach, the Group measures the loss allowance for accounts receivable at an amount equal to lifetime ECL. The ECL on other receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Group writes off a receivable when there is information indicating that the debtor is in severe financial difficulty and when there is no realistic prospect of recovery.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

3 Significant accounting policies (continued)

3.11 Cash and cash equivalents

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise cash in hand, cash in transit, due from banks and fixed deposits which have a maturity of less than three months less amounts held as blocked deposits and due to banks. Blocked deposits are funds placed by the Group in accordance with the correspondence arrangements with various corresponding banks. These funds are not available to the Group for its day-to-day operations.

3.12 Other receivables

Other receivables include deposit with tax authorities related to taxes other than income tax is recognised as an asset in the consolidated statement of financial position and is measured at amortised cost. The deposit is a right to obtain future economic benefits, either by receiving a refund or by utilising the deposit to settle a tax liability.

3.13 Foreign currencies

Transactions denominated in foreign currencies are translated to AED at the foreign exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to AED at exchange rates prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to AED at the foreign exchange rates prevailing at the date of the transaction. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Foreign exchange differences arising on translation are recognised in the consolidated statement of comprehensive income.

3.14 Employees' end of service benefits

A provision is made in accordance with the provisions of IAS 19 "Employee Benefits" for the end of service benefits due to employees in accordance with the Labour Law, for their period of service up to the date of consolidated statement of financial position. This amount is charged to the consolidated statement of comprehensive income.

3.15 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if the amount of the receivable can be measured reliably.

3 Significant accounting policies (continued)

3.16 Related party transactions

Related party transactions are transfers of resources, services or obligations between the Group and a related party, regardless of whether a price is charged. They include commitments to do something if a particular event occurs (or does not occur) in the future and executory contracts (recognised or unrecognised). All of the related party information required by IAS 24 that is relevant to the Group has been presented in note 11.

3.17 Value Added Tax (VAT)

The Group recorded a VAT payable net of payments in the accompanying consolidated financial statements at the applicable rate of 5%. Sales revenue represents the invoiced value of services, net of VAT. All of the VAT returns of the Group have been and remain subject to examination by the tax authorities for five years from the date of filing.

3.18 Lease Liabilities and Right-of-use assets

The Group's leasing activities and how these are accounted for

The Group leases mainly offices and branch locations. Rental contracts are typically made for fixed periods of 1 year to 5 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Rental contracts may contain both lease and non-lease components.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:
i. fixed payments (including in-substance fixed payments), less any lease incentives receivable
ii. variable lease payment that are based on an index or a rate
iii. amounts expected to be payable by the lessee under residual value guarantees
iv. the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
v. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted based on the incremental borrowing rate determined by the Group, being the rate that the lessee would have to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Future cash outflows to which the Group is potentially exposed to and that are not reflected in the measurement of lease liabilities includes the following:

i. variable lease payments;
ii. extension options and termination options;
iii. leases not yet commenced to which the lessee is committed;

Right-of-use assets are measured at cost comprising the following:
i. the amount of the initial measurement of lease liability
ii. as applicable, any lease payments made at or before the commencement date less any lease incentives received, and
iii. as applicable, any initial direct costs.

Leases of low value assets mainly comprise office equipment (scanner and printer machines).

3 Significant accounting policies (continued)

3.18 Lease Liabilities and Right-of-use assets (continued)

Variable lease payments

Impact of leases containing variable payment terms that are linked to sales generated or any other type of variable aspects are found to be immaterial with the Group.

Extension and termination options

Extension and termination options are included in a number of leases. These terms are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Some extension and termination options held are exercisable by the Group, others require both the lessee and the lessor to mutually agree so that an option to extend or early terminate is exercised. Approximately, AED 6.90 million (2021: AED 5.09 million) of the total lease payments included in the calculation of the lease liability in 2022 were optional.

3.19 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs which are subsequently carried at amortised cost and any difference between the proceeds (net of transaction costs) and the redemption value is amortised over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities in case if settlement is due within 12 months otherwise, they are classified as non-current liabilities.

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 payment through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. The future cash payment is estimated taking into account all the contractual terms of the instrument.

4 Significant accounting estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are described below.

(i) Expected Credit Loss (ECL) on financial assets

Financial assets accounted for at amortised cost are evaluated for impairment on a basis described in Note 3.10. The Group reviews its financial assets to assess impairment on a regular basis. In determining whether an impairment loss should be recorded in the consolidated statement of comprehensive income, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the contractual future cash flows from an asset or group of assets. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss.

(ii) Useful lives of property and equipment

The cost of property and equipment is depreciated over its estimated useful lives. Depreciation is based on expected usage of the asset and expected physical wear and tear, which depends on operational factors. The management has not considered any residual value as it is deemed immaterial. The estimated useful life is monitored and adjustments are made in future periods, if future factors indicate that such adjustments are appropriate.

(iii) Classification and measurement of financial assets

The classification and measurement of financial assets depend on the management's business model for managing its financial assets and on the contractual cash flow characteristics of the financial asset assessed. Management is satisfied that the Group's investments in securities are appropriately classified and measured.

(iv) Lease term and practical expedients applied

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). Potential future cash outflows of AED 32.41 million (2021: AED 27.83) million have not been included in the lease liability because the Group is not reasonably certain that the lessees will be extended. The assessment is reviewed at each reporting period if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Group.

(v) Other provisions

Management has applied judgement in recognising certain provisions. Management has based their judgement on experience and their judgement is supported through management's external experts.

5 Discontinued operations

On 30 September 2022, the Board resolved to carry out an internal restructuring of the Group whereby the entirety of the shares owned by the Company in Al Ansari Real Estate LLC and Al Ansari Financial Brokerage LLC ("the subsidiaries") were resolved to be sold to Al Ansari Holding LLC, the parent entity incorporated in 2022. These subsidiaries were sold on 24 November 2022 and 30 November 2022, respectively and are reported in the current year as discontinued operations. The sale of the subsidiaries was considered as a common control transaction as defined in IFRS 3 "Business Combination".

Financial information and cash flow information presented are for the period from 1 January until the date of sale of subsidiaries:

	2022 **AED'000**	2021 AED'000
Net commission income	5,066	4,270
Interest income – net	1,706	1,603
Rental income	14,974	15,426
Other Income	1,125	831
	22,871	**22,130**
Salaries and benefits	(2,969)	(3,448)
General and administrative expenses	(6,807)	(7,120)
Depreciation and amortisation (notes 7 and 9)	(4,890)	(5,324)
Bank and finance charges	(568)	(609)
Profit from discontinued operations	**7,637**	**5,629**

Net cash flows used in operating activities	(10,784)	(996)
Net cash flows used in investing activities	(2,258)	(1,224)
Net cash flows generated from financing activities	8,760	-
Net cash flows used in discontinued operations	**(4,282)**	**(2,220)**

5 Discontinued operations (continued)

The carrying amounts of assets and liabilities as at the date of sale of subsidiaries were:

	30 November 2022 AED'000
Property, equipment and intangibles	18,974
Investment properties	236,626
Cash in hand and in transit	103
Due from banks	18,030
Blocked deposits with banks	40,912
Due from related parties	6,111
Prepayments and other receivables	36,321
Investments securities at fair value through profit or loss	4,616
Total assets	**361,693**
Provision for employees' end of service benefits	595
Trade and other payables	10,527
Due to related parties	1,062
Borrowing from banks	8,760
Non-controlling interest	14,949
Total liabilities	**35,893**
Net assets (for settlement refer note 28).	**325,800**

6 Right of use assets

	2022 AED'000	**2021** AED'000
Right of use assets - Properties	**67,235**	**49,524**

The movement of right of use assets - properties is provided below:

	2022 AED'000	**2021** AED'000
At 1 January	49,524	47,988
Additions – new leases	69,657	44,609
Depreciation expenses (note 26)	(51,946)	(43,073)
At 31 December	**67,235**	**49,524**

7 Property, equipment and intangibles

	Building AED'000	Furniture and fixtures AED'000	Computers, software, and office equipment AED'000	Motor vehicles AED'000	Total AED'000
Cost					
At 1 January 2021	23,665	84,729	66,258	10,700	185,352
Additions	-	2,238	8,687	2,428	13,353
Transfer from capital work in progress (note 8)	-	14,136	-	-	14,136
Disposals and write-offs	-	(1,291)	(233)	(4,285)	(5,809)
At 31 December 2021	23,665	99,812	74,712	8,843	207,032
Additions	-	4,857	13,459	1,050	19,366
Transfer from capital work in progress (note 8)	-	9,850	-	-	9,850
Disposals and write offs	-	(903)	(5,556)	-	(6,459)
Sale of subsidiaries (note 5)	(23,665)	(2,221)	(6,476)	(270)	(32,632)
At 31 December 2022	**-**	**111,395**	**76,139**	**9,623**	**197,157**
Accumulated depreciation, amortisation and impairment					
At 1 January 2021	4,457	72,104	51,416	9,137	137,114
Charge for the year	474	7,225	6,866	915	15,480
Disposals and write-offs	-	(861)	(233)	(4,285)	(5,379)
Provision for impairment	-	1,762	-	-	1,762
At 31 December 2021	4,931	80,230	58,049	5,767	148,977
Charge for the year	435	9,411	8,400	940	19,186
Disposals and write-offs	-	(865)	(5,550)	-	(6,415)
Sale of subsidiaries (note 5)	(5,366)	(2,085)	(5,947)	(260)	(13,658)
At 31 December 2022	**-**	**86,691**	**54,952**	**6,447**	**148,090**
Net book amount					
As at 31 December 2022	**-**	**24,704**	**21,187**	**3,176**	**49,067**
As at 31 December 2021	18,734	19,582	16,663	3,076	58,055

	2022 AED'000	2021 AED'000
Depreciation charged for the year:		
- continued operations	18,639	14,895
- discontinued operations	547	585
	19,186	15,480

8 Capital work in progress

	2022 AED'000	2021 AED'000
At 1 January	2,598	2,077
Additions	11,589	14,657
Transfer to property, equipment and intangibles (note 7)	(9,850)	(14,136)
At 31 December	**4,337**	**2,598**

Capital work in progress includes expenditure made in respect of setting up and renovation of new and existing branches.

9 Investment properties

Investment properties represent properties held at cost less accumulated depreciation and any impairment losses under the cost model in accordance with IFRS. They were held for the purpose of rental generation and capital appreciation.

As of 30 November 2022, all the investment Properties were disposed of pursuant to sale of subsidiaries (note 5).

	Land AED'000	**Buildings** AED'000	**Capital work in progress** AED'000	**Total** AED'000
Cost				
At 1 January 2021	86,800	182,826	1,240	270,866
Additions	-	-	91	91
As at 31 December 2021	86,800	182,826	1,331	270,957
Additions	-	-	106	106
Sale of subsidiaries	(86,800)	(182,826)	(1,437)	(271,063)
As at 31 December 2022	**-**	**-**	**-**	**-**
Accumulated depreciation				
At 1 January 2021	-	25,355	-	25,355
Charge for the year	-	4,739	-	4,739
At 31 December 2021	-	30,094	-	30,094
Charge for the year	-	4,343	-	4,343
Sale of subsidiaries	-	(34,437)	-	(34,437)
At 31 December 2022	-	-	-	-
Net book value				
At 31 December 2022	-	-	-	-
At 31 December 2021	86,800	152,732	1,331	240,863

10 Cash in hand and in transit, due from banks, exchange houses and agents

	2022 AED'000	2021 AED'000
Cash in hand and in transit		
Cash in hand	1,029,310	1,054,175
Cash in transit	21,803	23,960
Total amount of cash in hand and in transit	**1,051,113**	**1,078,135**
Due from banks		
Balances with banks in UAE		
- Current accounts (note 10.1)	783,448	901,875
- Fixed deposits (note 10.2)	201,925	5,000
- Blocked deposits (note 10.3)	40,476	51,579
- Advances to banks against credit card collections	5,218	4,553
- FAWARI receivables (credit card receivables)	23,380	13,439
	1,054,447	**976,446**
Balances with banks outside UAE		
- Current accounts	374,290	692,092
- Blocked deposits (note 10.3)	9,880	10,068
Balances with banks outside UAE	384,170	702,160
Less: Provision for expected credit losses (note 10.5)	(6,000)	(4,000)
	378,170	**698,160**
Total amount due from banks	**1,432,617**	**1,674,606**
Due from exchange houses and agents		
Balances with exchange houses and agents inside UAE	68	69
Balances with exchange houses and agents outside UAE	64,795	114,342
Total amount due from exchange houses and agents	**64,863**	**114,411**
Total balance of cash in hand and in transit, due from banks, exchange houses and agents	**2,548,593**	**2,867,152**

10.1 Current accounts include AED 180 million (2021: NIL) placed in interest bearing call account with the Central Bank of UAE.

10.2 The Group has placed certain fixed deposits, at commercial market interest rates, with Banks in the UAE for a tenure of 12 months.

10.3 Blocked deposits with banks inside UAE, denominated in AED, are held as margins with banks against financing and guarantee arrangements.

Blocked deposits with banks outside UAE, denominated in USD, are held as margins held against remittance arrangements and multi-currency travel card program.

10 Cash in hand and in transit, due from banks, exchange houses and agents (continued)

10.4 Due from banks, due from exchange houses and agents are regularly assessed for credit quality considering their credit rating assigned by international or respective country's rating agencies and the country risk.

	2022 AED'000	**2021** AED'000
Assessed high rated externally (A1-Baa3)	1,135,001	1,249,781
Assessed medium to low rated externally (Ba3-B1)	125,899	213,363
Unrated externally, assessed high rated internally	132,941	170,009
Unrated - others	109,639	159,864
	1,503,480	**1,793,017**

10.5 The movement for provision for expected credit losses during the year:

	2022 AED'000	**2021** AED'000
At 1 January	4,000	-
Provision during the year	2,000	4,000
At 31 December	**6,000**	**4,000**

10.6 Concentration of balance of cash in hand and in transit, due from banks, exchange houses and agents by geographical area:

	2022 AED'000	**2021** AED'000
UAE	1,048,513	976,516
Middle East	135,801	222,179
Philippines	105,734	137,664
Singapore	7,575	15,884
India	61,230	166,573
Pakistan	39,663	85,579
USA	5,707	18,161
Bangladesh	14,907	18,981
Europe	6,969	23,298
Other locations	71,381	124,182
	1,497,480	1,789,017
Cash in hand and in transit – UAE	1,051,113	1,078,135
	2,548,593	2,867,152

The geographical information shown above has been classified by location of cash in hand and cash in transit, the respective branches of the banks, exchange houses and agents.

10 Cash in hand and in transit, due from banks, exchange houses and agents (continued)

10.7 Currency wise composition of cash in hand and in transit, balance due from banks, exchange houses and agents:

	2022 AED'000	**2021** AED'000
Local currency	930,582	1,349,220
Foreign currency	1,618,011	1,517,932
	2,548,593	**2,867,152**

10.8 Due to the nature of the Group's business, the ageing analysis of due from banks and due from exchange houses, other than fixed deposits and blocked deposits, is within 30 days.

11 Related parties

The Group enters into transactions with other entities that fall within the definition of a related party as defined in the International Accounting Standard No. 24, related party disclosures.

Related parties comprise shareholders, directors, key management personnel, and the Group's associates and joint ventures.

These transactions are entered into in the normal course of business and mainly include foreign exchange and remittance arrangements and rental of premises.

Balances and transactions between the Group and its subsidiaries, which are related parties of the Group, have been fully eliminated upon consolidation and are not disclosed in this note.

Other than transactions disclosed in note 5, the significant transactions included in these consolidated financial statements are as follows:

Transactions with related parties	**2022** **AED'000**	2021 AED'000
Commission income earned – Al Ansari Exchange Kuwait (company under common control)	**378**	**370**
Interest paid – Group entities (companies under common control)	**432**	**675**
Rental paid - Al Ansari Real Estate (company under common control)	**2,552**	**-**

11.1 Due from / to related parties

	2022 AED'000	2021 AED'000
Due from related parties – Group entities (companies under common control)	**217**	**15,857**
Due to related parties – Group entities (companies under common control)	**817**	**109,406**

11 Related parties (continued)

11.1 Due from / to related parties (continued)

Due from related parties represent unsecured interest free current accounts which have arisen under the normal course of business. The expected credit loss on the due from related parties is insignificant.

Due to related parties represent unsecured interest free current account which have arisen under the normal course of business. Certain due to related parties as at 31 December 2021 were subject to an average interest rate of 1.15%. These balances have been fully settled during 2022.

11.2 Key management personnel

The total amount of compensation paid to key management personnel during the year is as follows:

	2022	2021
	AED'000	AED'000
Salaries and other benefits	**10,695**	**10,295**

Key management personnel include Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer, other C-Suite officers, and department heads.

12 Prepayments and other receivables

	2022	**2021**
	AED'000	AED'000
Prepaid expenses	7,868	8,865
Bills receivables	10,128	2,679
Deposit with tax authorities (note 12.1)	12,801	12,801
Security deposits and other receivables *	53,674	51,843
Margin receivables from customers	-	19,966
Due from securities markets – DFM & ADX	-	3,087
Commission income receivable in relation to WPS	132	194
Positive value of overnight foreign currency forwards (note 30)	9,398	17,295
	94,001	**116,730**

* Other receivables are primarily related to counterparties in the UAE. The expected credit loss on other receivables is insignificant.

12.1 Deposit with tax authorities

Voluntary disclosures filed for tax periods from January 2018 to January 2019 – AED 0.97 million

On 29 March 2019, the Group had filed voluntary disclosures as a result of applying incorrect apportionment formula for allocating input tax into taxable and exempt supplies for the tax period from January 2018 to January 2019. The Federal Tax Authority (FTA) accepted the voluntary disclosures, however, levied a penalty of AED 0.97 million, on the tax shortfall of AED 1.88 million, originated as a result of using inappropriate treatment of apportionment.

12 Prepayments and other receivables (continued)

12.1 Deposit with tax authorities (continued)

Voluntary disclosures filed for tax periods from January 2018 to January 2019 – AED 0.97 million (continued)

The Group has challenged the levy of these penalties based on the contention that the Group has a refundable tax position during the tax period January 2018 to December 2018 and therefore, any tax shortfall should have been adjusted with the excess refundable position.

On 30 August 2022, the Federal Court of First Instance decided the matter against the Group. The Group filed an appeal against the decision on 29 September 2022. However, on 16 November 2022, the Federal Court of Appeal upheld the decision of Federal Court of First Instance. Subsequent to the year, the Group has filed an appeal with Federal Supreme Court.

Tax assessment for tax periods from January 2018 to January 2019 – AED 6.53 million

During the year 2020, FTA had assessed that the share of income received from sending agents relating to inward remittances is subject to standard rate of tax. Accordingly, FTA had assessed short payment of VAT by the Group and related penalties amounting to AED 9.43 million based on the view that the recipient of the service resides in UAE. In 2021, FTA reduced its original assessment to AED 6.53 million. The Group is of the view that receipt of such income should be zero rated in accordance with VAT regulations due to the fact that the services are provided to the sending agent who is non-resident person at the time of providing such services and filed an appeal with Federal Court of First Instance.

On 8 February 2022, the Federal Court of First Instance has decided the matter in favour of the Group. However, FTA has challenged the decision of the Federal Court of First Instance and the matter is currently pending with the Federal Court of Appeal.

Voluntary disclosures filed for tax periods from February 2019 to October 2020 – AED 5.30 million

Further, as a result of above-mentioned tax assessment and to avoid further penalties, the Group has filed voluntary disclosures in 2021 for tax periods from February 2019 to October 2020 and additionally paid AED 5.30 million (VAT and related penalties). The Group reserves the right to get a refund from FTA if the matter is decided by the Court in the Group's favour.

13 Cash and cash equivalents

	2022	**2021**
	AED'000	AED'000
Cash in hand and in transit	1,051,113	1,078,135
Due from banks - gross	1,438,617	1,678,606
Due to banks	(10,824)	(8,836)
	2,478,906	**2,747,905**
Less:		
Fixed deposits with an original maturity longer than three months	(201,925)	(5,000)
Blocked deposits with banks inside UAE	(40,476)	(51,579)
Blocked deposits with banks outside UAE	(9,880)	(10,068)
	(252,281)	**(66,647)**
	2,226,625	**2,681,258**

14 Lease liabilities

	2022 AED'000	2021 AED'000
Non-current	23,658	18,115
Current	33,965	26,059
	57,623	**44,174**

The maturity of leased liabilities based on contractual payments is explained in note 30.1.

The movement of lease liabilities is provided below:

	2022 AED'000	2021 AED'000
As at 1 January	44,174	40,916
Additions	69,657	44,609
Payments	(56,208)	(41,351)
As at 31 December	**57,623**	**44,174**

15 Provision for employees' end of service benefits

	2022 AED'000	2021 AED'000
As at 1 January	39,381	37,307
Charge for the year	6,731	4,876
Sale of subsidiaries (note 5)	(595)	-
Payments during the year	(3,664)	(2,802)
As at 31 December	**41,853**	**39,381**

16 Trade and other payables

	2022 AED'000	2021 AED'000
Trade payables and accrued expenses	171,616	161,251
Bills and prepaid card payables (note 16.1)	250,415	208,685
Payable balances in relation to Wage Protection system	129,049	114,020
Cash Express remittances payable (note 16.2)	60,871	57,345
Payable to Western Union in lieu of remittance funding	12,780	13,213
Other payables	32,761	32,528
	657,492	**587,042**

16.1 Travel card payables represent money loads from customers which are placed with Abu Dhabi Islamic Bank and exclusively used for settlements to Visa International upon spending by the customers.

16.2 Represents pending settlements to beneficiaries for the remittances made by the customers.

17 Due to banks, exchange houses and agents

	2022 AED'000	2021 AED'000
Due to banks		
Balances with local banks	2,261	4,332
Balances with foreign banks	8,563	4,504
Total amount due to banks	**10,824**	**8,836**
Due to exchange houses and agents		
Balances with local exchange houses and agents	190	397
Balances with foreign exchange houses and agents	39,671	39,685
Total amount due to exchange houses and agents	**39,861**	**40,082**
Total balance due to banks, exchange houses and agents	**50,685**	**48,918**

17.1 Currency wise composition of balance due to banks, exchange houses and agents:

	2022 AED'000	2021 AED'000
Local currency	26,634	25,572
Foreign currency	24,051	23,346
	50,685	**48,918**

18 Borrowings from banks

	2022 AED'000	2021 AED'000
Term loan facility	298,750	-
Bank overdraft	50,000	-
	348,750	-

18.1 Term loan facility

On 24 November 2022, the Group arranged a term loan facility of AED 1,000 million with Abu Dhabi Commercial Bank PJSC ("ADCB") for a period of three years with an initial drawdown of AED 300 million against the facility on 29 December 2022. The facility can be drawn in multiple tranches whereby each tranche is repaid in full along with the interest within 90 days of utilisation, with an option to rollover the principle throughout the term. The facility carries interest at 3-month EIBOR plus a fixed margin per annum with an upfront processing fee of 0.25% of the facility amount. The Group has agreed to pay half of the upfront processing fee till 31 December 2022, as the discussions are underway with ADCB to renegotiate the terms of the facility.

As per the facility, each drawdown should be secured by way of pledge over fixed deposits and accordingly the drawdown of AED 300 million is secured against a deposit for a similar amount by the shareholder, Al Ansari Holding LLC.

18 Borrowings from banks (continued)

18.2 Bank overdraft

During the year, the Group has entered into an overdraft facility agreement with National Bank of Um Al Quwain for AED 50 million. The facility is available to meet the working capital requirements of the Group during weekends and extended holidays and carries variable interest at 3-month EIBOR plus a fixed margin.

The overdraft facility is repayable on demand and is secured by an account pledge over the margin deposit placed by the Group.

19 Contingencies and commitments

	2022 AED'000	**2021** AED'000
Contingent liabilities		
Guarantees issued by banks in favour of		
Central Bank of the UAE ("CBUAE")	220,000	75,000
Dubai Financial Market	-	30,000
Abu Dhabi Securities Exchange	-	27,000
Financial institutions for correspondent relationships (note 19.1)	11,826	6,896
Total guarantees arranged and issued	**231,826**	**138,896**

19.1 The Group has arranged guarantees from local commercial banks, drawn in favor of certain correspondent banks as required under terms of the respective corresponding arrangements.

19.2 The commitments in respect of capital expenditure incurred as at 31 December 2022 amounts to AED 3.7 million (2021: AED 2.2 million).

20 Share capital

At 31 December 2022, the authorised issued and fully paid share capital of the Company comprised of 7,500,000,000 ordinary shares of AED 0.01 (1 fils) each (2021: 50,000,000 ordinary shares of AED 1 each). The Share capital is 100% owned by Al Ansari Holding LLC.

On 17 November 2022, the shareholder has resolved to increase the share capital from AED 50 million to AED 75 million by transfer of AED 25 million (2021: NIL) from acquisition reserve to the share capital. Further, the par value of share is changed from AED 1 to AED 0.01 (1 fils) increasing the effective number of shares to 7,500,000,000.

21 Acquisition reserve

On 1 January 2018, the Company had entered into an equity acquisition arrangement with its shareholders whereby all the shareholders transferred their individual equity interest in the Group entities to the Company.

The fair value of the net assets, acquired at the effective date of control, were treated as acquisition reserve as there was no consideration paid to shareholders.

22 Shareholders' current account

On 5 March 2019 the Company received AED184.5 million from the shareholders. This balance represents interest free shareholder accounts with no fixed maturity and the repayments are at the discretion of the Group. During the year 2022, the Group repaid an amount of AED 96.93 million (2021: AED 162.85 million).

23 Net commission income

	2022 AED'000	2021 AED'000
Commission income		
Commission on remittances	453,828	434,840
Commission on collections	77,741	69,168
Other commission	22,442	13,924
	554,011	**517,932**
Commission expense and discount	(6,601)	(6,250)
Net commission income	**547,410**	**511,682**

24 Salaries and benefits

	2022 AED'000	2021 AED'000
Salaries and wages	293,813	258,552
Staff bonuses and incentives	32,746	28,015
Leave salary and air tickets	32,852	25,083
Other benefits	40,579	35,443
Employees' end of service benefits	6,617	4,799
	406,607	**351,892**

25 General and administrative expenses

	2022 AED'000	2021 AED'000
Administrative expenses	74,026	57,588
Rent and premises expenses	6,002	4,444
License fees	5,398	3,890
Others expenses	14,525	13,246
	99,951	**79,168**

25.1 Administrative expenses include AED 2.44 million (2021: AED 0.33 million) in respect of short-term leases of vehicles and AED 0.96 million (2021: AED 0.96 million) in respect of leases of low value assets.

25.2 Rent and premises expenses include AED 0.20 million (2021: NIL) in respect of variable lease payments.

26 Depreciation, amortisation and impairment

	2022 AED'000	2021 AED'000
Depreciation and amortisation on:		
- Right of use assets (note 6)	51,946	43,073
- Property, equipment and intangibles (note 7)	18,639	14,895
Impairment of Property, equipment and intangibles (note 7)	-	1,762
	70,585	**59,730**

27 Earnings per share

The basic and diluted earnings per share is calculated by dividing the net profit attributable to the shareholder of Al Ansari Financial Services by the weighted average number of shares outstanding during the year.

Earnings per share - Continued operations

	2022	**2021 (Restated)**
Profit for the year attributable to the shareholder of Al Ansari Financial Services (AED '000)	587,658	485,586
Weighted average number of Number of ordinary shares outstanding (note 20)	7,500,000	7,500,000
Basic and diluted earnings per share – continued operations (AED)	0.0784	0.0647

Earnings per share - Discontinued operations

	2022	**2021 (Restated)**
Profit for the year attributable to the shareholder of Al Ansari Financial Services (AED '000)	7,201	5,564
Weighted average number of Number of ordinary shares outstanding (note 20)	7,500,000	7,500,000
Basic and diluted earnings per share – discontinued operations (AED)	0.0009	0.0007

28 Dividend

The following dividends were declared during the year ended 31 December 2022:

Date of Declaration	Date of payment	Amount	Dividend per share
9 May 2022	9 May 2022	AED 327.85 million	AED 0.044
27 December 2022	29-31 December 2022	AED 1,075.80 million*	AED 0.143
		AED 1,403.65 million	**AED 0.187**

* On 27 December 2022, the Group resolved to pay a dividend of AED 1,075.80 million, of which AED 750 million was paid in cash and balance of AED 325.80 million was adjusted against the receivable from the shareholder as a result of sale of subsidiaries explained in note 5.

28 Dividend (continued)

The following dividends were declared and paid during the year ended 31 December 2021:

Date of Declaration	Date of payment	Amount	Dividend per share (restated)
12 April 2021	12 April 2021	AED 175.93 million	AED 0.023
		AED 175.93 million	**AED 0.023**

29 Reporting Segments

For management purposes, the Group is organised into business units based on relevant business activities and has three main reportable segments, as follows:

• **Money Exchange and Remittances:** The Group primarily provides cross-border and domestic remittances, purchase and sale of foreign currencies, processing salaries, bill collections and sale of prepaid travel cards. The Group provides these services to its customers through a wide range of branch networks, digital channels and smart counters.
• **Lease of real estate properties:** The Group owns real estate properties and leases it to individuals and businesses for residential and commercial purposes.
• **Securities brokerage:** The Group provides brokerage services in local securities traded on Dubai Financial Market (DFM) & Abu Dhabi Stock Exchange (ADX).

The Senior Management Committee is the Chief Operating Decision Maker (CODM) and monitors the segment results for the purposes of making decisions in relation to resource allocation and performance assessment.

For the year ended 31 December 2022

	Money exchange & remittances	Lease of real estate properties	Securities brokerage	Un-allocated Others	Segment Total
	AED'000	AED'000	AED'000	AED'000	AED'000
Income	1,154,480	-	-	15,823	1,170,303
Expenses					
Salaries and benefits, general, administrative and other expenses	(582,645)	-	-	-	(582,645)
Segment profit from continued operations	571,835	-	-	15,823	587,658
Profit from discontinued operations	-	5,656	1,981	-	7,637
Segment profit for the year	**571,835**	**5,656**	**1,981**	**15,823**	**595,295**

29 Reporting Segments (continued**)**

For the year ended 31 December 2021

	Money exchange & remittances	Lease of real estate properties	Securities brokerage	Un-allocated Others	Segment Total
	AED'000	AED'000	AED'000	AED'000	AED'000
Income	970,211	-	-	12,449	982,660
Expenses					
Salaries and benefits, general, administrative and other expenses	(497,074)	-	-	-	(497,074)
Segment profit from continued operations	473,137	-	-	12,449	485,586
Profit from discontinued operations	-	5,334	295	-	5,629
Segment profit for the year	**473,137**	**5,334**	**295**	**12,449**	**491,215**

The Group generates all its income from the UAE and all non-financial assets are located in the UAE.

For geographical concentration of financial assets please refer to note 10.6 and note 30.1.

30 Financial risk management

The Group has exposure to the following risks from its use of financial instruments and operations:

- Credit risk
- Market risk
- Liquidity risk
- Operational risk management

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, risk management frameworks, policies and processes for measuring and managing risk, and the management of the Group's capital.

30.1 Risk management framework

The management provides principles for overall financial risk management. Periodic reviews are undertaken to ensure that Group's policy guidelines are complied with. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures risk.

30 Financial risk management (continued**)**

30.1 Risk management framework (continued**)**

(a) Credit risk

Credit risk is the risk that a counter party to a financial asset fails to meet its contractual obligation and causes the Group to incur a financial loss. The Group is exposed to credit risk through its placements with banks, exchange houses and agents, receivable balances from other counterparties and cash in transit. The Group is not involved in extending any credit facility to its customers.

Credit risk is managed by the Group by dealing with reputable counter parties approved after a thorough due diligence by the management of the Group and monitoring exposure with each counterparty and average balances held with banks and intermediaries on a daily basis.

The Group's bank balances are placed with various international and local banks. Accordingly, the Group has no significant concentration of credit risk.

Maximum exposure to credit risk

Credit risk exposure is limited to the carrying amount of the Group's financial assets as follows:

	2022 AED'000	**2021** AED'000
Cash in transit (note 10)	21,803	23,960
Due from banks	1,432,617	1,674,606
Due from exchange houses and agents	64,863	114,411
Due from related parties	217	15,857
Investment securities at fair value through profit or loss	-	4,612
Other receivables	86,133	107,865
	1,605,633	**1,941,311**

The credit quality analysis of total amount in respect of balance due from banks, exchange houses and agents, due from related parties, cash in transit and other receivables is as follows:

	2022 AED'000	**2021** AED'000
Financial assets – gross	1,611,633	1,945,311
Less: Provision for expected credit losses (note 10.5)	(6,000)	(4,000)
Financial assets – net	**1,605,633**	**1,941,311**

Due to the nature of the Group's business, ageing analysis is not considered relevant and hence not provided. The geographical distribution of other receivables is as follows:

	2022 AED'000	**2021** AED'000
Inside the UAE	76,735	90,570
Outside the UAE	9,398	17,295
	86,133	**107,865**

Geographical distribution of due from banks, exchange houses and cash in transit is provided in note 10.6.

30 Financial risk management (continued)

30.1 Risk management framework (continued)

(b) Market risk

The Group recognises market risk as the exposure created by potential changes in market prices and rates. The Group is exposed to market risk arising principally from customer driven transactions including foreign exchange positions. The objective of the Group's market risk policies and processes is to obtain the best balance of risk and return while meeting its customers' requirements.

(i) Interest rate risk

The Group is exposed to the risk that changes in interest rates would have an adverse effect on the value of its financial assets and liabilities.

To mitigate this risk, the Group manages its exposure to interest rate risk through managing the duration of its interest-bearing portfolio. The substantial portion of the Group's assets and liabilities are repriced within one year.

(ii) Interest rate sensitivity of assets and liabilities

Interest rate risk is also assessed by measuring the impact of reasonable possible change in interest rate movements. A movement in interest rates of 100 basis points will have the following impact on the net profit for the year and net assets at that date:

	Net profit for the year AED'000	**Equity** AED'000
2022		
Fluctuation in yield by 100 bps	±822	±822
2021		
Fluctuation in yield by 100 bps	±666	±666

The interest rate sensitivities set out above are illustrative only and employ simplified scenarios. They are based on AED 432.20 million interest bearing assets (2021: AED 66.647 million) and interest-bearing liabilities of AED 350 million as at 31 December 2022 (2021: NIL).

The sensitivity does not incorporate actions that could be taken by management to mitigate the effect of interest rate movements.

(iii) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group manages its currency risk by monitoring its daily foreign currency exposure. As the AED is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk.

30 Financial risk management (continued)

30.1 Risk management framework (continued)

(b) Market risk (continued)

(iii) Currency risk (continued)

The Group had the following significant net exposures denominated in foreign currencies:

	Long/(short) 2022 AED'000	**Long/(short) 2021** AED'000
United States Dollar	1,131,497	1,006,494
Saudi Riyal	73,524	77,221
Philippines Peso	51,648	43,987
Pakistani Rupee	18,498	41,039
Omani Riyal	31,687	33,292
Egyptian Pound	(7,553)	22,113
Bangladesh Taka	3,598	7,463
Indian Rupee	16,992	47,360
Others	80,915	80,458
	1,400,806	**1,359,427**

The table below calculates the effect of a reasonably possible movement of the AED currency rate against the various currencies, with all other variables held constant, on the statement of comprehensive income (due to the fair value of currency sensitive monetary assets and liabilities).

Sensitivity	***Saudi Riyal***	***Philippines Peso***	***Pakistani Rupee***	***Omani Riyal***	***Egyptian Pound***	***Bangladesh Taka***	***Indian Rupee***	***Others***	***Profit impact***
Percentage	1%	1%	1%	1%	1%	1%	1%	1%	1%
2022									
AED'000 ±	735	516	185	317	(75)	36	170	809	2,693
2021									
AED'000 ±	772	440	410	333	221	75	474	805	3,530

Foreign currency forwards – overnight

	2022 AED'000	**2021** AED'000
Notional amount (short position)	**227,557**	**205,256**
Positive fair value of overnight forwards	**9,398**	**17,295**

30 Financial risk management (continued)

30.1 Risk management framework (continued)

(b) Market risk (continued)

(iv) Price risk

Price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market. The Group is not exposed to any significant price risk.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

To guard against this risk, management has diversified funding sources and assets are managed with liquidity in mind, maintaining sufficient balance of cash and cash equivalents to meet its obligation. Daily cash flow statements are prepared on the basis of projected purchases and sales of currencies, the maturity profile and interest flows from bank deposits. These are used by the Group to monitor and manage the liquidity structure of its assets and liabilities to ensure that an appropriate balance of cash and cash equivalents is maintained to meet liquidity requirements. Most of the Group's transactions are made on a back-to-back basis and its bank accounts are adequately managed and funded to meet commitments.

Treasury and finance departments work in close coordination in order to avoid any liquidity issues that can impact the operations of the Group. To avoid any liquidity concerns, the Group has also arranged term loan and bank overdraft arrangements with banks (note 18).

The table below summarises the maturities of the Group's undiscounted financial liabilities at 31 December 2022, based on contractual payment dates and current market interest rates.

	On demand	**Less than 1 year**	**Between 2 to 3 years**	**Over 3 years**
	AED'000	AED'000	AED'000	AED'000
31 December 2022				
Trade and other payables	657,492	-	-	-
Due to banks	10,824	-	-	-
Due to exchange houses and agents	39,861	-	-	-
Due to related parties	817	-	-	-
Borrowings from banks	50,000	300,000	-	-
Lease liabilities	-	35,499	21,385	3,082
Total	**758,994**	**335,499**	**21,385**	**3,082**
31 December 2021				
Trade and other payables	587,042	-	-	-
Due to banks	8,836	-	-	-
Due to exchange houses and agents	40,082	-	-	-
Due to related parties	109,406	-	-	-
Lease liabilities	-	27,086	12,722	6,484
Total	**745,366**	**27,086**	**12,722**	**6,484**

30 Financial risk management (continued)

30.1 Risk management framework (continued)

(d) Operational risk management

Operational risk is the risk of a direct or indirect loss being incurred due to an event or action arising from the failure of technology, processes, infrastructure, personnel and other risks having operational risk impact.

Management of the Group closely monitors the operations. A formal budgeting process is in place in order to monitor the performance of the Group.

Monthly branch wise profit and loss is prepared by the Finance department for the Management's review.

IT Disaster recovery procedures, risk and compliance audits and internal audits also form an integral part of the operational risk management process.

30.2 Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize the Group's value.

The Group manages its capital structure and adjusts it, in light of changes in the economic conditions and in compliance with regulatory capital requirements. No changes were made to the objectives, policies or processes during the year ended 31 December 2022. As at 31 December 2022, capital is AED 1,606.23 million (2021: AED 2,511.96 million) and comprises paid up capital, reserves and retained earnings.

The Group is not exposed to externally imposed capital requirements.

31 Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or

- in the absence of a principal market, in the most advantageous market for the asset or liability The principal or the most advantageous market must be accessible to the Group.

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash in transit, due from banks, due from exchange houses and agents, due from related parties, other receivables, and investment securities at fair value through profit or loss. Financial liabilities consist of trade and other payables, due to banks, due to exchange houses and agents, due to related parties, borrowings from banks and lease liabilities. Fair value of all financial assets and financial liabilities that are measured at amortized cost approximate their fair value.

31 Fair value measurement (continued)

Fair value hierarchy

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

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amount of financial assets and financial liabilities approximates their fair values.

Other receivables include forward contracts which are valued based on the difference between the contractual forward rate and forward rate determined on the reporting date.

32 Litigation

The Group is subject to litigation in the normal course of its business. The Group expects that the outcome of these legal cases will not have a material impact on the Group's consolidated financial performance or consolidated financial position.

33 Subsequent events

There have been no events subsequent to the statement of financial position date that would significantly affect the amounts reported in the consolidated financial statements as at and for the year ended 31 December 2022.

Al Ansari Holding L.L.C.

Reissued Consolidated Financial Statements

For the year ended 31 December 2021

Al Ansari Holding L.L.C.

Reissued Consolidated financial statements

For the year ended 31 December 2021

Contents **Pages**

Independent auditor's report to the shareholders of Al Ansari Holding L.L.C.

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Al Ansari Holding L.L.C. (the "Company") and its subsidiaries (together the "Group") as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2021;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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Independent auditor's report to the shareholders of Al Ansari Holding L.L.C. (continued)

Emphasis of Matter

We draw attention to Notes 2 (c) and 29 to the consolidated financial statements which describe the details of amendments made to the previously issued consolidated financial statements for the year ended 31 December 2021. The consolidated financial statements issued previously on 31 May 2022 have been amended to change the consolidated statement of cash flows in relation to the cash and cash equivalents, and certain other prior period amendments and disclosure enhancements for listing purposes. Notes 2 (c) and 29 provide further details on the nature of these changes. We issued our unqualified independent auditor's report on the consolidated financial statements previously issued on 31 May 2022. Following these changes, we provide this new report on the reissued consolidated financial statements.

Our opinion is not modified in respect of this matter.

Responsibilities of directors and those charged with governance for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable provisions of the UAE Federal Law No. (2) of 2015, as amended, and for such internal control as directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent auditor's report to the shareholders of Al Ansari Holding L.L.C. (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

Report on other legal and regulatory requirements

Further, as required by the UAE Federal Law No. (2) of 2015, as amended, we report that for the year ended 31 December 2021:

i) we have obtained all the information we considered necessary for the purposes of our audit;

ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (2) of 2015, as amended;

iii) the Group has maintained proper books of account;

iv) the Group has not purchased any shares during the year ended 31 December 2021;

v) note 11 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted; and

vi) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the year ended 31 December 2021 any of the applicable provisions of the UAE Federal Law No. (2) of 2015, as amended, or in respect of the Group, its Memorandum of Association which would materially affect its activities or its financial position as at 31 December 2021.

PricewaterhouseCoopers
9 November 2022

Rami Sarhan
Registered Auditor Number 1152
Place: Dubai, United Arab Emirates

Al Ansari Holding L.L.C.

Consolidated statement of financial position

	Note	As at 31 December 2021 AED'000	2020 AED'000 (restated)	At 1 January 2020 AED'000 (restated)
ASSETS				
Non-current assets				
Right of use assets	5	49,524	47,988	66,361
Property, equipment and intangibles	6	58,055	48,238	48,696
Capital work in progress	7	2,598	2,077	1,515
Investment properties	8	240,863	245,511	235,100
		351,040	**343,814**	**351,672**
Current assets				
Cash in hand and in transit	9	1,078,135	961,619	854,869
Due from banks	9	1,674,606	1,725,208	1,580,476
Due from exchange houses and agents	9	114,411	45,110	34,745
Due from related parties	11	15,857	5,975	26,585
Prepayments and other receivables	12	116,730	107,250	135,319
Investments securities at fair value through profit or loss		4,612	3,756	2,765
		3,004,351	**2,848,918**	**2,634,759**
Total assets		**3,355,391**	**3,192,732**	**2,986,431**
LIABILITIES AND EQUITY				
LIABILITIES				
Non-current liabilities				
Lease liabilities	13	18,115	17,956	27,465
Provision for employees' end of service benefits	14	39,381	37,307	34,321
		57,496	**55,263**	**61,786**
Current liabilities				
Trade and other payables	15	587,042	531,457	449,049
Due to banks	16	8,836	20,861	29,013
Due to exchange houses and agents	16	40,082	27,078	45,939
Due to related parties	11	109,406	161,077	169,271
Lease liabilities	13	26,059	22,960	37,369
		771,425	**763,433**	**730,641**
Total liabilities		**828,921**	**818,696**	**792,427**
EQUITY				
Share capital	18	50,000	50,000	50,000
Acquisition reserve	26	1,381,043	1,381,043	1,381,043
Shareholders' current account	27	96,934	259,787	117,859
Retained earnings		983,980	668,758	630,709
Total shareholders' equity		**2,511,957**	**2,359,588**	**2,179,611**
Non-controlling interest		14,513	14,448	14,393
Total equity		**2,526,470**	**2,374,036**	**2,194,004**
Total liabilities and equity		**3,355,391**	**3,192,732**	**2,986,431**

These financial statements were approved and authorised for issue by the Managing Director on 9 November 2022.

Fuad Al Ansari
Managing Director

The notes on pages 8 to 45 are an integral part of these consolidated financial statements.

Al Ansari Holding L.L.C.

Consolidated statement of comprehensive income

For the year ended 31 December 2021

	Note	2021 AED'000	2020 AED'000
Income			
Net gain on currency exchange		458,529	357,424
Net commission income	20	515,952	464,814
Interest income - net		6,570	16,865
Rental income		13,084	8,472
Other income		8,313	1,003
		1,002,448	**848,578**
Expenses			
Salaries and benefits	21	(355,339)	(318,248)
General and administrative expenses	22	(83,983)	(92,806)
Provision for expected credit losses	9.3	(4,000)	-
Depreciation and amortisation	23	(65,054)	(60,109)
Finance cost on lease liabilities		(1,642)	(2,212)
Bank charges		(1,215)	(505)
Profit for the year		**491,215**	**374,698**
Other comprehensive income		**-**	**-**
Total comprehensive income for the year		**491,215**	**374,698**
Profit attributable to:			
Shareholders of Al Ansari Holding L.L.C.		491,150	374,643
Non-controlling interest		65	55
		491,215	**374,698**
Basic and diluted earnings per share	**19**	**9.82**	7.49

The notes on pages 8 to 45 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2021

	Share capital AED'000	Acquisition reserve AED'000	Shareholders' current account AED'000	Retained earnings AED'000	Total Shareholders' equity AED'000	Non-controlling interest AED'000	Total equity AED'000
At 1 January 2020	50,000	1,381,043	117,859	630,709	2,179,611	14,393	2,194,004
Total comprehensive income for the year ended 2020	-	-	-	374,643	374,643	55	374,698
Distribution of dividend (note 28)	-	-	-	(336,594)	(336,594)	-	(336,594)
Contribution to current account	-	-	141,928	-	141,928	-	141,928
At 31 December 2020	50,000	1,381,043	259,787	668,758	2,359,588	14,448	2,374,036
At 1 January 2021	**50,000**	**1,381,043**	**259,787**	**668,758**	**2,359,588**	**14,448**	**2,374,036**
Total comprehensive income for the year ended 2021	-	-	-	491,150	491,150	65	491,215
Distribution of dividend (note 28)	-	-	-	(175,928)	(175,928)	-	(175,928)
Distribution from current account	-	-	(162,853)	-	(162,853)	-	(162,853)
At 31 December 2021	**50,000**	**1,381,043**	**96,934**	**983,980**	**2,511,957**	**14,513**	**2,526,470**

The notes on pages 8 to 45 are an integral part of these consolidated financial statements.

Al Ansari Holding L.L.C.

Consolidated statement of cash flows
For the year ended 31 December 2021

	Note	2021	2020
		AED'000	AED'000
Operating activities			(restated)
Profit for the year		491,215	374,698
Adjustments for:			
Depreciation and amortisation	23	65,054	60,109
Provision for expected credit losses	9.3	4,000	-
Provision for employees' end of service benefits	14	4,876	5,677
(Gain) / loss on disposal of property, equipment and intangibles		(490)	252
Operating cash flows before settlement of employees' end of service benefits and changes in working capital		**564,655**	**440,736**
Settlement of employees' end of service benefits	14	(2,802)	(2,691)
Changes in working capital:			
Due from exchange houses and agents		(69,301)	(10,365)
Due from related parties		(9,882)	20,610
Prepayment and other receivables		(9,480)	28,069
Trade and other payables		55,585	82,408
Due to related parties		(51,671)	(8,194)
Due to exchange houses and agents		13,004	(18,861)
Blocked deposits with banks		(2,838)	80,236
Net cash generated from operating activities		**487,270**	**611,948**
Investing activities			
Payment for purchase of property, equipment and intangibles		(13,353)	(11,297)
Capital work in progress		(14,657)	(3,804)
Investment properties		(91)	(14,702)
Fixed deposits		240,000	(203,000)
Investments at fair value through profit & loss		(856)	(991)
Proceeds from sale of property and equipment		920	-
Net cash generated from /(used in) investing activities		**211,963**	**(233,794)**
Financing activities			
Dividends paid		(175,928)	(336,594)
Movement in shareholders' current account		(162,853)	141,928
Finance lease liabilities paid	13	(41,351)	(46,618)
Net cash used in financing activities		**(380,132)**	**(241,284)**
Net cash and cash equivalents generated		319,101	136,870
Cash and cash equivalents at the beginning of the year		2,362,157	2,225,287
Cash and cash equivalents at the end of the year	10	**2,681,258**	**2,362,157**

The notes on pages 8 to 45 are an integral part of these consolidated financial statements.

1 Legal status and principal activities

Al Ansari Holding L.L.C. (the “Company” or the “Parent”) was incorporated on 9 May 2016 and is registered under the laws of the United Arab Emirates (“UAE”) as a limited liability company.

The Company together with its following subsidiaries are collectively referred to hereafter as the “Group”.

Name of Subsidiary	Percentage holding	
	2021	2020
Al Ansari Exchange L.L.C.	100%	100%
Al Ansari Real Estate	100%	100%
Al Ansari Financial Services	78%	78%
Worldwide Cash Express Limited	100%	100%
Blue Horizon On Demand Labours Supply Services L.L.C	100%	100%
Cash Trans Money & Valuables Transport Services	100%	100%

All the subsidiaries mentioned above are incorporated in the United Arab Emirates.

The Group is engaged in the business of buying and selling of foreign currencies, remittance business, and sale of multi-currency travel card, real estate development and facilities management and provide brokerage services in local securities traded on Dubai Financial Market (DFM) & Abu Dhabi Stock Exchange (ADX).

The Company is required, for the year ended 31 December 2021, to be in compliance with the provisions of the UAE Federal Law No. 2 of 2015, as amended. The UAE Federal Decree Law No. 32 of 2021 ("Companies Law") which was issued on 30 September 2021 came into effect on 2 January 2022. The Company has 12 months from 2 January 2022 to comply with its provisions.

As at 31 December 2021 and 31 December 2020, the ultimate shareholders of the Group were Mohammad Ali Al Ansari, Fuad Ali Al Ansari, Eisa Ali Al Ansari, Rashed Ali Al Ansari, Mrs. Seddeqa Murtaza, Mrs. Fatema Al Ansari & Mrs. Maryam Al Ansari.

On 31 January 2022, the UAE Ministry of Finance announced the introduction of a corporate income tax (the "CIT")") on business profits, which will come into effect from the financial year beginning on or after 1 June 2023. The CIT will apply on the adjusted accounting net profits of a business. Further details regarding the CIT are expected to be published by the UAE Ministry of Finance in due course.

The registered office of the Group is at PO Box 6176, Dubai, UAE.

2 Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC) and the applicable requirements of laws of the United Arab Emirates.

2 Basis of preparation (continued)

(b) Basis of measurement

The directors have assessed the Group's ability to continue as a going concern and are satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, directors are not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on the going concern basis.

The consolidated financial statements are prepared on the historical cost basis, except for investment securities at fair value through profit or loss that have been measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

(c) Reissuance

The consolidated financial statements of the Group for the year ended 31 December 2021 issued previously on 31 May 2022 have been withdrawn and are replaced by these consolidated financial statements, in view of revisions in the consolidated statement of cash flows and other reported amounts/notes, as explained in Note 29. These revisions do not have any impact on the previously reported net profit, consolidated statement of comprehensive income and consolidated statement of changes in equity for the years ended 31 December 2021 or 31 December 2020.

(d) Functional and presentation currency

The functional and presentation currency of the Group is UAE Dirham ("AED"), the currency of the primary economic environment in which the Group operates.

(e) Basis of consolidation

Subsidiary

A subsidiary is an investee controlled by the Group. The Group controls an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of a subsidiary are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but to the extent that there is no evidence of impairment.

3 Significant accounting policies

3.1 New and revised IFRSs applied on the consolidated financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2021, have been adopted in these consolidated financial statements. The application of these revised IFRSs, except where stated, has not had any material impact on the amounts reported for the current and prior years.

Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Effective date 1 January 2021) - In August 2020, the IASB made amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 to address the issues that arise during the reform of an interest rate benchmark rate, including the replacement of one benchmark with an alternative one.

The Phase 2 amendments provide the following reliefs:

- When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes, that are necessary as a direct consequence of IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement.
- The hedge accounting reliefs will allow most IAS 39 or IFRS 9 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

The application of this revised IFRS has not had any material impact on the amounts reported for the current and prior years.

New and revised IFRSs	**Effective for annual periods beginning on or after**
Narrow scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16	
Amendments to IFRS 3, 'Business combinations' update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.	1 January 2022
Amendments to IAS 16, 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.	
Amendments to IAS 37, 'Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making.	
Annual improvements make minor amendments to IFRS 1, 'First-time Adoption of IFRS', IFRS 9, 'Financial instruments', IAS 41, 'Agriculture' and the Illustrative Examples accompanying IFRS 16, 'Leases'.	

3 Significant accounting policies (continued)

3.2 New and revised IFRSs issued but not yet effective and not early adopted (continued)

New and revised IFRSs	**Effective for annual periods beginning on or after**
Narrow scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16	
Amendments to IFRS 3, 'Business combinations' update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.	1 January 2022
Amendments to IAS 16, 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.	
Amendments to IAS 37, 'Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making.	
Annual improvements make minor amendments to IFRS 1, 'First-time Adoption of IFRS', IFRS 9, 'Financial instruments', IAS 41, 'Agriculture' and the Illustrative Examples accompanying IFRS 16, 'Leases'.	
Amendments to IAS 1, Presentation of financial statements on classification of liabilities These narrow-scope amendments to IAS 1, 'Presentation of financial Statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.	Deferred until accounting periods starting not earlier than 1 January 2024
Amendment to IAS 12 – deferred tax related to assets and liabilities arising from a single transaction- These amendments require companies to recognise deferred tax on transactions that, on initial recognition gives rise to equal amounts of taxable and deductible temporary differences.	1 January 2023

3 Significant accounting policies (continued)

3.2 New and revised IFRSs issued but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendment to IFRS 16, 'Leases' – COVID-19 related rent concessions Extension of the practical expedient As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. In May 2020, the IASB published an amendment to IFRS 16 that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. On 31 March 2021, the IASB published an additional amendment to extend the date of the practical expedient from 30 June 2021 to 30 June 2022. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.	1 April 2021
Amendments to IAS 1, 'Presentation of financial statements', IFRS Practice statement 2 and IAS 8,' Accounting policies, changes in accounting estimates and errors' These amendments aim to improve accounting policy disclosures and to help users of the financial statements distinguish between change in accounting estimates and changes in accounting policies. The amendment also clarifies that accounting policy information is expected to be material if, without it, the users of the financial statements would be unable to understand other material information in the financial statements. Further, the amendment to IAS 1 clarifies that immaterial accounting policy information need not be disclosed. However, if it is disclosed, it should not obscure material accounting policy information. To support this amendment, the Board also amended IFRS Practice Statement 2, 'Making Materiality Judgements', to provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendment to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.	1 January 2023

The Group is currently assessing the impact of these standards, interpretations and amendments on the future consolidated financial statements and intends to adopt these, where applicable, when they become effective. There are no other relevant applicable new standards and amendments to published standards or IFRIC interpretations that have been issued but are not effective for the first time for the Group's financial year beginning on 1 January 2022 that would be expected to have a material impact on the consolidated financial statements of the Group.

3 Significant accounting policies (continued)

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.3 Revenue recognition

Income mainly comprises net gain on currency exchange, commission on demand drafts, remittances, traveller's cheques, brokerage earned on sale / purchase of local securities on behalf of customers and other related services.

Net gain on currency exchange is recognised when the transaction is executed. Commission on demand drafts, remittances, traveller's cheques and other services is recognised when the related services are performed and instruments are issued / accepted. Commission expense is only recognised when the remittances are made.

Rental income from operating leases where the Group is a lessor is recognised in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as rental income. The respective assets are included in the statement of financial position as investment properties.

Annual rent received in advance from tenants is deferred and recognised over the period of the tenancy agreements.

3.4 Interest income / expense

Interest income and expense for all interest-bearing financial instruments are recognized in the statement of comprehensive income on an accrual basis using the effective interest rates of the financial assets or financial liabilities to which they relate.

The effective interest rate is the rate that discounts estimated future cash receipts and payments earned or paid on a financial asset or a liability through its expected life or, where appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

When calculating effective interest rates, the Group estimates cash flows considering all contractual terms of the financial instruments excluding future credit losses. The calculation includes all amounts paid or received by the Group that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

3 Significant accounting policies (continued)

3.5 Property, equipment and intangibles

Property & equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged to the statement of comprehensive income on a straight-line basis so as to write off cost of furniture & equipment over estimated useful lives as follows:

Class of assets	Life (years)
Building	50
Furniture	4
Fixtures	5
Office equipment	4
Computers (hardware and software)	4
Motor vehicles	3

Useful life, residual values and depreciation method are reassessed at each reporting date with the effect of any change in the estimate, accounted for on the prospective dates.

Software developed in-house by the Group is stated at cost less accumulated amortisation and impairment losses, if any. Cost of the software represents the costs incurred to develop and bring the specific software to use.

Amortisation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful life of the software, from the date it is available for use. The useful life of software is estimated to be four years.

(a) Subsequent costs

The cost of replacing part of an item of furniture and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in the statement of comprehensive income as incurred.

3.6 Impairment of non-financial assets

Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are measured at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

3 Significant accounting policies (continued)

3.7 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including investment property under construction for such purposes). Investment properties are measured at cost, including related transaction costs, less accumulated depreciation and any accumulated impairment losses in accordance with the cost model of IAS 40: Investment property.

Depreciation is charged on a straight-line basis over the estimated useful lives as follows:

	Life (years)
Buildings	20 - 50

No depreciation is charged on land and capital work in progress.

The useful lives and depreciation method of investment properties are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these properties.

Management does not consider any residual value as it is deemed immaterial.

Expenditure incurred to replace a component of an item of investment properties that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written-off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of investment properties. All other expenditure is recognised in the statement of comprehensive income as the expense is incurred.

Investment properties are derecognised upon disposal or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the statement comprehensive income in the period in which the property is derecognised.

3.8 Capital work in progress (CWIP)

Capital work in progress represents expenditure incurred in respect of renovation and setting up of new branches are stated at cost less impairment loss, if any.

3.9 Financial instruments

(i) Classification and measurement

A financial instrument is any contract that gives rise to a financial asset / liability for the Group and a financial asset / liability or equity instrument of another party. The Group classifies its financial assets into the following measurement categories:

i. those to be measured at fair value; and
ii. those to be measured at amortised cost.

3 Significant accounting policies (continued)

3.9 Financial instruments (continued)

(i) Classification and measurement (continued)

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

The classification depends on the Group's business model for managing financial assets and the contractual terms of the financial assets' cash flows.

The Group classifies its financial liabilities at amortised cost unless it has designated liabilities at fair value through profit or loss or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

Financial assets measured at fair value through profit or loss

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the income statement as they arise.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed, and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is presented separately in other comprehensive income.

Financial assets of the Group consist of cash and cash equivalents, investment securities at fair value through profit or loss, accounts receivables, due from related parties and other receivables. The financial assets are initially recognised at fair value and measured subsequently at amortised cost using the effective interest method.

Financial liabilities of the Group consists of due to related parties, trade and other payables. Financial liabilities are recognised initially at fair value net of transaction costs incurred and subsequently stated at amortised cost, using the effective interest rate method.

3 Significant accounting policies (continued)

3.9 Financial instruments (continued)

(ii) Derecognition of financial assets and financial liabilities

The Group derecognises a financial asset when contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired.

(iii) Impairment of financial assets

The Group applies measures expected credit losses for the following categories of financial assets that are measured at amortised cost:

- Cash in hand and in transit
- Due from banks
- Due from exchange houses and agents
- Due from related parties
- Other financial receivables

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk the Group considers available reasonable and supportive forwarding-looking information.

At each reporting date, the Group shall measure the loss allowance on financial assets measured at amortised cost at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Group shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, an impairment loss measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate is recognised as lifetime ECL.

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired. If the contractual payment is due from a related party, management does not believe there is a significant increase in credit risk.

(iii) Impairment of financial assets (continued)

All financial assets, except for those disclosed in the consolidated financial statements as impaired, were considered fully performing and none were assessed to have had a significant increase in credit risk and as such a 12-month expected credit loss would be required. Management has performed a calculation and has determined that the impairment provision against such financial assets is not material.

3 Significant accounting policies (continued)

3.9 Financial instruments (continued)

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Forward contracts which are valued based on the difference between the contractual forward rate and forward rate determined on the reporting date.

(vi) Fair value measurement principles

The fair value of the financial assets and liabilities of the Group are not materially different from their carrying values, as majority of them are going to be received/settled in short term (i.e. less than 1 year).

3.10 Cash and cash equivalents

For the purpose of the statement of cash flow, cash and cash equivalents comprise cash in hand; cash in transit from branches to the Head Office, amounts due from and due to foreign correspondents, banks and fixed deposits which have a maturity of less than three months less amounts held as blocked deposits. Blocked deposits are funds placed by the Group in accordance with the correspondence arrangements with various corresponding banks. These funds are not available to the Group for its day-to-day operations.

3.11 Other receivables

Other receivables include deposit with tax authorities related to taxes other than income tax is recognised as an asset in the statement of financial position and is measured at amortised cost. The deposit is a right to obtain future economic benefits, either by receiving a refund or by utilising the deposit to settle a tax liability.

3.12 Foreign currencies

Transactions denominated in foreign currencies are translated to AED at the foreign exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to AED at exchange rates prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to AED at the foreign exchange rates prevailing at the date of the transaction. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Foreign exchange differences arising on translation are recognised in the statement of comprehensive income.

3 Significant accounting policies (continued)

3.13 Employees' end of service benefits

A provision is made in accordance with the provisions of IAS 19 "Employee Benefits" for the end of service benefits due to employees in accordance with the Labour Law, for their period of service up to the statement of financial position date. This amount is charged to the statement of comprehensive income.

3.14 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if the amount of the receivable can be measured reliably.

3.15 Operating lease

The group leases various branches. Rental contracts are typically made for fixed periods of 12 months to 5 years, but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Until the 2018 financial year, leases of branches were classified as operating leases. Payments made under operating leases (net of interest received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

3.16 Earning per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic EPS 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 year.

3.17 Related party transactions

Related party transactions are transfers of resources, services or obligations between the Group and a related party, regardless of whether a price is charged. They include commitments to do something if a particular event occurs (or does not occur) in the future and executory contracts (recognised or unrecognised). All of the related party information required by IAS 24 that is relevant to the Group has been presented in note 11.

3 Significant accounting policies (continued)

3.18 Value Added Tax (VAT)

The Group recorded a VAT payable net of payments in the accompanying consolidated financial statements at the applicable rate of 5%. Sales revenue represents the invoiced value of services, net of VAT. All of the VAT returns of the Group have been and remain subject to examination by the tax authorities for five years from the date of filing.

3.19 Lease Liabilities and Right-of-use assets

The Group's leasing activities and how these are accounted for

The Group leases mainly offices. Rental contracts are typically made for fixed periods of 1 year to 5 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Contracts may contain both lease and non-lease components.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Until the 2018 financial year, all leases across all categories were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or losses on a straight-line basis over the period.

3.19 Lease Liabilities and Right-of-use assets (continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

i. fixed payments (including in-substance fixed payments), less any lease incentives receivable
ii. variable lease payment that are based on an index or a rate
iii. amounts expected to be payable by the lessee under residual value guarantees
iv. the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
v. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted based on the incremental borrowing rate determined by the Group, being the rate that the lessee would have to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Future cash outflows to which the Group is potentially exposed to and that are not reflected in the measurement of lease liabilities includes the following:

i. variable lease payments;
ii. extension options and termination options;
iii. leases not yet commenced to which the lessee is committed;

3 Significant accounting policies (continued)

3.19 Lease Liabilities and Right-of-use assets (continued)

Right-of-use assets are measured at cost comprising the following:

i. the amount of the initial measurement of lease liability
ii. as applicable, any lease payments made at or before the commencement date less any lease incentives received, and
iii. as applicable, any initial direct costs.

Leases of low value assets mainly comprise office equipment (scanner and printer machines).

Variable lease payments

Impact of leases containing variable payment terms that are linked to sales generated or any other type of variable aspects are found to be immaterial with the Exchange.

Extension and termination options

Extension and termination options are included in a number of leases. These terms are used to maximise operational flexibility in terms of managing the assets used in the Exchange's operations. Some extension and termination options held are exercisable by the Exchange, others require both the lessee and the lessor to mutually agree so that an option to extend or early terminate is exercised. Approximately, AED 5.09 million (2020: AED 7.84 million) of the total lease payments included in the calculation of the lease liability in 2021 were optional.

Critical judgments in 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). Potential future cash outflows of AED 27.83 million (2020: AED 28.95) million have not been included in the lease liability because Exchange is not reasonably certain that the lessees will be extended. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Exchange.

3.20 Impact of COVID-19

Since early January 2020, the COVID-19 outbreak has spread across the globe and is causing ongoing disruption to business and economic activity, resulting in substantial government and central bank relief actions and support measures in many countries to protect the economy. There has not been any material impact on the Group's business performance as of 31 December 2021. However, the Group will continue to monitor the situation as it evolves in order to assess any potential financial impact.

4 Significant accounting estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise 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 consolidated financial statements are described below.

4 Significant accounting estimates and judgments (continued)

(i) Expected Credit Loss (ECL) on financial assets

Financial assets accounted for at amortised cost are evaluated for impairment on a basis described in Note 3.9. The Group reviews its financial assets to assess impairment on a regular basis. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the contractual future cash flows from an asset or group of assets. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss.

(ii) Useful lives of property and equipment

The cost of property and equipment is depreciated over its estimated useful lives. Depreciation is based on expected usage of the asset and expected physical wear and tear, which depends on operational factors. The management has not considered any residual value as it is deemed immaterial. The estimated useful life is monitored and adjustments are made in future periods, if future factors indicate that such adjustments are appropriate.

(iii) Impairment of investment properties

The Group assesses whether there are any indicators of impairment for investment properties at each reporting date. The investment properties are tested for impairment when there are indicators that the carrying amounts are higher than their fair values.

As at 31 December 2021, the Group's management has performed an internal assessment of the market value of its investment properties. For more details refer Note 8.

(iv) Useful lives of investment properties

The costs of completed investment properties are depreciated over the estimated useful lives of the assets. The estimated useful lives are based on the expected usage of the assets and expected physical wear and tear, which depend on operational factors.

Depreciation of completed investment properties begins when it is available for use. That is when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

(v) Classification and measurement of financial assets

The classification and measurement of financial assets depend on the management's business model for managing its financial assets and on the contractual cash flow characteristics of the financial asset assessed. Management is satisfied that the Group's investments in securities are appropriately classified and measured.

4 Significant accounting estimates and judgments (continued)

(vi) Lease term and practical expedients applied

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). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Group.

(vii) Residual value of investment properties

The management has conducted an internal assessment and deemed the residual value of investment properties to be immaterial.

5 Right of use assets

	2021 AED'000	**2020** AED'000
Properties	**49,524**	**47,988**

The movement of right of use assets - properties is provided below:

	2021 AED'000	**2020** AED'000
At 1 January 2021	47,988	66,361
Additions – new leases	44,609	35,709
Termination of leases	-	(13,009)
Depreciation expenses (note 23)	(43,073)	(41,073)
At 31 December 2021	**49,524**	**47,988**

6 Property, equipment and intangibles

	Building	Furniture and fixtures	Computers, software, and office equipment	Motor vehicles	Total
	AED'000	AED'000	AED'000	AED'000	AED'000
Cost					
At 1 January 2020	23,665	81,780	57,594	10,544	173,583
Additions	-	1,114	9,380	803	11,297
Transfer from capital work in progress (note 7)	-	3,804	-	-	3,804
Disposals and write-offs	-	(1,969)	(716)	(647)	(3,332)
At 31 December 2020	23,665	84,729	66,258	10,700	185,352
Additions	-	2,238	8,687	2,428	13,353
Transfer from capital work in progress (note 7)	-	14,136	-	-	14,136
Disposals and write offs	-	(1,291)	(233)	(4,285)	(5,809)
At 31 December 2021	**23,665**	**99,812**	**74,712**	**8,843**	**207,032**
Accumulated depreciation and amortisation					
At 1 January 2020	3,983	65,898	46,557	8,449	124,887
Charge for the year	474	6,715	5,575	1,249	14,013
Disposals and write-offs	-	(1,241)	(716)	(561)	(2,518)
Provision for impairment	-	732	-	-	732
At 31 December 2020	4,457	72,104	51,416	9,137	137,114
Charge for the year	474	7,225	6,866	915	15,480
Disposals and write-offs	-	(861)	(233)	(4,285)	(5,379)
Provision for impairment	-	1,762	-	-	1,762
At 31 December 2021	**4,931**	**80,230**	**58,049**	**5,767**	**148,977**
Net book amount					
As at 31 December 2021	**18,734**	**19,582**	**16,663**	**3,076**	**58,055**
As at 31 December 2020	19,208	12,625	14,842	1,563	48,238

Building represents property with dual use, i.e., partially occupied by the Group for use as corporate headquarter, with the rest held for rental income.

The total cost of the building amounting to AED 67.6 million has been apportioned based on the net leasable area, used by the Group amounting to AED 23.66 million, and the remainder portion of AED 43.94 million classified under investment properties accordingly.

7 Capital work in progress

	2021 AED'000	2020 AED'000
At 1 January	2,077	1,515
Additions	14,657	4,366
Transfer to property, equipment and intangibles (note 6)	(14,136)	(3,804)
At 31 December	**2,598**	**2,077**

Capital work in progress includes expenditure made in respect of setting up and renovation of new and existing branches.

8 Investment properties

Investment properties represent properties held at cost less accumulated depreciation and any impairment losses under the cost model in accordance with IFRS. They are held for the purpose of rental generation and capital appreciation.

Movement during the year is as follows:

	Land AED'000	Buildings AED'000	Capital work in progress AED'000	Total AED'000
Cost				
At 1 January 2020	86,800	75,234	94,130	256,164
Additions	-	-	14,702	14,702
Transfers	-	107,592	(107,592)	-
As at 31 December 2020	86,800	182,826	1,240	270,866
Additions	-	-	91	91
As at 31 December 2021	**86,800**	**182,826**	**1,331**	**270,957**
Accumulated depreciation				
At 1 January 2020	-	(21,064)	-	(21,064)
Charge for the year	-	(4,291)	-	(4,291)
At 31 December 2020	-	(25,355)	-	(25,355)
Charge for the year	-	(4,739)	-	(4,739)
At 31 December 2021	**-**	**(30,094)**	**-**	**(30,094)**
Net book value				
At 31 December 2021	**86,800**	**152,732**	**1,331**	**240,863**
At 31 December 2020	86,800	157,471	1,240	245,511

a) The Group entered into an agreement with Panorama Real Estate to construct and co-own a building in Dubai Land. The building is under construction stage. The Group has 84.84% share in the property. Proportionate share of costs incurred for construction AED 1.33 million (2020: AED 1.24 million).

b) Cost of land includes two plots of land amounting to AED 53.932 million (2020: AED 53.932 million) co-owned by the Group with third parties.

c) Cost of buildings include AED 7.276 million (2020: AED 7.276 million) being the cost of warehouses registered in the name of a related party, constructed on a plot of land leased from Government of Dubai.

8 Investment properties (continued)

d) The Group entered into an agreement with joint operation partners to construct and co-own Noor Tower building. The Group has an ownership allocation of 75%, while the remaining 25% is owned by the joint operation partners. Proportionate share of costs incurred for construction of Noor Tower building is AED 107.592 million (2020: AED 107.592 million).

e) Buildings represents property with dual use (note 6) and has been apportioned based on leasable area with the cost of AED 43.94 million classified under investment properties as at 31 December 2021.

As at 31 December 2021, the management of the Group conducted an internal assessment of the investment properties, whereby fair value was not materially different from the net book value of AED 240.86 million (2020: AED 245.51 million).

9 Cash in hand and in transit, due from banks, exchange houses and agents

	2021	**2020**
	AED'000	AED'000
Cash in hand and in transit		(restated)
Cash in hand	1,054,175	933,307
Cash in transit	23,960	28,312
Total amount of cash in hand and in transit	**1,078,135**	**961,619**
Due from banks		
Balances with banks in UAE		
- Current accounts	901,875	703,190
- Fixed deposits (note 9.1)	5,000	245,000
- Blocked deposits (note 9.2)	51,579	50,577
- Advances to banks against credit card collections	4,553	4,835
- FAWARI receivables (credit card receivables)	13,439	8,196
	976,446	**1,011,798**
Balances with banks outside UAE		
- Current accounts	692,092	705,178
- Blocked deposits (note 9.2)	10,068	8,232
Balances with banks outside UAE	702,160	713,410
Less: Provision for expected credit losses (note 9.3)	(4,000)	-
	698,160	**713,410**
Total amount due from banks	**1,674,606**	**1,725,208**
Due from exchange houses and agents		
Balances with exchange houses and agents inside UAE	69	45
Balances with exchange houses and agents outside UAE	114,342	45,065
Total amount due from exchange houses and agents (note 9.6)	**114,411**	**45,110**
Total balance of cash in hand and in transit, due from banks, exchange houses and agents	**2,867,152**	**2,731,937**

9 Cash in hand and in transit, due from banks, exchange houses and agents (continued)

9.1 Fixed deposits, at commercial market interest rates, are held with the Banks / Financial Institutions in the UAE with a tenure of 12 months to 15 months.

9.2 Blocked deposits, at commercial market interest rates, are held as margins with correspondent banks against financing and remittance arrangements obtained.

9.3 Cash in hand and in transit, due from banks, exchange houses and agents were assessed for impairment requirements of IFRS 9. The provision for expected credit losses was estimated to be AED 4 million as at 31 December 2021 (2020: NIL).

9.4 Currency wise composition of cash in hand and in transit, balance due from banks, exchange houses and agents:

	2021 AED'000	**2020** AED'000
Local currency	1,349,220	1,182,770
Foreign currency	1,517,932	1,549,167
	2,867,152	**2,731,937**

9.5 Concentration of balance of cash in hand and in transit, due from banks, exchange houses and agents by geographical area:

	2021 AED'000	**2020** AED'000
UAE	976,516	1,011,842
Europe	23,298	11,633
Middle East	222,179	216,227
USA	18,161	33,246
India	166,573	84,324
Philippines	137,664	132,093
Bangladesh	18,981	25,081
Other locations	225,645	255,872
	1,789,017	**1,770,318**
Cash in hand and in transit – UAE	1,078,135	961,619
	2,867,152	**2,731,937**

The geographical information shown above has been classified by location of cash in hand and cash in transit, the respective branches of the banks, exchange houses and agents.

9.6 Due to the nature of the Group's business, the ageing analysis of due from banks and due from exchange houses is within 30 days.

10 Cash and cash equivalents

	31 December 2021 AED'000	2020 AED'000 (restated)
Cash in hand and in transit	1,078,135	961,619
Due from banks - gross	1,678,606	1,725,208
Due to banks	(8,836)	(20,861)
	2,747,905	**2,665,966**
Less:		
Fixed deposits with an original maturity longer than three months	(5,000)	(245,000)
Blocked deposits with banks inside UAE	(51,579)	(50,577)
Blocked deposits with banks outside UAE	(10,068)	(8,232)
	(66,647)	**(303,809)**
	2,681,258	**2,362,157**

11 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In the case of the Group, related parties, as defined in the International Accounting Standard No. 24, includes shareholders, directors and officers of the Group and entities of whom they are principal owners and key management personnel. These transactions are entered into in the normal course of business and mainly include remittance arrangements. Transactions are entered into with related parties on agreed terms and conditions approved by the shareholder. Other than the transaction disclosed in Note 27, the significant transactions included in the consolidated financial statements are as follows:

	2021 AED'000	2020 AED'000
Transactions with related parties		
Commission income earned	**370**	**230**
Interest paid	**675**	**1,306**

11.1 Due from / to related parties

	2021 AED'000	2020 AED'000
Due from other related parties	**15,857**	**5,975**
Due to other related parties	**109,406**	**161,077**

11 Related parties (continued)

11.2 Key management personnel

The total amount of compensation paid to key management personnel during the year is as follows:

	2021	2020
	AED'000	AED'000
Salaries and other benefits	**849**	**849**

12 Prepayments and other receivables

	2021	2020
	AED'000	AED'000
Prepaid expenses	8,865	11,263
Bills receivables	2,679	1,341
Deposit with tax authorities (12.1)	12,801	10,400
Security deposits and other receivables	51,843	54,223
Margin receivables from customers	19,966	15,322
Due from securities markets – DFM & ADX	3,087	-
Commission income receivable in relation to WPS	194	172
Positive value of overnight foreign currency forwards (note 24)	17,295	14,529
	116,730	**107,250**

12.1 Deposit with tax authorities

Voluntary disclosures filed for tax periods from January 2018 to January 2019 – AED 0.97 million

On 29 March 2019, the Group had filed voluntary disclosures as a result of applying incorrect apportionment formula for allocating input tax into taxable and exempt supplies for the tax period from January 2018 to January 2019. The Federal Tax Authority (FTA) accepted the voluntary disclosures, however, levied a penalty of AED 0.97 million, on the tax shortfall of AED 1.88 million, originated as a result of using inappropriate treatment of apportionment.

The Group has challenged the levy of these penalties based on the contention that the Group has a refundable tax position during the tax period January 2018 to December 2018 and therefore, any tax shortfall should have been adjusted with the excess refundable position.

Subsequent to the year end on 30 August 2022, the Federal Court of First Instance has decided the matter against the Group. The Group filed an appeal against the decision on 29 September 2022 which is currently pending with the Federal Court of Appeal.

12 Prepayments and other receivables (continued)

Tax assessment for tax periods from January 2018 to January 2019 – AED 6.53 million

During the year 2020, The FTA had assessed that the share of income received from sending agents relating to inward remittances is subject to standard rate of tax. Accordingly, FTA had assessed short payment of VAT by the Group and related penalties amounting to AED 9.43 million based on the view that the recipient of the service resides in UAE. In 2021, the FTA reduced its original assessment to AED 6.53 million. The Group is of the view that receipt of such income should be zero rated in accordance with VAT regulations due to the fact that the services are provided to the sending agent who is a non-resident person at the time of providing such services and filed an appeal with the Federal Court of First Instance.

Subsequent to the year end on 8 February 2022, the Federal Court of First Instance decided the matter in favour of the Group. However, the FTA has challenged the decision of the Federal Court of First Instance and the matter is currently pending with the Federal Court of Appeal.

Voluntary disclosures filed for tax periods from February 2019 to October 2020 – AED 5.30 million

Further, as a result of above-mentioned tax assessment and to avoid further penalties, the Group has filed voluntary disclosures in 2021 for tax periods from February 2019 to October 2020 and additionally paid AED 5.30 million (VAT and related penalties). The Group reserves the right to get a refund from FTA if the matter is decided by the Court in the Group's favour.

13 Lease liabilities

	2021 AED'000	**2020** AED'000
Non-current	18,115	17,956
Current	26,059	22,960
	44,174	**40,916**

The maturity of leased liabilities based on contractual payments is explained in note 24.1.

The movement of lease liabilities is provided below:

	2021 AED'000	**2020** AED'000
As at 1 January 2021	40,916	64,834
Additions	44,609	35,709
Termination of leases	-	(13,009)
Payments	(41,351)	(46,618)
As at 31 December 2021	**44,174**	**40,916**

14 Provision for employees' end of service benefits

	2021 AED'000	**2020** AED'000
As at 1 January	37,307	34,321
Charge for the year	4,876	5,677
Payments during the year	(2,802)	(2,691)
As at 31 December	**39,381**	**37,307**

15 Trade and other payables

	2021 AED'000	2020 AED'000 (restated)
Trade payables and accrued expenses	161,251	145,683
Bills and travel card payables	208,685	156,475
Payable balances in relation to Wage Protection system	114,020	105,457
Cash Express remittances payable	57,345	75,353
Payable to Western Union in lieu of remittance funding	13,213	7,893
Other payables	32,528	40,596
	587,042	**531,457**

16 Due to banks, exchange houses and agents

	2021 AED'000	2020 AED'000
Due to banks		
Balances with local banks	4,332	2,589
Balances with foreign banks	4,504	18,272
Total amount due to banks	**8,836**	**20,861**
Due to exchange houses and agents		
Balances with local exchange houses and agents	397	219
Balances with foreign exchange houses and agents	39,685	26,859
Total amount due to exchange houses and agents	**40,082**	**27,078**
Total balance due to banks, exchange houses and agents	**48,918**	**47,939**

16.1 Currency wise composition of balance due to banks, exchange houses and agents:

	2021 AED'000	2020 AED'000
Local currency	25,572	29,083
Foreign currency	23,346	18,856
	48,918	**47,939**

17 Contingencies and commitments

	2021 AED'000	2020 AED'000
Contingent liabilities		
Guarantees issued by banks in favour of		
Central Bank of the UAE ("CBUAE")	75,000	75,000
Dubai Financial Market	30,000	30,000
Abu Dhabi Securities Exchange	27,000	27,000
Financial institutions for correspondent relationships (note 17.1)	6,896	17,032
Total guarantees arranged and issued	**138,896**	**149,032**

17.1 The Group has arranged guarantees from local commercial banks / financial institutions, drawn in favor of certain correspondent banks as required under terms of the respective corresponding arrangements.

17 Contingencies and commitments (continued)

Capital commitments:

The commitments in respect of capital expenditure on branches as at 31 December 2021 amounts to AED 2.196 million (2020: AED 2.803 million).

18 Share capital

At 31 December 2021, the authorised issued and fully paid share capital of the Company comprised 50,000,000 ordinary shares of AED 1 each (2020: 50,000,000 ordinary shares of AED 1 each).

19 Earnings per share

Basic and diluted earnings per share are calculated by dividing the profit for the year attributable to the shareholders of Al Ansari Holding L.L.C. by the weighted average number of shares outstanding during the year as follows:

	2021	**2020**
Profit for the year attributable to shareholders of al Ansari Holding LLC (AED'000)	491,150	374,643
Weighted average number of shares outstanding during the year ('000)	50,000	50,000
Basic and diluted earnings per share (AED per share)	9.82	7.49

As of the reporting date, the diluted earnings per share is equal to the basic earnings per share as the Company has not issued any additional shares that should be taken into consideration when the diluted earnings per share is calculated.

20 Net commission income

	2021 AED'000	**2020** AED'000
Commission income		
Commission on remittances	434,840	394,200
Commission on collections	69,168	64,977
Other commission	18,194	10,865
	522,202	**470,042**
Commission expense and discount	(6,250)	(5,228)
Net commission income	**515,952**	**464,814**

21 Salaries and benefits

	2021 AED'000	2020 AED'000
Salaries and wages	260,633	237,000
Employees' end of service benefits	4,876	5,677
Other benefits	89,830	75,571
	355,339	**318,248**

Other benefits include annual bonus and performance incentives amounting to AED 28.02 million (2020: AED 24.06 million).

22 General and administrative expenses

	2021 AED'000	2020 AED'000
Administrative expenses	58,261	49,733
Rent and premises expenses	9,599	9,970
License fees	4,642	5,673
Others expenses	11,482	27,430
	83,983	**92,806**

23 Depreciation, amortisation and impairment

	2021 AED'000	2020 AED'000
Depreciation and amortisation on:		
- Right of use assets (note 5)	43,073	41,073
- Property, equipment and intangibles (note 6)	15,480	14,013
- Investment properties (note 8)	4,739	4,291
Impairment of Property, equipment and intangibles (note 6)	1,762	732
	65,054	**60,109**

24 Financial risk management

The Group has exposure to the following risks from its use of financial instruments and operations:

- Credit risk
- Market risk
- Liquidity risk
- Operational risk management

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, risk management frameworks, policies and processes for measuring and managing risk, and the management of the Group's capital.

24 Financial risk management (continued)

24.1 Risk management framework

The management provides principles for overall financial risk management. Periodic reviews are undertaken to ensure that Group's policy guidelines are complied with. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures risk.

(a) Credit risk

Credit risk is the risk that a counter party to a financial asset fails to meet its contractual obligation and causes the Group to incur a financial loss. The Group is exposed to credit risk through its placements with banks, exchange houses and agents, receivable balances from other counterparties and cash in transit. The Group is not involved in extending any credit facility to its customers.

Credit risk is managed by the Group by dealing with reputable counter parties approved after a thorough due diligence by the management of the Group and monitoring exposure with each counterparty and average balances held with banks and intermediaries on a daily basis.

The Group's bank balances are placed with various international and local banks. Accordingly, the Group has no significant concentration of credit risk.

(a) Credit risk (continued)

Maximum exposure to credit risk

Credit risk exposure is limited to the carrying amount of the Group's financial assets as follows:

	2021	**2020**
	AED'000	AED'000 (restated)
Due from banks	1,674,606	1,725,208
Investment securities at fair value through profit or loss	4,612	3,756
Due from exchange houses and agents	114,411	45,110
Due from related parties	15,857	5,975
Cash in transit (note 9)	23,960	28,312
Other receivables	107,865	95,987
	1,941,311	**1,904,348**

The credit quality analysis of total amount in respect of balance due from banks, exchange houses and agents, due from related parties, cash in transit and other receivables is as follows:

	2021	**2020**
	AED'000	AED'000 (restated)
Financial assets – gross	1,945,311	1,901,694
Less: Provision for expected credit losses (note 9.3)	(4,000)	-
Financial assets – net	**1,941,311**	**1,901,694**

24 Financial risk management (continued)

24.1 Risk management framework (continued)

The geographical distribution of other receivables is as follows:

	2021 AED'000	2020 AED'000
Inside the UAE	90,570	81,457
Outside the UAE	17,295	14,530
	107,865	**95,987**

Geographical distribution of due from banks, exchange houses and cash in transit is provided in note 9.5.

(b) Market risk

The Group recognises market risk as the exposure created by potential changes in market prices and rates. The Group is exposed to market risk arising principally from customer driven transactions including foreign exchange positions. The objective of the Group's market risk policies and processes is to obtain the best balance of risk and return while meeting its customers' requirements.

(i) Interest rate risk

The Group is exposed to the risk that changes in interest rates would have an adverse effect on the value of its financial assets and liabilities.

To mitigate this risk, the Group manages its exposure to interest rate risk through managing the duration of its interest-bearing portfolio. The substantial portion of the Group's assets and liabilities are repriced within one year.

(ii) Interest rate sensitivity of assets and liabilities

Interest rate risk is also assessed by measuring the impact of reasonable possible change in interest rate movements. A movement in interest rates of 100 basis points will have the following impact on the net profit for the year and net assets at that date:

	Net profit for the year AED'000	Equity AED'000
2021		
Fluctuation in yield by 100 bps	±666	±666
2020		
Fluctuation in yield by 100 bps	±3,038	±3,038

The interest rate sensitivities set out above are illustrative only and employ simplified scenarios. They are based on AED 66.647 million interest bearing assets (2020: AED 303.809 million) and interest-bearing liabilities of NIL as at 31 December 2021 (2020: NIL).

The sensitivity does not incorporate actions that could be taken by management to mitigate the effect of interest rate movements.

24 Financial risk management (continued)

24.1 Risk management framework (continued)

(b) Market risk (continued)

(iii) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group manages its currency risk by monitoring its daily foreign currency exposure. As the AED is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk.

The Group had the following significant net exposures denominated in foreign currencies:

	Long/(short) 2021 AED'000	**Long/(short) 2020** AED'000 (restated)
United States Dollar	1,006,494	1,111,138
Saudi Riyal	77,221	69,004
Philippines Peso	43,987	65,922
Pakistani Rupee	41,039	31,166
Omani Riyal	33,292	23,603
Egyptian Pound	22,113	17,828
Bangladesh Taka	7,463	13,874
Indian Rupee	47,360	336
Others	80,458	63,245
	1,359,427	**1,396,116**

The table below calculates the effect of a reasonably possible movement of the AED currency rate against the various currencies, with all other variables held constant, on the statement of comprehensive income (due to the fair value of currency sensitive monetary assets and liabilities).

Sensitivity	***Saudi Riyal***	***Philippines Peso***	***Pakistani Rupee***	***Omani Riyal***	***Egyptian Pound***	***Bangladesh Taka***	***Indian Rupee***	***Others***	***Profit impact***
Percentage	1%	1%	1%	1%	1%	1%	1%	1%	1%
2021 AED'000									
±	772	440	410	333	221	75	474	805	3,530
2020 AED'000									
±	690	659	312	236	178	139	3	632	2,849

24 Financial risk management (continued)

24.1 Risk management framework (continued)

(b) Market risk (continued)

(iii) Currency risk (continued)

Foreign currency forwards – overnight

	2021 AED'000	2020 AED'000
Notional amount (short position)	**205,256**	198,831
Positive fair value of overnight forwards	**17,259**	14,529

(iv) Price risk

Price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market. The Group is not exposed to any significant price risk.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

To guard against this risk, management has diversified funding sources and assets are managed with liquidity in mind, maintaining sufficient balance of cash and cash equivalents to meet its obligation. Daily cash flow statements are prepared on the basis of projected purchases and sales of currencies, the maturity profile and interest flows from bank deposits. These are used by the Group to monitor and manage the liquidity structure of its assets and liabilities to ensure that an appropriate balance of cash and cash equivalents is maintained to meet liquidity requirements. Most of the Group's transactions are made on a back-to-back basis and its bank accounts are adequately managed and funded to meet commitments.

24 Financial risk management (continued)

24.1 Risk management framework (continued)

(c) Liquidity risk (continued)

Treasury and Finance departments work in close coordination in order to avoid any liquidity issues that can impact the operations of the Group.

The table below summarises the maturities of the Group's undiscounted financial liabilities at 31 December 2021, based on contractual payment dates and current market interest rates.

	On demand	**Less than 1 year**	**Between 2 to 3 years**	**Over 3 years**
	AED'000	AED'000	AED'000	AED'000
31 December 2021				
Lease liabilities	-	27,086	12,722	6,484
Amount due to related parties	109,406	-	-	-
Due to banks	8,836	-	-	-
Due to exchange houses and agents	40,082	-	-	-
Trade and other payables	587,042	-	-	-
Total	**745,366**	**27,086**	**12,722**	**6,484**
31 December 2020 (restated)				
Lease liabilities	-	24,555	16,134	2,646
Amount due to related parties	161,077	-	-	-
Due to banks	20,861	-	-	-
Due to exchange houses and agents	27,078	-	-	-
Other payables and accruals	531,457	-	-	-
Total	**740,473**	**24,555**	**16,134**	**2,646**

(d) Operational risk management

Operational risk is the risk of a direct or indirect loss being incurred due to an event or action arising from the failure of technology, processes, infrastructure, personnel and other risks having operational risk impact.

Management of the Group closely monitors the operations. A formal budgeting process is in place in order to monitor the performance of the Group.

Monthly branch wise profit and loss is prepared by the Finance department for the Management's review.

IT Disaster recovery procedures, risk and compliance audits and internal audits also form an integral part of the operational risk management process.

24 Financial risk management (continued)

24.2 Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize the Group's value.

The Group manages its capital structure and makes adjustments to it, in light of changes in the economic conditions and in compliance with regulatory capital requirements. No changes were made to the objectives, policies or processes during the year ended 31 December 2021. As at 31 December 2021, capital is AED 2,512 million (2020: AED 2,360 million) and comprises paid up capital, reserves and retained earnings.

25 Segment Reporting

For management purposes, the Group is organised into business units based on relevant business activities and has three main reportable segments, as follows:

• **Money Exchange and Remittances**: The Group primarily provides cross-border and domestic remittances, purchase and sale of foreign currencies, processing salaries, bill collections and sale of prepaid travel cards. The Group provides these services to its customers through a wide range of branch networks, digital channels and smart counters.
• **Lease of real estate properties**: The Group owns real estate properties and leases it to individuals and businesses for residential and commercial purposes.
• **Securities brokerage**: The Group provides brokerage services in local securities traded on Dubai Financial Market (DFM) & Abu Dhabi Stock Exchange (ADX).

The Senior Management Committee is the Chief Operating Decision Maker (CODM) and monitors the segment results for the purposes of making decisions in relation to resource allocation and performance assessment.

25 Segment Reporting (continued)

For the year 31 December 2021

	Money exchange & remittances	Lease of real estate properties	Securities brokerage	Un-allocated Others	Segment Total	Inter-Group Elimination	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Revenue	974,167	16,372	5,758	8,493	1,004,790	(2,342)	1,002,448
Expenses							
Salaries and benefits, general, administrative and other expenses	493,404	11,038	5,463	3,670	513,575	(2,342)	511,233
Segment profit for the year	**480,763**	**5,334**	**295**	**4,823**	**491,215**	**-**	**491,215**
Segment assets	**2,708,738**	**292,824**	**67,718**	**286,111**	**3,355,391**	**-**	**3,355,391**
Segment liabilities	**706,871**	**25,680**	**1,750**	**94,620**	**828,921**	**-**	**828,921**

25 Segment Reporting (continued)
For the year 31 December 2021

For the year 31 December 2020

	Money exchange & remittances	Lease of real estate properties	Securities brokerage	Un-allocated Others	Segment Total	Inter-Group Elimination	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Revenue	823,252	12,278	4,460	11,012	851,002	(2,424)	848,578
Expenses							
Salaries and benefits, general, administrative and other expenses	457,784	10,411	4,212	3,897	476,304	(2,424)	473,880
Segment profit for the year	**365,468**	**1,867**	**248**	**7,115**	**374,698**	**-**	**374,698**
Segment assets	**2,340,416**	**309,310**	**68,808**	**474,197**	**3,192,731**	**-**	**3,192,731**
Segment liabilities	**643,383**	**47,500**	**3,136**	**124,677**	**818,696**	**-**	**818,696**

The entire revenue of the Group is generated from its operations inside the UAE.

26 Acquisition reserve

On 1 January 2018, the Company had entered into an equity acquisition arrangement with its shareholders whereby all the shareholders transferred their individual equity interest in the Group entities to the Company.

The fair value of the net assets acquired at the effective date of control were treated as "Acquisition reserve" as there was no consideration paid to shareholders.

27 Shareholders' current account

On 5 March 2019 the Company received AED 184.8 million from the shareholders. This balance represents interest free shareholders' account with no fixed maturity and the repayments are at the discretion of the Group. During 2022, the Group settled the balance in full.

28 Dividends

During the year, the Group has distributed total dividends amounting to AED 175.928 million (2020: AED 336.594 million).

29 Comparative figures

29.1 The Group maintains separate bank accounts for money received from its customers ("client money") amounting to AED 75.16 million (2020: 56.92 million). The client money is not available to the Group and is only used to settle transactions executed in the trading accounts of the customers. The Group has no control over the balances and does not obtain economic benefits from these assets. As such, in the current year, the Group has reviewed the presentation of these balances and has determined that they do not meet the definition of an asset or a liability for the Group under the conceptual framework of IFRS and should not be recognised in the consolidated statement of financial position.

The correction of this prior period error has been made by restating each of the affected financial statement line items for the prior period as follows:

Statement of financial position as at 31 December 2020:

	As previously reported AED'000	Decrease due to restatement AED'000	As restated AED'000
Due from banks	1,782,129	(56,921)	1,725,208
Total current assets	**2,905,839**	**(56,921)**	**2,848,918**
Total assets	**3,249,653**	**(56,921)**	**3,192,732**
Trade and other payables	588,378	(56,921)	531,457
Total current liabilities	**820,354**	**(56,921)**	**763,433**
Total liabilities	**875,617**	**(56,921)**	**818,696**
Total liabilities and equity	**3,249,653**	**(56,921)**	**3,192,732**

29 Comparative figures (continued)

Statement of financial position as at 31 December 2019/1 January 2020:

	As previously reported	Increase/ (decrease) due to restatement	As restated
	AED'000	AED'000	AED'000
Due from banks	1,615,135	(34,659)	1,580,476
Total current assets	**2,669,418**	**(34,659)**	**2,634,759**
Total assets	**3,021,090**	**(34,659)**	**2,986,431**
Trade and other payables	483,708	(34,659)	449,049
Total current liabilities	**765,300**	**(34,659)**	**730,641**
Total liabilities	**827,086**	**(34,659)**	**792,427**
Total liabilities and equity	**3,021,090**	**(34,659)**	**2,986,431**

29.2 During the year, the Group revised its assessment in respect of presentation in the cash flow statement and concluded that:

- "Due from / (to) exchange houses and agents" does not meet the criteria of classifying as a component of cash and cash equivalents and accordingly balances of AED 45,110 thousand for 2020 (2019: AED 34,745 thousand) are shown separately in the consolidated statement of cash flows under cash flow from operating activities.

- "Change in fixed deposits" should be considered as part of investing activities instead of operating activities, in view of the requirements of IAS 7. Accordingly, change in fixed deposit of AED 203,000 thousand (increase) for 2020 and AED 220,000 (decrease) for 2019 are shown in the consolidated statement of cash flows as operating activities.

29 Comparative figures (continued)

The correction of this prior period error has been made by restating each of the affected financial statement line items for the prior period as follows:

Statement of cash flows for the year ended 31 December 2020

	As previously reported AED'000	Increase/ (decrease) due to restatement AED'000	As restated AED'000
Changes in working capital:			
Due from exchange houses and agents	-	(10,365)	(10,365)
Trade and other payables	104,670	(22,262)	82,408
Fixed deposits	(203,000)	203,000	-
Due to exchange houses and agents	-	(18,861)	(18,861)
Net cash generated from operating activities	**460,436**	**151,512**	**611,948**
Change in fixed deposits	-	(203,000)	(203,000)
Net cash used in investing activities	**(30,794)**	**(203,000)**	**(233,794)**
Net change in cash and cash equivalents	188,358	(51,488)	136,870
Cash and cash equivalents at the beginning of the year	2,248,752	(23,465)	2,225,287
Cash and cash equivalents at the end of the year	**2,437,110**	**(74,953)**	**2,362,157**

Statement of cash flows for the year ended 31 December 2019 / 1 January 2020:

	As previously reported AED'000	Increase/ (decrease) due to restatement	As restated AED'000
Due from exchange houses	-	6,125	6,125
Other payables and accruals	37,929	6,783	44,712
Fixed deposits	220,000	(220,000)	-
Due to exchange houses	-	(68,793)	(68,793)
Net cash generated from operating activities	**642,667**	**(275,885)**	**366,782**
Change in fixed deposits	-	220,000	220,000
Net cash generated from / (used in) investing activities	**(59,962)**	**220,000**	**160,038**
Net change in cash and cash equivalents	**390,579**	**(55,885)**	**334,694**
Cash and cash equivalents at the beginning of the year	1,858,173	32,420	1,890,593
Cash and cash equivalents at the end of the year	**2,248,752**	**(23,465)**	**2,225,287**

The restatements did not have any impact on the profit reported in the consolidated statement of comprehensive income for the year ended 31 December 2020.

On reissuance of the financial statements, certain disclosures were enhanced in respect of financial instruments, revenue and related parties. In addition, disclosures relating to segment reporting and earnings per share were included.

30 Litigation

The Group is subject to litigation in the normal course of its business. The Group expects that the outcome of these legal cases will not have a material impact on the Group's condensed consolidated interim financial performance or condensed consolidated interim financial position.

31 Subsequent events

There have been no events subsequent to the statement of financial position date that would significantly affect the amounts reported in the consolidated financial statements as at and for the year ended 31 December 2021 except for the following:

- On 9 May 2022, the Group has paid a cash dividend of AED 327.85 million
- On 1 September 2022, the Group decided to offer a certain percentage of shares (percentage is yet to be decided) to the public through Initial Public Offering (IPO).
- On 30 September 2022, the Board has resolved to carry out an internal restructuring of the Group whereby the Company shall sell the entirety of the shares owned in Al Ansari Real Estate LLC and Al Ansari Financial Services ("Disposal Group") to the existing shareholders of the Company (by setting up a new HoldCo.)
- On 21 October 2022, the shareholders changed the name of the Company from "Al Ansari Holding LLC" to "Al Ansari Financial Services LLC" by amending the memorandum of association.

Al Ansari Holding L.L.C.

Independent auditor's report and consolidated financial statements

For the year ended 31 December 2020

Al Ansari Holding L.L.C.

Independent auditor’s report and consolidated financial statements

For the year ended 31 December 2020

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Independent auditor's report to the shareholders of Al Ansari Holding L.L.C.

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Al Ansari Holding L.L.C. (the "Company") and its subsidiaries (together the "Group") as at 31 December 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2020;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

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

Independence

We are independent of the Group in accordance with the with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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Mohamed ElBorno, Jacques Fakhoury, Douglas O'Mahony, Murad Alnsour and Rami Sarhan are registered as practising auditors with the UAE Ministry of Economy

Independent auditor's report to the shareholders of Al Ansari Holding L.L.C. (continued)

Responsibilities of directors and those charged with governance for the consolidated financial statements

Directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable provisions of the UAE Federal Law No. (2) of 2015, and for such internal control as directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, directors are 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 directors 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.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of directors 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.

Independent auditor's report to the shareholders of Al Ansari Holding L.L.C. (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- 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.

Report on other legal and regulatory requirements

Further, as required by the UAE Federal Law No. (2) of 2015, we report that for the year ended 31 December 2020:

i) we have obtained all the information we considered necessary for the purposes of our audit;

ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (2) of 2015;

iii) the Group has maintained proper books of account;

iv) the Group has not purchased any shares during the year ended 31 December 2020;

v) note 11 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted; and

vi) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the year ended 31 December 2020 any of the applicable provisions of the UAE Federal Law No. (2) of 2015 or in respect of the Group, its Memorandum of Association which would materially affect its activities or its financial position as at 31 December 2020.

PricewaterhouseCoopers
9 September 2021

Douglas O'Mahony
Registered Auditor Number 834
Place: Dubai, United Arab Emirates

Al Ansari Holding L.L.C.

Consolidated statement of financial position
As at 31 December 2020

	Note	2020 AED'000	2019 AED'000
ASSETS			
Non-current assets			
Right of use assets	5	47,988	66,361
Property, equipment and intangibles	6	48,238	48,696
Capital work in progress	7	2,077	1,515
Investment properties	8	245,511	235,100
		343,814	**351,672**
Current assets			
Cash in hand and in transit	9	961,619	854,869
Due from banks	9	1,782,129	1,615,135
Due from exchange houses and agents	9	45,110	34,745
Due from related parties	11	5,975	26,585
Prepayments and other receivables	12	107,250	135,319
Investments securities at fair value through profit or loss		3,756	2,765
		2,905,839	**2,669,418**
Total assets		**3,249,653**	**3,021,090**
LIABILITIES AND EQUITY			
LIABILITIES			
Non-current liabilities			
Lease liabilities – non current	13	17,956	27,465
Provision for employees' end of service benefits	14	37,307	34,321
		55,263	**61,786**
Current liabilities			
Other payables and accruals	15	588,378	483,708
Due to banks	16	20,861	29,013
Due to exchange houses and agents	16	27,078	45,939
Due to related parties	11	161,077	169,271
Lease liabilities	13	22,960	37,369
		820,354	**765,300**
Total liabilities		**875,617**	**827,086**
EQUITY			
Share capital	18	50,000	50,000
Acquisition reserve		1,381,043	1,381,043
Shareholders' current account		259,787	117,859
Retained earnings		668,758	630,709
Total shareholders' equity		**2,359,588**	**2,179,611**
Non-controlling interest		14,448	14,393
Total equity		**2,374,036**	**2,194,004**
Total liabilities and equity		**3,249,653**	**3,021,090**

These financial statements were approved and authorised for issue by the Managing Director on the authority of shareholders on 8th September 2021.

Fuad Al Ansari
Managing Director

The notes on pages 8 to 39 are an integral part of these financial statements.

Al Ansari Holding L.L.C.

Consolidated statement of comprehensive income

For the year ended 31 December 2020

	Note	2020 AED'000	2019 AED'000
Income			
Net gain on currency exchange		357,424	312,544
Net commission income	19	464,814	427,754
Interest income		16,865	24,160
Rental income		8,472	7,945
Other income		1,003	12,141
Gain on disposal of investments		-	39
		848,578	**784,583**
Expenses			
Salaries and benefits	20	(318,248)	(310,932)
General and administrative expenses	21	(92,806)	(74,653)
Depreciation, amortisation and impairment	22	(60,109)	(64,881)
Finance cost on lease liabilities		(2,212)	(3,129)
Bank charges		(505)	(916)
Profit for the year		**374,698**	**330,072**
Other comprehensive income		-	-
Total comprehensive income for the year		**374,698**	**330,072**
Profit attributable to:			
Shareholders of Al Ansari Holding L.L.C.		374,643	330,039
Non-controlling interest		55	33
		374,698	**330,072**

The notes on pages 8 to 39 are an integral part of these consolidated financial statements.

Al Ansari Holding L.L.C.

Consolidated statement of changes in equity

For the year ended 31 December 2020

	Share capital AED'000	Acquisition reserve AED'000	Shareholders' current account AED'000	Retained earnings AED'000	Total Shareholders' equity AED'000	Non-controlling interest AED'000	Total equity AED'000
At 1 January 2019	50,000	1,527,958	77,237	338,234	**1,993,429**	24,188	**2,017,617**
Total comprehensive income for the year ended 2019	-	-	-	330,039	**330,039**	33	**330,072**
Distribution of dividend	-	(146,915)	184,479	(37,564)	**-**	-	**-**
Withdrawal from current account	-	-	(143,857)	-	**(143,857)**	-	**(143,857)**
Acquisition of NCI	-	-	-	-	**-**	(9,828)	**(9,828)**
At 31 December 2019	**50,000**	**1,381,043**	**117,859**	**630,709**	**2,179,611**	**14,393**	**2,194,004**
Total comprehensive income for the year ended 2020	-	-	-	374,643	**374,643**	55	**374,698**
Distribution of dividend	-	-	336,594	(336,594)	**-**	-	**-**
Withdrawal from current account	-	-	(194,666)	-	**(194,666)**	-	**(194,666)**
At 31 December 2020	**50,000**	**1,381,043**	**259,787**	**668,758**	**2,359,588**	**14,448**	**2,374,036**

The notes on pages 8 to 39 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows
For the year ended 31 December 2020

	Note	2020	2019
		AED'000	AED'000
Operating activities			
Profit for the year		374,698	330,072
Adjustments for:			
Depreciation, amortisation and impairment	22	60,109	64,881
Provision for employees' end of service benefits	14	5,677	5,420
Loss on disposal of property, equipment and intangibles		252	1,048
Gain on disposal of investments		-	(39)
Operating cash flows before settlement of employees' end of service benefits and changes in working capital		**440,736**	**401,382**
Settlement of employees' end of service benefits	14	(2,691)	(2,411)
Changes in working capital:			
Due from related parties	11	20,610	(18,575)
Prepayment and other receivables		28,069	(31,306)
Other payables and accruals		104,670	37,929
Due to related parties	11	(8,194)	39,582
Fixed deposits		(203,000)	220,000
Blocked deposits with Banks		80,236	(3,934)
Net cash generated from operating activities		**460,436**	**642,667**
Investing activities			
Payment for purchase of property, equipment and intangibles		(11,297)	(15,178)
Capital work in progress		(3,804)	8,777
Acquisition in investment properties		(14,702)	(60,274)
Investments at fair value through profit & loss		(991)	6,713
Net cash used in investing activities		**(30,794)**	**(59,962)**
Financing activities			
Dividends paid - net		(194,666)	(143,857)
Changes in non-controlling interest		-	(9,828)
Finance lease liabilities paid	13	(46,618)	(38,441)
Net cash used in financing activities		**(241,284)**	**(192,126)**
Net cash and cash equivalents generated		188,358	390,579
Cash and cash equivalents at the beginning of the year		2,248,752	1,858,173
Cash and cash equivalents at the end of the year	10	**2,437,110**	**2,248,752**

The notes on pages 8 to 39 are an integral part of these consolidated financial statements.

1 Legal status and principal activities

Al Ansari Holding L.L.C. (the "Company" or the "Parent") was incorporated on 9 May 2016 and is registered under the laws of the United Arab Emirates ("UAE") as a limited liability company.

The Company together with its following subsidiaries are collectively referred to hereafter as the "Group".

Name of Subsidiary	Percentage holding	
	2020	2019
Al Ansari Exchange L.L.C.	100%	100%
Al Ansari Real Estate	100%	100%
Al Ansari Financial Services	78%	78%
Worldwide Cash Express Limited	100%	100%
Blue Horizon On Demand Labours Supply Services L.L.C	100%	100%
Cash Trans Money & Valuables Transport Services	100%	100%

All the subsidiaries mentioned above are incorporated in the United Arab Emirates.

The Group is engaged in the business of buying and selling of foreign currencies, remittance business, and sale of multi-currency travel card, real estate development and facilities management and provide brokerage services in local securities traded on Dubai Financial Market (DFM) & Abu Dhabi Stock Exchange (ADX).

The registered office of the Group is at PO Box 6176, Dubai, UAE.

2 Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC) and the applicable requirements of laws of the United Arab Emirates.

(b) Basis of measurement

The directors have assessed the Group's ability to continue as a going concern and are satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, directors are not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on the going concern basis.

The consolidated financial statements are prepared on the historical cost basis, except for investment securities at fair value through profit or loss that have been measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

(c) Functional and presentation currency

The functional and presentation currency of the Group is UAE Dirham ("AED"), the currency of primary economic environment in which the Group operates.

2 Basis of preparation (continued)

(d) Basis of consolidation

Subsidiary

A subsidiary is an investee controlled by the Group. The Group controls an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of a subsidiary are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but to the extent that there is no evidence of impairment.

3 Significant accounting policies

3.1 New standards, amendments and interpretations that are effective for the Group's accounting period beginning on 1 January 2020

The following standards became applicable for the current reporting period, and the Group has changed its accounting policies and made adjustments as explained below:

3 Significant accounting policies (continued)

3.1 New standards, amendments and interpretations that are effective for the Group's accounting period beginning on 1 January 2020 (continued)

New standards, amendments and interpretations	Effective for annual periods beginning on or after
Amendments to IFRS 3, "Business Combinations"	
The amendment clarifies the definition of a business, with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The amendment highlights that "the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others." The amendment has no material impact on Group's consolidated financial statements.	1 January 2020
Amendments to IAS 1 and IAS 8	1 January 2020
The IASB has made amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors which use a consistent definition of materiality throughout International Financial Reporting Standards and the Conceptual Framework for Financial Reporting, clarify when information is material and incorporate some of the guidance in IAS 1 about immaterial information. In particular, the amendments clarify: • that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that the Group assesses materiality in the context of the consolidated financial statements as a whole, and • the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.	

3 Significant accounting policies (continued)

3.1 New standards, amendments and interpretations that are effective for the Group's accounting period beginning on 1 January 2020 (continued)

New standards, amendments and interpretations (continued)	**Effective for annual periods beginning on or after**
Revised Conceptual Framework for Financial Reporting The IASB has issued a revised Conceptual Framework which will be used in standard-setting decisions with immediate effect. Key changes include: • increasing the prominence of stewardship in the objective of financial reporting • reinstating prudence as a component of neutrality • defining a reporting entity, which may be a legal entity, or a portion of an entity • revising the definitions of an asset and a liability • removing the probability threshold for recognition and adding guidance on derecognition • adding guidance on different measurement basis, and • stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the consolidated financial statements.	1 January 2020

There are no other IFRSs or IFRIC Interpretations that were effective for the first time for the financial year beginning on 1 January 2020 that have had a material impact on the Group's consolidated financial statements.

3 Significant accounting policies (continued)

3.2 Standards, amendments and interpretations issued but not yet effective for the Group's accounting period beginning on 1 January 2020 and not early adopted

The Group has not yet applied the following new standards, amendments and interpretations that have been issued but are not yet effective:

New standards, amendments and interpretations	Effective for annual periods beginning on or after
Covid-19-related Rent Concessions – Amendments to IFRS 16	
As a result of the COVID-19 pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. In May 2020, the IASB made an amendment to IFRS 16 Leases which provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concessions as variable lease payments in the period in which they are granted.	1 June 2020
The Group has applied the practical expedients to all qualifying rent concessions. Accordingly an amount of AED 2.25 million has been recognised in profit or loss arising from the rent concessions.	

There are no other applicable new standards and amendments to published standards or IFRIC interpretations that have been issued but are not effective for the first time for the Group's financial year beginning on 1 January 2020 that would be expected to have a material impact on the consolidated financial statements of the Group.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3 Significant accounting policies (continued)

3.3 Revenue recognition

Income mainly comprises of net gain on currency exchange, commission on demand drafts, remittances, traveller's cheques, brokerage earned on sale / purchase of local securities on behalf of customers and other related services.

Net gain on currency exchange is recognised when the transaction is executed. Commission on demand drafts, remittances, traveller's cheques and other services is recognised when the related services are performed and instruments are issued / accepted. Commission expense is only recognised when the remittances are made.

Rental income from operating leases where the Group is a lessor is recognised in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as rental income. The respective assets are included in the statement of financial position as investment properties.

Annual rent received in advance from tenants is deferred and recognised over the period of the tenancy agreements.

3.4 Interest income / expense

Interest income and expense for all interest bearing financial instruments are recognized in the statement of comprehensive income on an accrual basis using the effective interest rates of the financial assets or financial liabilities to which they relate.

The effective interest rate is the rate that discounts estimated future cash receipts and payments earned or paid on a financial asset or a liability through its expected life or, where appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

When calculating effective interest rates, the Group estimates cash flows considering all contractual terms of the financial instruments excluding future credit losses. The calculation includes all amounts paid or received by the Group that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

3 Significant accounting policies (continued)

3.5 Property, equipment and intangibles

Property & equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged to the statement of comprehensive income on a straight line basis so as to write off cost of furniture & equipment over estimated useful lives as follows:

Class of assets	Life (years)
Building	50
Furniture	4
Fixtures	5
Office equipment	4
Computers (hardware and software)	4
Motor vehicles	3

Useful life, residual values and depreciation method are reassessed at each reporting date with the effect of any change in the estimate, accounted for on the prospective dates.

Software developed in-house by the Group is stated at cost less accumulated amortisation and impairment losses, if any. Cost of the software represents the costs incurred to develop and bring the specific software to use.

Amortisation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful life of the software, from the date it is available for use. The useful life of software is estimated to be four years.

(a) Subsequent costs

The cost of replacing part of an item of furniture and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in the statement of comprehensive income as incurred.

3.6 Impairment of non-financial assets

Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are measured at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

3 Significant accounting policies (continued)

3.7 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including investment property under construction for such purposes). Investment properties are measured at cost, including related transaction costs, less accumulated depreciation and any accumulated impairment losses in accordance with the cost model of IAS 40: Investment property.

Depreciation is charged on a straight-line basis over the estimated useful lives as follows:

	Life (years)
Buildings	20 - 50

No depreciation is charged on land and capital work in progress

The useful lives and depreciation method of investment properties are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these properties.

Management does not consider any residual value as it is deemed immaterial.

Expenditure incurred to replace a component of an item of investment properties that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written-off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of investment properties. All other expenditure is recognised in the statement of comprehensive income as the expense is incurred.

Investment properties are derecognised upon disposal or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the statement of comprehensive income in the period in which the property is derecognised.

3.8 Capital work in progress (CWIP)

Capital work in progress represents expenditure incurred in respect of renovation and setting up of new branches are stated at cost less impairment loss, if any.

3.9 Financial instruments

(i) Classification and measurement

A financial instrument is any contract that gives rise to a financial asset / liability for the Group and a financial asset / liability or equity instrument of another party. The Group classifies its financial assets into the following measurement categories:

i. those to be measured at fair value; and
ii. those to be measured at amortised cost.

3 Significant accounting policies (continued)

3.9 Financial instruments (continued)

(i) Classification and measurement (continued)

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

The classification depends on the Group's business model for managing financial assets and the contractual terms of the financial assets' cash flows.

The Group classifies its financial liabilities at amortised cost unless it has designated liabilities at fair value through profit or loss or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

Financial assets measured at fair value through profit or loss

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the income statement as they arise.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed, and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is presented separately in other comprehensive income.

Financial assets of the Group consist of cash and cash equivalents, investment securities at fair value through profit or loss, accounts receivables, due from shareholder, due from related parties and other receivables. The financial assets are initially recognised at fair value and measured subsequently at amortised cost using the effective interest method.

Financial liabilities of the Group consist of due to shareholder, due to related parties, and other payables. Financial liabilities are recognised initially at fair value net of transaction costs incurred and subsequently stated at amortised cost, using the effective interest rate method.

3 Significant accounting policies (continued)

3.9 Financial instruments (continued)

(ii) Derecognition of financial assets and financial liabilities

The Group derecognises a financial asset when contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired.

(iii) Impairment of financial assets

The Group measures expected credit losses for the following categories of financial assets that are measured at amortised cost:

- Cash in hand and in transit
- Due from banks
- Due from exchange houses and agents
- Due from related parties
- Investments securities at fair value through profit or loss
- Other financial receivables

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk the Group considers available reasonable and supportive forwarding-looking information.

At each reporting date, the Group shall measure the loss allowance on financial assets measured at amortised cost at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Group shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, an impairment loss measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate is recognised as lifetime ECL.

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired. If the contractual payment is due from a related party, management does not believe there is a significant increase in credit risk.

3 Significant accounting policies (continued)

3.9 Financial instruments (continued)

(iii) Impairment of financial assets (continued)

All financial assets, except for those disclosed in the consolidated financial statements as impaired, were considered fully performing and none were assessed to have had a significant increase in credit risk and as such a 12 month expected credit loss would be required. Management has performed a calculation and has determined that the impairment provision against such financial assets is not material.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

3.10 Cash and cash equivalents

For the purpose of the statement of cash flow, cash and cash equivalents comprise cash in hand; cash in transit from branches to the Head Office, amounts due from and due to foreign correspondents, banks, exchange houses and agents and fixed deposits which have a maturity of less than three months less amounts held as blocked deposits. Blocked deposits are funds placed by the Group in accordance with the correspondence arrangements with various corresponding banks. These funds are not available to the Group for its day to day operations.

3.11 Foreign currencies

Transactions denominated in foreign currencies are translated to AED at the foreign exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to AED at exchange rates prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to AED at the foreign exchange rates prevailing at the date of the transaction. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Foreign exchange differences arising on translation are recognised in the statement of comprehensive income.

3 Significant accounting policies (continued)

3.12 Provision for employees' end of service benefits

A provision is made in accordance with the provisions of IAS 19 "Employee Benefits" for the end of service benefits due to employees in accordance with the Labor Law, for their period of service up to the statement of financial position date. This amount is charged to the statement of comprehensive income.

3.13 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.14 Related party transactions

Related party transactions are transfers of resources, services or obligations between the Group and a related party, regardless of whether a price is charged. They include commitments to do something if a particular event occurs (or does not occur) in the future and executory contracts (recognised or unrecognised). All of the related party information required by IAS 24 that is relevant to the Group has been presented in note 11.

3.15 Other receivables

Other receivables include deposit with tax authorities related to taxes other than income tax is recognised as an asset in the statement of financial position and is measured at amortised cost. The deposit is a right to obtain future economic benefits, either by receiving a refund or by utilising the deposit to settle a tax liability.

3 Significant accounting policies (continued)

3.16 Value Added Tax (VAT)

The Group recorded a VAT payable net of payments in the accompanying consolidated financial statements at the applicable rate of 5%. Sales revenue represents the invoiced value of services, net of VAT. All of the VAT returns of the Group have been and remain subject to examination by the tax authorities for five years from the date of filing.

3.17 Lease Liabilities and Right-of-use assets

The Group's leasing activities and how these are accounted for

The Group leases mainly offices, branches and warehouses. Rental contracts are typically made for fixed periods of 1 year to 5 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Contracts may contain both lease and non-lease components.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Until the 2018 financial year, all leases across all categories were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or losses on a straight line basis over the period.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

i. fixed payments (including in-substance fixed payments), less any lease incentives receivable
ii. variable lease payment that are based on an index or a rate
iii. amounts expected to be payable by the lessee under residual value guarantees
iv. the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
v. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted based on the incremental borrowing rate determined by the Group, being the rate that the lessee would have to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Future cash outflows to which the Group is potentially exposed to and that are not reflected in the measurement of lease liabilities includes the following:

i. variable lease payments;
ii. extension options and termination options;
iii. leases not yet commenced to which the lessee is committed;

3 Significant accounting policies (continued)

3.17 Lease Liabilities and Right-of-use assets (continued)

The Group's leasing activities and how these are accounted for (continued)

Right-of-use assets are measured at cost comprising the following:

i. the amount of the initial measurement of lease liability
ii. as applicable, any lease payments made at or before the commencement date less any lease incentives received, and
iii. as applicable, any initial direct costs.

Leases of low value assets mainly comprise office equipment (scanner and printer machines).

Variable lease payments

Impact of leases containing variable payment terms that are linked to sales generated or any other type of variable aspects are found to be immaterial with the Group.

Extension and termination options

Extension and termination options are included in a number of leases. These terms are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Some extension and termination options held are exercisable by the Group, others require both the lessee and the lessor to mutually agree so that an option to extend or early terminate is exercised. Approximately, AED 7.84 million (2019: AED 12.398 million) of the total lease payments included in the calculation of the lease liability in 2020 were optional.

Critical judgments in 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). Potential future cash outflows of AED 28.95 million (2019: AED 36.085 million) have not been included in the lease liability because the Group is not reasonably certain that the lessees will be extended. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Group.

3.18 Impact of COVID-19

Since early January 2020, the COVID-19 outbreak has spread across the globe and is causing ongoing disruption to business and economic activity, resulting in substantial government and central bank relief actions and support measures in many countries to protect the economy. There has not been any material impact on the Group's business performance as of 31 December 2020, however the Group will continue to monitor the situation as it evolves in order to assess any potential financial impact.

4 Significant accounting estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are described below.

(i) Expected Credit Loss (ECL) on financial assets

Financial assets accounted for at amortised cost are evaluated for impairment on a basis described in Note 3.9. The Group reviews its financial assets to assess impairment on a regular basis. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the contractual future cash flows from an asset or group of assets. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss.

(ii) Useful lives of property and equipment

The cost of property and equipment is depreciated over its estimated useful lives. Depreciation is based on expected usage of the asset and expected physical wear and tear, which depends on operational factors. The management has not considered any residual value as it is deemed immaterial. The estimated useful life is monitored and adjustments are made in future periods, if future factors indicate that such adjustments are appropriate.

(iii) Impairment of investment properties

The Group assesses whether there are any indicators of impairment for investment properties at each reporting date. The investment properties are tested for impairment when there are indicators that the carrying amounts are higher than their fair values.

As at 31 December 2020, the Group's management has performed an internal assessment of the market value of its investment properties. For more details refer Note 8.

(iv) Useful lives of investment properties

The costs of completed investment properties are depreciated over the estimated useful lives of the assets. The estimated useful lives are based on the expected usage of the assets and expected physical wear and tear, which depend on operational factors.

Depreciation of completed investment properties begins when it is available for use. That is when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

4 Significant accounting estimates and judgments (continued)

(v) Residual value of investment properties

The management has conducted an internal assessment and deemed the residual value of investment properties to be immaterial.

(vi) Classification and measurement of financial assets

The classification and measurement of financial assets depend on the management's business model for managing its financial assets and on the contractual cash flow characteristics of the financial asset assessed. Management is satisfied that the Group's investments in securities are appropriately classified and measured.

(vii) Lease term and practical expedients applied

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). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Group.

(viii) Other provisions

Management has applied judgment in recognizing certain provisions. Management has based their judgment on experience and their judgment is supported through management's external experts.

5 Right of use assets

	2020 AED'000	**2019** AED'000
Properties	**47,988**	**66,361**

The movement of right of use assets - properties is provided below:

	2020 AED'000	**2019** AED'000
At 1 January 2020	66,361	60,835
Additions – new leases	35,709	51,245
Termination of leases	(13,009)	-
Depreciation expenses	(41,073)	(45,719)
At 31 December 2020	**47,988**	**66,361**

6 Property, equipment and intangibles

	Building AED'000	Furniture and fixtures AED'000	Computers, software, and office equipment AED'000	Motor vehicles AED'000	Total AED'000
Cost					
At 1 January 2019	23,665	73,960	53,977	10,064	161,666
Additions	-	2,363	5,583	1,337	9,283
Transfer from capital work in progress	-	5,895	-	-	5,895
Disposals and write-offs	-	(438)	(1,966)	(857)	(3,261)
At 31 December 2019	23,665	81,780	57,594	10,544	173,583
Additions	-	1,114	9,380	803	11,297
Transfer from capital work in progress	-	3,804	-	-	3,804
Disposals and write offs	-	(1,969)	(716)	(647)	(3,332)
At 31 December 2020	**23,665**	**84,729**	**66,258**	**10,700**	**185,352**
Accumulated depreciation and amortisation					
At 1 January 2019	3,510	56,275	43,103	7,100	109,988
Charge for the year	473	7,659	5,295	1,349	14,776
Disposals and write-offs	-	(372)	(1,841)	-	(2,213)
Provision for impairment	-	2,336	-	-	2,336
At 31 December 2019	3,983	65,898	46,557	8,449	124,887
Charge for the year	474	6,715	5,575	1,249	14,013
Disposals and write-offs	-	(1,241)	(716)	(561)	(2,518)
Provision for impairment	-	732	-	-	732
At 31 December 2020	**4,457**	**72,104**	**51,416**	**9,137**	**137,114**
Net book amount					
As at 31 December 2020	**19,208**	**12,625**	**14,842**	**1,563**	**48,238**
As at 31 December 2019	19,682	15,882	11,037	2,095	48,696

Building represents property with dual use, i.e., partially occupied by the Group for use as corporate headquarter, with the rest held for rental income.

The total cost of the building AED 67.6 million has been apportioned based on the net leasable area under use by the Group amounting to AED 23.66 million, and the remainder portion of AED 43.94 million classified under investment properties accordingly.

7 Capital work in progress

Other capital work in progress includes expenditure made in respect of setting up and renovation of new and existing branches amounting to AED 2.077 million (2019: AED 1.515 million).

8 Investment properties

Investment properties represent properties held at cost less accumulated depreciation and any impairment losses under the cost model in accordance with IFRS. They are held for the purpose of rental generation and capital appreciation.

Movement during the year is as follows:

	Land	**Buildings**	**Capital work in progress**	**Total**
	AED'000	AED'000	AED'000	AED'000
Cost				
At 1 January 2019	86,800	75,234	33,856	195,890
Additions	-	-	60,274	60,274
As at 31 December 2019	86,800	75,234	94,130	256,164
Additions	-	-	14,702	14,702
Transfers	-	107,592	(107,592)	-
As at 31 December 2020	86,800	182,826	1,240	270,866
Accumulated depreciation				
At 1 January 2019	-	(19,014)	-	(19,014)
Charge for the year	-	(2,050)	-	(2,050)
At 31 December 2019	-	(21,064)	-	(21,064)
Charge for the year	-	(4,291)	-	(4,291)
At 31 December 2020	-	(25,355)	-	(25,355)
Net book value				
At 31 December 2020	**86,800**	**157,471**	**1,240**	**245,511**
At 31 December 2019	86,800	54,170	94,130	235,100

a) The Group entered into an agreement with Panorama Real Estate to construct and co-own a building in Dubai Land. The building is under construction stage. The Group has 84.84% share in the property. Proportionate share of costs incurred for construction AED 1.24 million (2019: AED 1.24 million).

b) Cost of land include two plots of land amounting to AED 53.932 million (2019: AED 53.932 million) co-owned by the Group with third parties.

c) Cost of buildings include AED 7.276 million (2019: AED 7.276 million) being the cost of warehouses registered in the name of related party, constructed on a plot of land leased from Government of Dubai.

8 Investment properties (continued)

d) The Group entered into an agreement with joint operation parties to construct and co-own Al Noor Tower building. The Group has an ownership allocation of 75%, while the remaining 25% is owned by the joint operation parties.

Proportionate share of costs incurred for construction of Al Noor Tower building amounted to AED 107.592 million as at 31 December 2020 which was transferred from capital work in progress to buildings after completion.

Building represents property with dual use (note 6) and has been apportioned based on leasable area with the cost of AED 43.94 million classified under investment properties. as at 31 December 2020.

As at 31 December 2020, the management of the Group conducted an internal assessment of the investment properties, whereby fair value was not materially different from the net book value of AED 245.51 million (2019: AED 235.1 million).

9 Cash in hand and in transit, due from banks, exchange houses and agents

	2020	**2019**
	AED'000	AED'000
Cash in hand and in transit		
Cash in hand	933,307	836,245
Cash in transit	28,312	18,624
Total amount of cash in hand and in transit	**961,619**	**854,869**
Due from banks		
Balances with banks in UAE		
- Current accounts	760,111	1,051,588
- Fixed deposits (note 9.1)	245,000	42,000
- Blocked deposits (note 9.2)	50,577	134,654
- Advances to banks against credit card collections	4,835	9,397
- FAWARI receivables (credit card receivables)	8,196	9,483
	1,068,719	**1,247,122**
Balances with banks outside UAE		
- Current accounts	705,178	363,622
- Blocked deposits (note 9.2)	8,232	4,391
	713,410	**368,013**
Total amount due from banks	**1,782,129**	**1,615,135**
Due from exchange houses and agents		
Balances with exchange houses and agents inside UAE	45	3
Balances with exchange houses and agents outside UAE	45,065	34,742
Total amount due from exchange houses and agents	**45,110**	**34,745**
Total balance of cash in hand and in transit, due from banks, exchange houses and agents	**2,788,858**	**2,504,749**

9 Cash in hand and in transit, due from banks, exchange houses and agents (continued)

9.1 Fixed deposits, at commercial market interest rates, are held with the Banks in the UAE with a tenure of 12 months to 15 months.

9.2 Blocked deposits, at commercial market interest rates, are held as margins with correspondent banks against financing and remittance arrangements obtained.

9.3 Currency wise composition of cash in hand and in transit, balance due from banks, exchange houses and agents:

	2020	**2019**
	AED'000	AED'000
Local currency	1,239,691	1,402,118
Foreign currency	1,549,167	1,102,631
	2,788,858	**2,504,749**

9.4 Concentration of balance of cash in hand and in transit, due from banks, exchange houses and agents by geographical area:

	2020	**2019**
	AED'000	AED'000
UAE	1,068,763	1,247,125
Europe	11,633	10,416
Middle East	216,227	128,048
USA	33,246	16,978
India	84,324	89,253
Philippines	132,093	70,660
Bangladesh	25,081	12,673
Other locations	255,872	74,727
	1,827,239	**1,649,880**
Cash in hand and in transit – UAE	961,619	854,869
	2,788,858	**2,504,749**

The geographical information shown above has been classified by location of cash in hand and cash in transit, the respective branches of the banks, exchange houses and agents.

9.5 Cash in hand and in transit, due from banks, exchange houses and agents were assessed for the impairment requirements of IFRS 9. The identified impairment loss was immaterial as these are short-term (Stage 1) with no significant increase in credit risk as at 31 December 2020.

10 Cash and cash equivalents

	2020 AED'000	**2019** AED'000
Cash in hand and in transit	961,619	854,869
Due from banks	1,782,129	1,615,135
Due from exchange houses and agents	45,110	34,745
Due to banks	(20,861)	(29,013)
Due to exchange houses and agents	(27,078)	(45,939)
	2,740,919	**2,429,797**
Less:		
Fixed deposits with an original maturity longer than three months	(245,000)	(42,000)
Blocked deposits with banks inside UAE	(50,577)	(134,654)
Blocked deposits with banks outside UAE	(8,232)	(4,391)
	(303,809)	**(181,045)**
	2,437,110	**2,248,752**

11 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In the case of the Group, related parties, as defined in the International Accounting Standard No. 24, includes shareholders, directors and officers of the Group and entities of whom they are principal owners and key management personnel. These transactions are entered into in the normal course of business and mainly include remittance arrangements. Transactions are entered into with related parties on agreed terms and conditions approved by the shareholder. The significant transactions included in the consolidated financial statements are as follows:

	2020 AED'000	**2019** AED'000
Transactions with related parties		
Commission income earned	**230**	**386**
Interest paid	**1,306**	**2,082**

11.1 Due from / to related parties

	2020 AED'000	**2019** AED'000
Due from related parties	**5,975**	**26,585**
Due to related parties	**161,077**	**169,271**

11.2 Key management personnel

The total amount of compensation paid to key management personnel during the year is as follows:

	2020 AED'000	**2019** AED'000
Salaries and other benefits	**849**	**849**

12 Prepayments and other receivables

	2020	**2019**
	AED’000	AED’000
Prepaid expenses	11,263	9,047
Bills receivable	1,341	461
Deposit with tax authorities (note 12.1)	10,400	-
Security deposits and other receivables	54,223	83,409
Margin receivables from customers	15,322	37,984
Commission income receivable in relation to WPS	172	153
Positive value of overnight foreign currency forwards (note 23)	14,529	4,265
	107,250	**135,319**

12.1 Deposit with tax authorities

Voluntary disclosures filed for tax periods from January 2018 to January 2019 – AED 0.97 Million

On 29 March 2019, the Group had filed voluntary disclosures as a result of applying incorrect apportionment formula for allocating input tax into taxable and exempt supplies for the tax period from January 2018 to January 2019. Federal Tax Authority (FTA) accepted the voluntary disclosures, however, levied a penalty of AED 0.97 Million, on the tax shortfall of AED 1.88 Million, originated as a result of using inappropriate treatment of apportionment.

The Group has challenged the levy of these penalties based on the contention that the Group has a refundable tax position during the tax period January 2018 to December 2018 and therefore, any tax shortfall should have been adjusted with the excess refundable position.

Tax assessment for tax periods from January 2018 to January 2019 – AED 9.43 Million

During the year, FTA has assessed that the share of income received from sending agents relating to inward remittances is subject to standard rate of tax. Accordingly, FTA has assessed short payment of VAT by the Group and related penalties amounting to AED 9.43 Million based on the view that the recipient of the service resides in UAE. The Group is of the view that receipt of such income should be zero rated in accordance with VAT regulations due to the fact that the services are provided to the sending agent who is non-resident person at the time of providing such services.

Both of the above matters are currently pending with Tax Dispute Resolution Committee.

13 Lease liabilities

	2020 AED'000	2019 AED'000
Current	22,960	37,369
Non-current	17,956	27,465
	40,916	**64,834**

The maturity of leased liabilities based on contractual payments is explained in note 23.1

The movement of lease liabilities is provided below:

	2020 AED'000	2019 AED'000
At 1 January	64,834	52,030
Additions	35,709	51,245
Termination of leases	(13,009)	-
Payments	(46,618)	(38,441)
At 31 December	**40,916**	**64,834**

14 Provision for employees' end of service benefits

	2020 AED'000	2019 AED'000
At 1 January	34,321	31,312
Charge for the year	5,677	5,420
Payments during the year	(2,691)	(2,411)
At 31 December	**37,307**	**34,321**

15 Other payables and accruals

	2020 AED'000	2019 AED'000
Accrued expenses and other payables	202,604	167,396
Bills and travel card payables	156,475	133,833
Payable balances in relation to Wage Protection system	105,457	93,629
Cash Express remittances payable	75,353	20,911
Payable to Western Union in lieu of remittance funding	7,893	38,833
Payable to securities markets – DFM & ADX	-	12,436
Other payables	40,596	16,670
	588,378	**483,708**

16 Due to banks, exchange houses and agents

	2020	2019
	AED'000	AED'000
Due to banks		
Bank overdrafts	-	16,287
Balances with local banks	2,589	8,142
Balances with foreign banks	18,272	4,584
Total amount due to banks	**20,861**	**29,013**
Due to exchange houses and agents		
Balances with local exchange houses and agents	219	55
Balances with foreign exchange houses and agents	26,859	45,884
Total amount due to exchange houses and agents	**27,078**	**45,939**
Total balance due to banks, exchange houses and agents	**47,939**	**74,952**

16.1 Bank overdrafts were secured against fixed deposits placed with the banks (note 9.1).

16.2 Currency wise composition of balance due to banks, exchange houses and agents:

	2020	2019
	AED'000	AED'000
Local currency	29,083	41,243
Foreign currency	18,856	33,709
	47,939	**74,952**

17 Contingencies and commitments

	2020	2019
	AED'000	AED'000
Contingent liabilities		
Guarantees issued by banks in favour of		
Central Bank of the UAE ("CBUAE")	75,000	75,000
Dubai Financial Market	30,000	30,000
Abu Dhabi Securities Exchange	27,000	27,000
Financial institutions for correspondent relationships (note 17.1)	17,032	3,622
Total guarantees arranged and issued	**149,032**	**135,622**

17.1 The Group has arranged guarantees from local commercial banks, drawn in favor of certain correspondent banks as required under terms of the respective corresponding arrangements.

Capital commitments:

The commitments in respect of investment properties & capital expenditure on branches as at 31 December 2020 amounts to NIL and AED 2.803 million respectively (2019: AED 26.870 million and AED 0.934 million respectively).

18 Share capital

At 31 December 2020, the authorised issued and fully paid share capital of the Group comprised 50 million ordinary shares of AED 1 each (2019: 50 million of AED 1 each).

19 Net commission income

	2020 AED'000	2019 AED'000
Commission income		
Commission on remittances	394,200	346,693
Commission on collections	64,977	66,764
Other commission	10,865	17,644
	470,042	**431,101**
Commission expense and discount	(5,228)	(3,347)
Net commission income	**464,814**	**427,754**

20 Salaries and benefits

	2020 AED'000	2019 AED'000
Salaries and wages	237,000	234,958
Employees' end of service benefits	5,677	5,020
Other benefits	75,571	70,954
	318,248	**310,932**

Other benefits include annual bonus and performance incentives amounting to AED 24.06 million (2019: AED 17.09 million).

21 General and administrative expenses

	2020 AED'000	2019 AED'000
Administrative expenses	49,733	48,820
Rent and premises expenses	9,970	6,131
License fees	5,673	5,197
Others expenses	27,430	14,505
	92,806	**74,653**

22 Depreciation, amortisation and impairment

	2020 AED'000	**2019** AED'000
Depreciation and amortisation on:		
- Right of use assets (note 5)	41,073	45,719
- Property, equipment and intangibles (note 6)	14,013	14,776
- Investment properties (note 8)	4,291	2,050
Impairment of Property, equipment and intangibles (note 6)	732	2,336
	60,109	**64,881**

23 Financial risk management

The Group has exposure to the following risks from its use of financial instruments and operations:

- Credit risk
- Market risk
- Liquidity risk
- Operational risk management

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, risk management frameworks, policies and processes for measuring and managing risk, and the management of the Group's capital.

23.1 Risk management framework

The management provides principles for overall financial risk management. Periodic reviews are undertaken to ensure that the Group's policy guidelines are complied with. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures risk.

(a) Credit risk

Credit risk is the risk that a counter party to a financial asset fails to meet its contractual obligation and causes the Group to incur a financial loss. The Group is exposed to credit risk through its placements with banks, exchange houses and agents, receivable balances from other counterparties and cash in transit. The Group is not involved in extending any credit facility to its customers.

Credit risk is managed by the Group by dealing with reputable counter parties approved after a thorough due diligence by the management of the Group and monitoring exposure with each counterparty and average balances held with banks and intermediaries on a daily basis.

The Group's bank balances are placed with various international and local banks. Accordingly, the Group has no significant concentration of credit risk.

23 Financial risk management (continued)

23.1 Risk management framework (continued)

(a) Credit risk (continued)

Maximum exposure to credit risk

Credit risk exposure is limited to the carrying amount of the Group's financial assets as follows:

	2020 AED'000	**2019** AED'000
Due from banks	1,782,129	1,615,135
Investment securities at fair value through profit or loss	1,102	-
Due from exchange houses and agents	45,110	34,745
Due from related parties	5,975	26,585
Cash in transit (note 9)	28,312	18,624
Other receivables	95,987	126,272
	1,958,615	**1,821,361**

The credit quality analysis of total amount in respect of balance due from banks, exchange houses and agents, due from related parties, cash in transit and other receivables is as follows:

	Amount outstanding 2020 AED'000	**Amount outstanding 2019** AED'000
Receivables – net	**1,958,615**	**1,821,361**

Due to the nature of the Group's business, ageing analysis is not considered relevant and hence not provided. The geographical distribution of other receivables is as follows:

	2020 AED'000	**2019** AED'000
Inside the UAE	81,457	122,008
Outside the UAE	14,529	4,264
	95,986	**126,272**

Geographical distribution of due from banks, exchange houses, related parties and cash in transit is provided in note 9.4.

23 Financial risk management (continued)

23.1 Risk management framework (continued)

(b) Market risk

The Group recognises market risk as the exposure created by potential changes in market prices and rates. The Group is exposed to market risk arising principally from customer driven transactions including foreign exchange positions. The objective of the Group's market risk policies and processes is to obtain the best balance of risk and return while meeting its customers' requirements.

(i) Interest rate risk

The Group is exposed to the risk that changes in interest rates would have an adverse effect on the value of its financial assets and liabilities.

To mitigate this risk, the Group manages its exposure to interest rate risk through managing the duration of its interest bearing portfolio. The Group does not have external loans or material interest bearing liabilities, therefore, the Group does not measure its interest bearing assets or liabilities at fair value as the financial impact is considered immaterial.

(ii) Interest rate sensitivity of assets and liabilities

Interest rate risk is also assessed by measuring the impact of reasonable possible change in interest rate movements. A movement in interest rates of 100 basis points will have the following impact on the net profit for the year and net assets at that date:

	Net profit for the year AED'000	**Equity** AED'000
2020		
Fluctuation in yield by 100 bps	±3,038	±3,038
2019		
Fluctuation in yield by 100 bps	±1,675	±1,675

The interest rate sensitivities set out above are illustrative only and employ simplified scenarios. They are based on AED 303.809 million interest bearing assets (2019: AED 183.810 million) and interest bearing liabilities of NIL as at 31 December 2020 (2019: AED 16.287 million).

The sensitivity does not incorporate actions that could be taken by management to mitigate the effect of interest rate movements.

23 Financial risk management (continued)

23.1 Risk management framework (continued)

(b) Market risk (continued)

(iii) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group manages its currency risk by monitoring its daily foreign currency exposure. As the AED is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk.

The Group had the following significant net exposures denominated in foreign currencies:

	Long/(short) 2020 AED'000	**Long/(short) 2019** AED'000
United States Dollar	1,111,138	597,096
Saudi Riyal	69,004	238,196
Philippines Peso	65,922	11,057
Pakistani Rupee	31,166	8,983
Omani Riyal	23,603	23,351
Egyptian Pound	17,828	15,334
Bangladesh Taka	13,874	2,923
Indian Rupee	336	8,557
Others	63,245	47,858
	1,396,116	**953,355**

The table below calculates the effect of a reasonably possible movement of the AED currency rate against the various currencies, with all other variables held constant, on the statement of comprehensive income (due to the fair value of currency sensitive monetary assets and liabilities).

23 Financial risk management (continued)

23.1 Risk management framework (continued)

(b) Market risk (continued)

(iii) Currency risk (continued)

Sensitivity	***Saudi Riyal***	***Philippines Peso***	***Pakistani Rupee***	***Omani Riyal***	***Egyptian Pound***	***Bangladesh Taka***	***Indian Rupee***	***Others***	***Profit impact***
Percentage	1%	1%	1%	1%	1%	1%	1%	1%	1%
2020									
AED'000 ±	690	659	312	236	178	139	3	632	2,849
2019									
AED'000 ±	2,381	111	90	234	153	29	86	479	3,563

Foreign currency forwards – overnight

	2020 AED'000	**2019** AED'000
Notional amount (short position)	**198,831**	123,465
Positive fair value of overnight forwards	**14,529**	4,264

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

To guard against this risk, management has diversified funding sources and assets are managed with liquidity in mind, maintaining sufficient balance of cash and cash equivalents to meet its obligation. Daily cash flow statements are prepared on the basis of projected purchases and sales of currencies, the maturity profile and interest flows from bank deposits. These are used by the Group to monitor and manage the liquidity structure of its assets and liabilities to ensure that an appropriate balance of cash and cash equivalents is maintained to meet liquidity requirements. Most of the Group's transactions are made on a back-to-back basis and its bank accounts are adequately managed and funded to meet commitments.

Treasury and Finance departments work in close coordination in order to avoid any liquidity issues that can impact the operations of the Group.

23 Financial risk management (continued)

23.1 Risk management framework (continued)

(c) Liquidity risk (continued)

The table below summarises the maturities of the Group's discounted financial liabilities at 31 December 2020, based on contractual payment dates and current market interest rates.

	On demand	**Less than 1 year**	**Between 2 to 3 years**	**Over 3 years**
	AED'000	AED'000	AED'000	AED'000
31 December 2020				
Lease liabilities	-	24,555	16,134	2,646
Amount due to related parties	161,077	-	-	-
Due to banks	20,861	-	-	-
Due to exchange houses and agents	27,078	-	-	-
Other payables and accruals	588,378	-	-	-
Total	**797,394**	**24,555**	**16,134**	**2,646**
31 December 2019				
Lease liabilities	5,455	31,914	23,439	4,026
Amount due to related parties	169,271	-	-	-
Due to banks	29,013	-	-	-
Due to exchange houses and agents	45,939	-	-	-
Other payables and accruals	483,708	-	-	-
Total	**733,386**	**31,914**	**23,439**	**4,026**

(d) Operational risk management

Operational risk is the risk of a direct or indirect loss being incurred due to an event or action arising from the failure of technology, processes, infrastructure, personnel and other matters having operational risk impact.

The management of the Group closely monitors the operations. A formal budgeting process is in place in order to monitor the performance of the Group.

Monthly branch wise profit and loss is prepared by the Finance department for the Management's review.

IT Disaster recovery procedures, risk and compliance audits and internal audits also form an integral part of the operational risk management process.

23 Financial risk management (continued)

23.2 Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize the Group's value.

The Group manages its capital structure and makes adjustments to it, in light of changes in the economic conditions and in compliance with regulatory capital requirements. No changes were made to the objectives, policies or processes during the year ended 31 December 2020. As at 31 December 2020, total shareholders' equity is AED 2,359.6 million (2019: AED 2,179.6 million) and comprises paid up capital, statutory reserve and retained earnings. The Group has complied with all externally imposed capital requirements throughout the year.

24 Dividends

The Group has distributed total dividends amounting to AED 336.594 million for the year ended 31 December 2020 (2019: AED 184.479 million) .

25 Subsequent events

There have been no events subsequent to the statement of financial position date that would significantly affect the amounts reported in the consolidated financial statements as at and for the year ended 31 December 2020.

26 Comparative figures

Certain comparative amounts on the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements have been reclassified to conform to the presentation adopted in the financial statements for the year ended 31 December 2020.

a) Statement of financial position

Proportion of capital work in progress identifiable with investment properties has been merged with investment properties in accordance with IAS 40.

Annex (2) – Memorandum of Association and Articles of Association

MEMORANDUM OF ASSOCIATION

OF

Al Ansari Financial Services PJSC
(Public Joint-Stock Company)

(“Company”)

عقد تأسيس

شركة

الانصاري للخدمات المالية ش.م.ع
(شركة مساهمة عامة)

("الشركة")

In this day "[Insert day]" of "[Insert month]" of 2023

انه في هذا اليوم "[إدخل اليوم]" من شهر "[إدخل الشهر]" لسنة ٢٠٢٣

This Memorandum of Association (the “Memorandum”) is made on the day and date specified in the seal of the notary public hereunder, by:

ابرم عقد التأسيس الماثل ("**العقد**") في اليوم والتاريخ الموضحين في خاتم كاتب العدل الوارد أدناه، من:

AL ANSARI HOLDING LLC, a company registered under the laws of Dubai with register in Dubai Economy and Tourism department with license number 1117499 (“**Founder**”)**.**

الانصاري القابضة ش.ذ.م.م، وهي شركة مسجلة وقائمة بموجب قوانين دبي، دولة الإمارات العربية المتحدة، والمسجلة بدائرة دبي للاقتصاد والسياحة بموجب الرخصة رقم ١١١٧٤٩٩، ("**المؤسس**")

Al Ansari Financial Services L.L.C (formerly known as AlAnsari Holding LLC,) is a limited liability company duly incorporated on 09/05/2016 in the Emirate of Dubai under the trade license number 758204 issued by the Dubai Department of Economy and Tourism pursuant to its Memorandum executed at the Dubai Notary Public on 20/4/2016 with reference number 2016/1/85812, pursuant to the amended and restated Memorandum of Association signed before the Notary Public in Dubai on 14/11/2017 with reference number 2017/1/248225, pursuant to the amended Memorandum of Association signed before the Notary Public in Dubai on 21/10/2022 with reference number 2022/1/339319, pursuant to the amended Memorandum of Association signed before the Notary Public in Dubai on 16/11/2022 with reference number 2022/1/385689.

حيث إن شركة الانصاري للخدمات المالية ش.ذ.م.م. (المعروفة سابقاً بشركة الانصاري القابضة ذ.م.م)، وهي شركة ذات مسؤولية محدودة مؤسسة بتاريخ ٢٠١٦/٠٥/٠٩ في إمارة دبي، بموجب الرخصة التجارية رقم ٧٥٨٢٠٤، مسجلة لدى دائرة دبي للاقتصاد والسياحة، وبموجب عقد التأسيس المصدق لدى الكاتب العدل في إمارة دبي بتاريخ ٢٠١٦/٤/٢٠، بالمحرر رقم ٢٠١٦/١/٨٥٨١٢، وبموجب عقد تأسيس المعدل والمعاد صياغته والمصدق لدى الكاتب العدل بدبي بتاريخ ٢٠١٧/١١/١٤ بالمحرر رقم ٢٠١٧/١/٢٤٨٢٢٥ وبموجب ملحق عقد تأسيس المصدق لدى الكاتب العدل بدبي بتاريخ ٢٠٢٢/١٠/٢١ بالمحرر رقم ٢٠٢٢/١/٣٣٩٣١٩ وبموجب ملحق عقد تأسيس المصدق لدى الكاتب العدل بدبي بتاريخ ٢٠٢٢/١١/١٦ بالمحرر رقم ٢٠٢٢/١/٣٨٥٦٨٩.

Whereas, it has been approved pursuant to a written resolution on 4 November 2022 (i) such conversion from a limited liability company to a public joint stock

وحيث تمت الموافقة بموجب قرارات خطية بتاريخ ٤ نوفمبر ٢٠٢٢ على (١) تحويل الشركة من شركة ذات مسؤولية محدودة إلى شركة مساهمة عامة؛ و(٢) زيادة

company, (ii) increase the Company's capital and (iii) offer part of the Company's capital to the public.

رأس مال الشركة و(٣) طرح جزء من رأس مال الشركة للاكتتاب العام.

Accordingly, the Company converted into 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، تم تحويل الشركة الى شركة مساهمة عامة طبقاً لأحكام المرسوم بقانون اتحادي رقم (٣٢) لسنة ٢٠٢١ بشأن الشركات التجارية (كما يتم تعديله) ("**القانون**").

Article 1

المادة ١

The name of the Company is "**Al Ansari Financial Services PJSC" (**a public joint stock company), (hereinafter referred to as (the "**Company**")).

اسم الشركة هو "**الانصاري للخدمات المالية ش.م.ع" (شركة مساهمة عامة)**، (ويشار إليها فيما بعد بلفظ ("**الشركة**")).

Article 2

المادة ٢

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 ٣

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 (١٠٠) 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 ٤

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:

٤,١ تكون الأغراض التي أسست من أجلها الشركة متفقة مع أحكام القوانين والقرارات المعمول بها داخل الدولة، وهي:

a. Investments in Agricultural Enterprises & Management;	أ. الاستثمار في المشروعات الزراعية وتأسيسها واداراتها؛
b. Investment in Industrial Enterprises & Management; and	ب. الاستثمار في المشروعات الصناعية وتأسيسها واداراتها؛ و
c. Investment in Commercial Enterprises & Management.	ت. الاستثمار في المشروعات التجارية وتأسيسها واداراتها.
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.	٤,٢علاوةً 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:	٤,٣يجوز 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	٤,٤ 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.	٤,٥ 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 واعملاً 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.

٤,٦ 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.

٤,٧ 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 ٥

5.1 The issued capital of the Company has been fixed at AED **75,000,000** (**seventy-five million**) divided into shares, the nominal value of which is AED 0.01 (one fils) Dirham 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.

٥,١حدد رأس مال الشركة المصدر بمبلغ **٧٥,٠٠٠,٠٠٠** **(خمسة وسبعون مليون)** درهم موزع على عدد من الأسهم قيمتها الأسمية ٠,٠١ (فلس واحد) درهم إماراتي لكل سهم، مدفوعة بالكامل. وتكون جميع أسهم الشركة متساوية مع بعضها البعض من كافة الحقوق.

The Founder have subscribed for the entire capital of the Company for 7,500,000,000 (Seven billion and five hundred million) shares with nominal value of AED 0.01 (one fils) Dirham for each, for a total amount of

أكتتب المؤسس على رأس مال الشركة بالكامل بأسهم عددها ٧,٥٠٠,٠٠٠,٠٠٠، (سبعة مليار وخمسمائة مليون) سهم بقيمة الأسمية ٠,٠١ (فلس واحد) درهم إماراتي لكل سهم بقيمة إجمالية **٧٥,٠٠٠,٠٠٠** **(خمسة**

AED **75,000,000** (**seventy-five million**), as follows:

وسبعون مليون) درهم، على النحو التالي:

نسبة الملكية Ownership Percentage %	عدد الأسهم Shares	الجنسية Nationality	المؤسسون Founders	رقم
٪١٠٠ 100%	٧,٥٠٠,٠٠٠,٠٠٠ 7,500,000,000	الإمارات UAE	الانصاري القابضة ش.ذ.م.م AL ANSARI HOLDING LLC	1
٪١٠٠ **100%**	**٧,٥٠٠,٠٠٠,٠٠٠** **7,500,000,000**		**المجموع** **Total**	

Article 6

The Founders, 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 ٦

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 and the Company shall bear all expenses, costs, fees and other charges required to be paid due to its incorporation as a public joint stock company each in proportion to the percentage of shares to be offered for sale by the Founders and the capital increase shares.

المادة ٧

يتحمل المؤسسون والشركة المصروفات والنفقات والأجور والتكاليف الأخرى اللازمة لتأسيسها كشركة مساهمة عامة وذلك نسبة وتناسب مع ما يتم بيعه من أسهم المؤسسين إلى ما يتم طرحه من أسهم في زيادة رأس المال.

المادة ٨

يعتبر النظام الأساسي المرفق بهذا العقد جزءاً لا يتجزأ منه ومكملاً له.

Article 8

The Articles of Association attached to this Memorandum shall be deemed an integral part thereof and complementary thereto.

المادة ٩

في حال وجود أي تعارض بين النص العربي والنص الإنجليزي، يؤخذ بالنصوص الواردة في النسخة العربية.

Article 9

In case of a discrepancy between the Arabic and the English text, the Arabic text shall prevail

المادة ١٠

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.

Article 10

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.

لجنة المؤسسين Founders' Committee	المنصب Position	التوقيع Signatures
السيد/ محمد علي ابوالحسن الانصاري Mr. Mohammed Ali Abualhassan Alansari	رئيس Chairman	
السيد/ فؤاد علي ابوالحسن الانصاري Mr. Fuad Ali Abualhassan Alansari	عضو Member	
السيد/ عيسى علي ابوالحسن الانصاري Mr. Eisa Ali Abualhassan Alansari	عضو Member	
السيد/ راشد علي ابوالحسن الانصاري Mr. Rashed Ali Abualhassan Alansari	عضو Member	

The Articles of Association of Al Ansari Financial Services PJSC (Public Joint-Stock Company)

النظام الأساسي

الانصاري للخدمات المالية ش.م.ع (شركة مساهمة عامة)

PART ONE

الباب الأول

ESTABLISHING THE COMPANY

في تأسيس الشركة

Al Ansari Financial Services L.L.C (formerly known as Al Ansari Holding L.L.C), is a limited liability company duly incorporated on **09/05/2016** in the Emirate of Dubai under the trade license number **758204** issued by the Department of Economy and Tourism in Dubai pursuant to its Memorandum and Articles of Association executed at the Dubai Notary Public on 20/4/2016 with reference number 2016/1/85812, as per the amended and restated Memorandum of Association signed before the Notary Public in Dubai on 14/11/2017 with reference number 2017/1/248225, as per the amended Memorandum of Association signed before the Notary Public in Dubai on 21/10/2022 with reference number 2022/1/339319, as per the amended Memorandum of Association signed before the Notary Public in Dubai on 16/11/2022 with reference number 2022/1/385689.

حيث إن **شركة الانصاري للخدمات المالية ش.ذ.م.م. (المعروفة سابقاً شركة الانصاري القابضة ذ.م.م)**، هي شركة محدودة بالأسهم تأسست بتاريخ **٢٠١٦/٠٥/٠٩** في إمارة دبي، بموجب الرخصة التجارية رقم **٧٥٨٢٠٤**، مسجلة لدى دائرة الاقتصاد والسياحة في دبي، وبموجب عقد التأسيس والنظام الأساسي المصدق لدى الكاتب العدل في إمارة دبي بتاريخ ٢٠١٦/٤/٢٠، بالمحرر رقم ٨٥٨١٢/١/٢٠١٦، وبموجب عقد تأسيس المعدل والمعاد صياغته والمصدق لدى الكاتب العدل بدبي بتاريخ ٢٠١٧/١١/١٤ بالمحرر رقم ٢٠١٧/١/٢٤٨٢٢٥ وبموجب ملحق عقد تأسيس المصدق لدى الكاتب العدل بدبي بتاريخ ٢٠٢٢/١٠/٢١ بالمحرر رقم ٢٠٢٢/١/٣٣٩٣١٩ وبموجب ملحق عقد تأسيس المصدق لدى الكاتب العدل بدبي بتاريخ ٢٠٢٢/١١/١٦ بالمحرر رقم ٢٠٢٢/١/٣٨٥٦٨٩.

Whereas, it has been approved pursuant to a written resolution on 4 November 2022 (i) such conversion from a limited liability company to a public joint stock company, (ii) increase the Company’s capital and (iii) offer part of the Company’s capital to the public.

وحيث تمت الموافقة بموجب قرارات خطية بتاريخ ٤ نوفمبر ٢٠٢٢ على (١) تحويل الشركة من شركة ذات مسؤولية محدودة إلى شركة مساهمة عامة؛ و(٢) زيادة رأس مال الشركة و(٣) طرح جزء من رأس مال الشركة للاكتتاب العام.

Therefore, it has been agreed that the following shall be the Articles of Association of the Company:

وعليه، فقد تمَ الاتفاق على النظام الأساسي التالي للشركة:

DEFINITIONS

تعريفات

The following terms and expressions, when mentioned in the provisions of these Articles, shall have the following meanings:

يقصد بالألفاظ أدناه، عند ورودها في النظام الأساسي، المعاني المرادفة لكل منها:

Affiliated Company: means a company associated with another company under a cooperation and coordination agreement, in accordance with the resolution No. (3 R.M) issued by the Board of Directors of the Authority (as defined below) concerning Approval of Joint Stock Companies Governance Guide.

الشركة الحليفة: تعني الشركة المرتبطة بعقد تعاون وتنسيق مع شركة أخرى وفقاً لقرار رئيس مجلس إدارة الهيئة رقم (٣ ر.م) لسنة ٢٠٢٠ بشأن اعتماد 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 Al Ansari Financial Services PJSC.

الشركة: تعني شركة الانصاري للخدمات المالية ش.م.ع

Competent Authority: means the Department of Economy and Tourism in Dubai.

السلطة المختصة: تعني دائرة الاقتصاد والسياحة في دبي.

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 ٣٠٪ أو أكثر 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 distributed among more than one nominated director provided that the number of votes to be given to such group

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 توزيعها بين من يختارهم من المرشحين على ألا يتجاوز عدد الأصوات التي يمنحها للمرشحين الذين

of nominated directors is not more than the number of the votes held by such shareholder in any case whatsoever.

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 (٣٢) لسنة ٢٠٢١ 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

قواعد الإدراج: تعني قواعد ومتطلبات الإدراج الواردة في القانون والأنظمة والقرارات الصادرة بمقتضاه، واللوائح الداخلية الخاصة بالسوق.

regulations of the Market.

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 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.

الشركة الام: تعني شركة ترتبط بالشركة التابعة من خلال أي من العلاقات التالية:

١- ان يكون لديها الحق في ممارسة أو تقوم بالفعل بممارسة السيطرة على الشركة التابعة؛ أو
٢- شركة ام للشركة الام للشركة التابعة.

Related Party(ies): subject to the reference specifically provided by the rules and regulations published by the Authority.

الأطراف ذات العلاقة: وفقا لما تُحدده القرارات الصادرة عن الهيئة.

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 (٧٥٪) 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

الشركة التابعة: تعني الشركة المملوكة من

50% of its capital and fully controls the formation of its board of directors.

الشركة بأكثر من ٥٠٪ من رأسمالها وتخضع للسيطرة الكاملة من قبل الشركة في تعيين مجلس ادارتها.

Transactions: means an event that may affect a listed public joint stock company's assets, liabilities and net value in terms of transactions, contracts or agreements concluded by the company and any other transactions determined by the Authority from time to time under decisions, instructions or circulations issued thereby.

الصفقات: حدث يؤثر على أصول الشركة المساهمة العامة المدرجة في السوق أو التزاماتها أو صافي قيمتها من تعاملات أو عقود أو اتفاقيات تبرمها الشركة، وأي تعاملات اخرى تحددها الهيئة من وقت لآخر بقرارات أو تعليمات أو تعاميم تصدرها..

Article 1

المادة ١

The name of the Company AlAnsari Financial Services PJSC (a public joint stock company) referred to hereinafter as (the "**Company**").

اسم الشركة هي شركة الانصاري للخدمات المالية ش.م.ع (شركة مساهمة عامة) ويشار إليها فيما يلي ب ("**الشركة**").

Article 2

المادة ٢

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 ٣

3.1. 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.

٣,١ المدة المحددة لهذه الشركة هي (١٠٠) مائة سنة ميلادية تبدأ من تاريخ إشهار الشركة في السجل التجاري.

3.2. Such term shall be automatically renewed for similar successive terms unless a Special Resolution of the General Assembly is issued to amend

٣,٢ وتجدد هذه المدة بعد ذلك تلقائياً لمدد متعاقبة ومماثلة ما لم يصدر قرار خاص من الجمعية العمومية بتعديل مدة الشركة

the term of the Company or terminate the same.

أو انهائها.

Article 4

المادة ٤

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:

٤,١ تكون الأغراض التي أســـســـت من أجلها الشـركـة متفقـة مع أحكـام القـوانين والقرارات المعمول بهـا داخـل الـدولـة، وهي:

a. Investments in Agricultural Enterprises & Management;

أ. الاستثمار في المشروعات الزراعية وتأسيسها واداراتها؛

b. Investment in Industrial Enterprises & Management; and

ب. الاستثمار في المشروعات الصناعية وتأسيسها واداراتها؛ و

c. Investment in Commercial Enterprises & Management.

ج. الاستثمار في المشروعات التجارية وتأسيسها واداراتها.

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.

٤,٢ علاوةً على ذلك، يجوز للشـركة مزاولة أية أنشــطة أخرى تتعلق بأي من أغراضــها أو تؤدي إلى تحقيقها.

4.3 In the course of carrying out its objects, the Company may:

٤,٣ يجوز للشـركـة، ضـــمن مســـار القيـام 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.

٤,٤ لا يجوز للشركة أن تزاول أعمال التأمين أو الأعمال المصرفية.

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.

٤,٥ 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

٤,٦ 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

be incidental to the above objects.

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.

٤,٧ 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

الباب الثاني

THE CAPITAL OF THE COMPANY

في رأسمال الشركة

Article 5

المادة ٥

The issued capital of the Company has been fixed at an amount AED 75,000,000 (seventy five million Dirhams) divided into shares, the nominal value of which is 0.01 (one fils) Dirham 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.

حدد رأس مال الشركة المصدر بمبلغ ٧٥,٠٠٠,٠٠٠ (خمسة وسبعون مليون درهم) موزع على عدد من الأسهم قيمتها الأسمية ٠,٠١(فلس واحد) درهم لكل سهم، مدفوعة بالكامل. وتكون جميع أسهم الشركة متساوية مع بعضها البعض من كافة الحقوق.

The founder have subscribed for the entire capital of the Company for 7,500,000,000 (Seven billion and five hundred million) shares with nominal value of AED 0.01 (one fils) Dirham for each, for a total amount of AED 75,000,000 (seventy-five million), as follows:

أكتتب المؤسس على رأس مال الشركة بالكامل بأسهم عددها ٧,٥٠٠,٠٠٠,٠٠٠، (سبعة مليار وخمسمائة مليون) سهم بقيمة الأسمية ٠,٠١ (فلس واحد) درهم إماراتي لكل سهم بقيمة إجمالية ٧٥,٠٠٠,٠٠٠ (خمسة وسبعون مليون) درهم، على النحو التالي:

نسبة الملكية Ownership Percentage %	عدد الأسهم Shares	الجنسية Nationality	المؤسسون Founders	رقم
٪١٠٠ 100%	٧,٥٠٠,٠٠٠,٠٠٠ 7,500,000,000	الإمارات UAE	الانصاري القابضة ش.ذ.م.م AL ANSARI HOLDING LLC	1
٪١٠٠ **100%**	**٧,٥٠٠,٠٠٠,٠٠٠** **7,500,000,000**		**المجموع** **Total**	

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.

المادة ٦

جميع أسهم الشركة اسمية ويجب الالتزام بأحكام القانون والقرارات الصادرة تنفيذاً له فيما يتعلق بملكية الأسهم.

Article 7

The shareholders shall not be responsible for any liabilities or losses that the Company incurs save to the extent of the unpaid amount , if any, of the shares they own. The obligations of shareholders may not be increased without their unanimous consent.

المادة ٧

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.

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.

المادة ٨

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.

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 transmitted or 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.

المادة ٩

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.

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 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.

المادة ١٠

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 حق حضور اجتماعات الجمعيات العمومية؛ و (د) في التصويت على قراراتها.

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 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

المادة ١١

١١,١ يجوز لمجلس الإدارة إدراج الشركة في الأسواق المالية الأخرى خارج الدولة، وفي حالة إدراج أسهم الشركة في الأسواق المالية خارج الدولة 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

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.

تعديل الأحكام الواردة في هذا النظام الأساسي في حالة تعارضها مع هذه القوانين أو الأنظمة أو اللوائح.

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.

١١,٢ 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 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.

١١,٣ 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

١١,٤ يجب على أي شخص يصبح له الحق في أية أسهم في الشركة نتيجةً لوفاة أو

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:

إفلاس أي مساهم أو بمقتضى أمر حجز صادر عن أية محكمة مختصة أن يقوم خلال ثلاثين (٣٠) يوماً:

a. produce evidence of such right to the Board of Directors; and

أ. بتقديم البينة على هذا 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 تسجيله كمساهم أو أن يسمي شخصاً ليتم تسجيله كمساهم فيما يختص بذلك السهم.

Article 12

المادة ١٢

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 applicable 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 ١٣

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 as a result of their indivisibility, nor to interfere in any way whatsoever in the management of the Company. Those heirs and creditors must, when exercising

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

their rights, rely on the Company's books, inventories, balance sheets and resolutions of its General Assembly.

جمعياتها العمومية.

Article 14

المادة ١٤

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 entitlements to part of the Company's assets in case of its liquidation.

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.

Article 15

المادة ١٥

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.

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.

Article 16

المادة ١٦

16.1 Subject to the approval of the Authority and the Competent Authority, the Company, by way of a Special Resolution subject to the provisions of article 198 of the Law, may:

١٦,١ بعد الحصول على موافقة الهيئة والسلطة المختصة يجوز للشركة بموجب قرار خاص مع مراعاة احكام المادة (١٩٨) من القانون اتخاذ ما يلي:

a. increase the share capital of the Company by issuing new shares

أ. زيادة رأسمال الشركة من خلال إصدار

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	أسهم جديدة بنفس القيمة الاسمية للأسهم الأصلية أو بإضافة علاوة إصدار إلى القيمة الاسمية في حالة زيادة القيمة السوقية عن القيمة الاسمية للسهم؛ و
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.	ب. منح خصم إصدار في حالة انخفاض القيمة السوقية عن القيمة الاسمية للسهم كما يجوز تخفيض رأس مال الشركة.
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.	١٦,٢ مع مراعاة المادة (٥) أعلاه، تكون زيادة رأس مال الشركة أو تخفيضه بقرار خاص من الجمعية العمومية بناءً على اقتراح من مجلس الإدارة، وبعد سماع تقرير مدقق الحسابات في حالة أي تخفيض، وعلى أن يبين في حالة الزيادة، مقدارها وسعر إصدار الأسهم الجديدة وحق المساهمين القدامى في أولوية الاكتتاب في هذه الزيادة. ويبين في حالة التخفيض مقدار هذا التخفيض وكيفية تنفيذه.
16.3 Shareholders shall have priority to subscribe for the issuance of new shares. Subscription to new shares shall be governed by the rules of subscription to the original shares.	١٦,٣ يكون للمساهمين حق الأولوية في الاكتتاب بالأسهم الجديدة ويسري على الاكتتاب في 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,	١٦,٤ وفقا لأحكام المواد (٢٢٥،٢٢٦,٢٢٧,٢٣١) من القانون يجوز زيادة رأس مال الشركة: (أ) لأغراض إدخال مساهم استراتيجي في الشركة؛ أو (ب) لتحويل ديون الشركة إلى رأس مال؛

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.

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 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.

١٦,٥ 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 present) to the General Assembly for approval.

١٦,٦ يعرض مجلس الإدارة على الجمعية العمومية برنامج تحفيز موظفي الشركة بتملك أسهم فيها (إن وجد) للموافقة.

16.7 Directors of the Board are not allowed to participate in the employee share incentive scheme.

١٦,٧ 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 given five-year period if the Law and any rules and regulations as issued by the Authority permits for the purpose of establishing and implementing such employee share incentive scheme.

١٦,٨ يجوز زيادة رأسمال الشركة بنسبة لا تزيد عن ١٠٪ من رأس المال المصدر خلال كل فترة خمس سنوات اذا كانت القانون والقرارات الصادرة عن الهيئة تسمح بذلك لغرض تطبيق برامج تحفيز موظفي الشركة بتملك أسهم فيها.

16.9 The Board of Directors, will, from time to time, determine the number of shares and conditions of allocation for the implementation of the employee share incentive scheme.

١٦,٩ يحدد مجلس الإدارة من وقت إلى آخر عدد وشروط تخصيص الأسهم لتطبيق برامج تحفيز موظفي الشركة بتملك أسهم فيها.

PART THREE

الباب الثالث

LOAN DEBENTURES

في سندات القرض

Article 17

المادة ١٧

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 such bonds or sukuks are convertible to shares or otherwise and the term of the bonds. 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.

١٧,١ 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. 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

١٧,٢ لتجنب الشك، أي: (١) قروض و / أو تسهيلات ائتمانية و/ أو أدوات دين / مشتقات قد دخلت فيها الشركة مع بنوك أو مؤسسات مالية أو مع الغير؛ و (٢) الضمانات والتعويضات و/أو ترتيبات الضمان الممنوحة من الشركة لصالح أي بنوك أو مؤسسات مالية أو مع الغير بموجب أي قروض و/ أو تسهيلات

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.

ائتمانية، في كل حالة، لفترات تتجاوز ٣ 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 ١٨

18.1 The bond or Sukuk shall remain nominal until fully paid up. The Company may not issue “bearer” bonds or Sukuk.

١٨,١ 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 holders of such bonds or Sukuk. Any condition to the contrary shall be invalid.

١٨,٢ السندات أو الصكوك التي تصدر بمناسبة 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 ١٩

19.1 The Company shall be managed by a Board of Directors consisting of 7 (seven) Directors to be elected by a General Assembly via secret Cumulative Voting. The first Board of Directors will be appointed by the founders of the Company for three (3) years.

١٩,١ يتولى إدارة الشركة مجلس إدارة مكون من ٧ (سبعة) أعضاءً تنتخبهم الجمعية العمومية بالتصويت السري التراكمي. ومع ذلك يتم تعيين أعضاء أول مجلس إدارة من قبل مؤسسي الشركة لمدة ٣ 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.

١٩,٢ يتعين أن يراعى في تشكيل مجلس الادارة أحكام القانون وتعديلاته والقرارات الصادرة تنفيذاً له.

Article 20

20.1 The Board of Directors shall hold its office 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.

20.2 The Company shall have a secretary who shall not be a Director.

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 it or to appoint replacement Directors. The newly appointed Director shall complete the term of his/her predecessor. If no Director is appointed within thirty (30) days, the Board of Directors shall open nomination to elect a replacement Director for the vacant position in the first General Assembly held after such vacancy, and the newly elected Director shall complete the term of his/her predecessor and such elected Director may be re-elected once again.

20.4 If the positions becoming vacant during any given 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

المادة ٢٠

٢٠,١ يتولى مجلس الإدارة مهامه لمدة ثلاث سـنوات. وفي نهاية هذه المدة، يعاد تشـكيل مجلس الإدارة. ويجوز إعادة انتخاب أعضـاء مجلس الإدارة الذين انتهت مدة عضويتهم.

٢٠,٢ يجب أن يكون للشركة مقرر لمجلس الإدارة، ولا يجوز أن يكون مقرر المجلس من أعضائه.

٢٠,٣ لمجلس الإدارة أن يعين أعضـاء مجلس الإدارة في المراكز التي تخلو في مـدة أقصـاها ٣٠ يوماً على أن يعرض هذا التعيين على الجمعية 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 (٣٠) يوماً، وجب على مجلس الإدارة فتح باب الترشح لانتخاب عضو للمركز الشـاغر في أول اجتماع للجمعية العمومية تنعقد بعد نشـوء تلك المركز الشـاغر، ويكمل العضـو الجديد مدة سلفه ويكون هذا العضو قابلا للانتخاب مرة أخرى.

٢٠,٤ وإذا بلغت المراكز الشـاغرة في أثناء السـنة ربع عدد أعضاء مجلس الإدارة، وجب على مجلس الإدارة دعوة الجمعية العمومية للاجتماع خلال ٣٠ يوماً على الأكثر من تاريخ خلو آخر مركز لانتخاب من يملأ المراكز الشـاغرة. وفي جميع

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.

الأحوال، يكمـل عضـــو مجلس الإدارة الجديد مدة ســلفه ويكون هذا العضــو قابلاً للانتخاب مرة أخرى.

Article 21

المادة ٢١

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:

٢١,١ تلتزم الشركة بالضوابط والشروط الصادرة عن الهيئة بشأن الترشح لعضوية مجلس الادارة ويتعين على المرشح لعضوية مجلس الإدارة أن يقدم للشركة ما يلي:

a. A curriculum vitae stating his/her professional experience and academic qualifications and determining the type of membership applied for (executive/non executive/independent).

أ. السيرة الذاتية موضحاً بها الخبرات العملية والمؤهل العلمي مع تحديد صفة العضو التي يترشح لها (تنفيذي /غير تنفيذي / مستقل).

b. An undertaking to comply with the provisions of the Law, and its implementing decisions, and the Company's Articles of Association; and to exercise his/her duties as a diligent person.

ب.إقرار بالتزامه بأحكام القانون والقرارات المنفذة له والنظام الأساسي للشركة، وأنه سوف يبذل عناية الشخص الحريص في أداء 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

د. إقرار المرشح بعدم مخالفة المرشح

the candidate is not in breach of Article 149 of the Law.

للمادة ١٤٩ 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 ٢٢

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.

٢٢,١ ينتخب مجلس الإدارة من بين أعضائه رئيساً ونائبا للرئيس. وعليه تنفيذ القرارات التي يصدرها مجلس الإدارة. ويقوم نائب رئيس مجلس الإدارة مقام رئيس مجلس الإدارة عند غيابه أو في حالة عدم تمكنه من 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.

٢٢,٢ يكون رئيس مجلس الإدارة الممثل القانوني للشركة أمام القضاء 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 it/them some of its

٢٢,٣ يحق لمجلس الإدارة، دون التزام عليه، أن ينتخب من بين أعضائه عضوا منتدباً للإدارة، ويُحدد مجلس الإدارة اختصاصاته ومكافآته. كما يكون لمجلس الإدارة أن يشكل من بين أعضائه لجنه أو أكثر يمنحها بعض اختصاصاته أو يعهد إليها بمراقبة سير العمل بالشركة وتنفيذ قرارات المجلس.

powers or to delegate it/them to supervise the business affairs of the Company, and to execute the Board of Directors' resolutions. The Board of Directors shall form permanent committees that shall directly report 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. The Board may, at its sole discretion, appoint external subject matter expert members to the permanent committees or committees formed for special purposes.

يشكل مجلس الإدارة لجان دائمة تتبعه بشكل مباشر، وتتألف اللجان الدائمة من أعضاء مجلس الإدارة غير التنفيذيين لا يقل عددهم عن ثلاثة، على أن يكون اثنان منهم على الأقل من الأعضاء المستقلين وأن يترأس اللجنة أحدهما، ولا يجوز لرئيس مجلس الإدارة أن يكون عضواً في أي من هذه اللجان. ويتعين على مجلس الإدارة اختيار أعضاء مجلس الإدارة غير التنفيذيين في اللجان المعنية بالمهام التي قد ينتج عنها حالات تعارض مصالح مثل التأكد من سلامة التقارير المالية وغير المالية، ومراجعة الصفقات المبرمة مع الأطراف أصحاب المصالح، واختيار الإدارة التنفيذية، وتحديد أتعابهم. كما يجوز للمجلس وفق ما يرى أن يعين أعضاء من ذوي الخبرة من خارج أعضائه لعضوية اللجان الدائمة أو المشكلة بقرار منه لأغراض خاصة.

Article 23

المادة ٢٣

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

٢٣,١ 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

Memorandum of Association, these Articles or as resolved by the General Assembly.

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:

a. enter into and/or ratify loan agreements having a period in excess of three (3) years, to sell no more than 50% of the Company's assets and real estate properties, to mortgage the said real estate and movable and immovable assets and to release the liability of debtors of the Company and to enter into conciliations and to agree arbitration; and

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.

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

أو هذا النظام الأساسي وما ورد بقرار من الجمعية العمومية.

٢٣,٢ مع مراعاة أحكام القانون والقرارات المنفذة له الصادرة عن الهيئة يُفوض مجلس الإدارة في:

أ. إبرام و/أو المصادقة على عقود قرض تتجاوز أجالها ثلاث (٣) سنوات، وبيع ما لا يتجاوز عن ٥٠٪ من أصول وعقارات الشركة ورهن عقارات وأصول الشركة المنقولة وغير المنقولة وإبراء ذمة مديني الشركة وإجراء الصلح والاتفاق على التحكيم، و

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.

٢٣,٣ ويضع مجلس الإدارة اللوائح المتعلقة بالشؤون الإدارية والمالية وشؤون الموظفين ومستحقاتهم المالية. كما يضع مجلس الإدارة لوائح خاصة بتنظيم

regulations to organize its business, meetings and allocation of its authorities and responsibilities.

أعماله، واجتماعاته، وتوزيع الاختصاصات، والمسؤوليات.

Article 24

المادة ٢٤

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 ٢٥

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.

٢٥,١ يعقد مجلس الإدارة أربعة (٤) اجتماعات سنويًا على الأقل. يكون الاجتماع 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 as agreed by the Board of Directors. 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.

٢٥,٢ ويجوز أن تعقد اجتماعات المجلس في المركز الرئيسي للشركة أو في أي مكان آخر يوافق عليه 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 ٢٦

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.

٢٦,١ لا يكون اجتماع مجلس الإدارة صــحيحاً إلا بحضـور أغلبية أعضــائه شـخصـياً. ويجوز لعضـــو مجلس الإدارة أن ينيب عنه غيره من أعضـاء مجلس الإدارة في التصـــويت. وفي هذه الحالة، يكون لهذا العضـــو صـــوتان، 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 أعضــاء مجلس الإدارة الحاضــرين 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.

٢٦,٢ 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 its adoption. Copies of the said minutes of meeting shall be sent to the Directors following adoption 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.

٢٦,٣ 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:

٢٦,٤ مع مراعاة الالتزام بالحد الأدنى لعدد اجتماعات مجلس الإدارة المذكورة بالمادة ٢٥ 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 ٢٧

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

٢٧,١ لا يجوز لعضو مجلس الإدارة بغير موافقة من الجمعية العمومية للشركة والتي تجدد سنوياً أن يشترك في أي عمل

any business in competition with the Company or trade for his own account or for the account of third parties in any branch of an 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.

من شأنه منافسة الشركة أو أن يتاجر 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 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.

٢٧,٢ على كل عضو في مجلس إدارة الشركة تكون له أو للجهة التي يمثلها بمجلس الإدارة مصلحة مشتركة أو متعارضة في صفقة أو تعامل أن يبلغ مجلس الإدارة بهذه المصلحة لاتخاذ قرار بشأن الصفقة أو العملية، ولا يجوز له الاشتراك في التصويت الخاص بالقرار الصادر في شأن هذه العملية.

27.3 If the Director fails to disclose his transaction referred to in Clause 27.2 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.

٢٧,٣ إذا تخلّف عضو مجلس الإدارة عن إبلاغ المجلس وفقاً لحكم البند ٢٧,٢ 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

المادة ٢٨

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

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

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.

التعامل في الأوراق المالية للشركة وغيرها من الصفقات، 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 Transactions do 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 must include a statement of the Conflict of Interest Transactions and financial Transactions concluded with Related Parties and procedures taken in these regards.

المادة ٢٩

لا يجوز للشركة إبرام الصفقات مع الأطراف ذات العلاقة إلا بموافقة مجلس الإدارة فيما لا يتجاوز ٥٪ من رأس مال الشركة المصدر، وبموافقة الجمعية العمومية للشركة فيما زاد على ذلك، ولا يجوز إبرام الصفقات التي تجاوز قيمتها ٥٪ 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 التي اتخذت بشأنها.

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

المادة ٣٠

٣٠,١ 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

granted to a Director if granted to his spouse, children or relative up to the second degree.

مجلس الإدارة كل قرض مقدم إلى زوجه أو أبنائه أو أي قريب لهُ حتى الدرجة الثانية.

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.

٣٠,٢ لا يجوز تقديم قرض إلى شركة يملك عضو مجلس الإدارة أو زوجه أو أبناؤه أو أي من أقاربه حتى الدرجة الثانية أكثر من ٢٠٪ من رأس مالها.

Article 31

المادة ٣١

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.

إذا تغيب أحد أعضاء مجلس الإدارة عن حضور ثلاث (٣) جلسات متتالية أو خمس (٥) جلسات متقطعة في مدة المجلس بدون عذر يقبله المجلس، اعتبر مستقيلاً.

Article 32

المادة ٣٢

32.1 A Director's position shall also be vacant in the event such Director:

٣٢,١ يشغر منصب عضو مجلس الإدارة في إحدى الحالات التالية:

a. Dies, suffers loss or impediment to legal capacity or is affected by a cause of disability preventing him from undertaking his/her duties as a Director of the Board; or

أ- إذا توفى أو أصيب بعارض من عوارض الأهلية أو أصبح عاجزاً بصورة أخرى عن النهوض بمهامه كعضو في مجلس الإدارة؛ أو

b. Is convicted of any dishonesty offence; or

ب- أدين بأية جريمة مخلة بالشرف والأمانة؛ أو

c. Is declared bankrupt or has stopped paying his commercial debts, even if this is not linked to a bankruptcy declaration; or

ج- أعلن إفلاسه أو توقف عن دفع ديونه التجاريّة حتى لو لم يقترن ذلك بإشهار إفلاسه؛ أو

d. Resigns from his/her position pursuant to a written notice sent to the Company to this effect; or

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

هـ- انتهت مدة عضويته ولم يعد انتخابه؛

f. He/she Is dismissed by way of a resolution of the General Assembly.

و- صدر قرار من الجمعيّة العموميّة بعزله.

Article 33

المادة ٣٣

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 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.

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.

Article 34

المادة ٣٤

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.

مع مراعاة أحكام المادة ٣٥ 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.

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 of management by the Chairman and

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

Directors.

في إدارة الشركة.

Article 35

المادة ٣٥

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.

٣٥,١ يكون رئيس وأعضـــاء مجلس الإدارة مســؤولين تجاه الشركة والمســاهمين والغير عن جميع أعمال الغش وإســاءة اســتعمـــال السلطات الممنوحة لهم، وعن كل مخالفة للقانون أو لهذا النظام، وعن الخطأ في الإدارة، ويبطل كل شرط يقضي بغير ذلك.

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 a 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. 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 to the Executive Management if the error arises out of a decision issued by it.

٣٥,٢ تقع المســؤولية المنصــوص عليها في البند (٣٥,١) من هذه المادة على جميع أعضاء مجلس الإدارة إذا نشأ الخطأ عن قرار صـــدر بإجماع الآراء، أما إذا كان القرار محل المســاءلة صــادراً بالأغلبية فلا يسأل عنه المعارضون متى كانوا قد أثبتوا اعتراضهم بمحضر الجلسة، فإذا تغيب أحد الأعضــاء عن الجلســة التي صدر فيها القرار فلا تنتفي مسؤوليته إلا إذا ثبت عدم علمه بالقرار أو علمه به مع عدم اســتطاعته الاعتراض عليه، وتقع المســؤولية المنصــوص عليها في البند (٣٥,١) من هذه المادة على الإدارة التنفيذية إذا نشــأ الخطأ بقرار صـــادر عنها.

Article 36

المادة ٣٦

36.1 Attendance allowance shall not be paid to the Board of Directors. The remuneration of the Director of the Board 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.

٣٦,١ 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 ١٠٪ 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 generated any profits; or

b. if the Company generates 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.

٣٦,٢ على سبيل الاستثناء من البند (١) 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 ٢٠٠,٠٠٠ 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 ٢٠٠,٠٠٠، وفي هذه الحالة لا يجوز الجمع بين المكافأة والأتعاب.

Article 37

المادة ٣٧

The General Assembly may dismiss all or some of the elected Directors and open

يكون للجمعية العمومية حق عزل كل أو بعض

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.

أعضاء 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 ٣ سنوات من تاريخ العزل.

PART FIVE

الباب الخامس

THE GENERAL ASSEMBLY

في الجمعية العمومية

Article 38

المادة ٣٨

38.1 A duly convened General Assembly shall represent all the shareholders and will be convened in the Emirate of Dubai.

٣٨,١ الجمعية العمومية المنعقدة أصولاً 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.

٣٨,٢ تسري أحكام القانون على النصاب الواجب توفره لصحة انعقاد الجمعيّة العموميّة وعلى الأغلبية اللازمة لاتخاذ القرارات.

Article 39

المادة ٣٩

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.

٣٩,١ لكل مساهم الحق في حضور اجتماعات الجمعية العمومية للمساهمين، 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%

٣٩,٢ 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

five per cent of the share capital of the Company.

الصفة على أكثر من (٥٪) خمسة بالمائة من أسهم رأس مال الشركة.

39.3 Shareholders lacking legal capacity shall be represented by their legal representatives.

٣٩,٣ ويمثل ناقصي الأهلية وفاقديها النائبون عنهم قانوناً.

39.4 A corporate person may appoint one of its 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.

٣٩,٤ للشخص الاعتباري أن يفوض أحد ممثليه أو 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 ٤٠

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.

٤٠,١ 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 (٢١) 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

٤٠,٢ يجوز عقد اجتماعات الجمعيات العمومية واشتراك المساهمين في مداولاتها والتصويت على قراراتها بواسطة وسائل التقنية الحديثة

attend virtually, in accordance with the regulations issued by the Authority in this regard.

للحضـــور عن بعـد، وفقـاً للضـــوابط الصادرة عن الهيئة بهذا الشأن.

Article 41

المادة ٤١

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”**).

٤١,١ 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.

٤١,٢ كلما رأى مجلس الإدارة وجهاً لذلك أو بناءً على طلب مدقق الحسابات أو طلب مساهم أو أكثر يملكون (١٠٪) من رأس المال كحد أدنى، وذلك خلال (٥) 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 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.

٤١,٣ مدقق الحسابات مباشرة إذا أغفل مجلس الإدارة توجيه الدعوة لعقد الجمعية العمومية في الأحوال التي يوجب القانون فيها دعوتها أو خلال (٥) 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:

٤١,٤ 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:

- The lapse of thirty (30) days after

- إذا مضى ثلاثون يوماً على الموعد

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;

المحدد لانعقادها (وهو مضي أربعة أشهر على انتهاء السنة المالية) دون أن يقوم مجلس الإدارة بدعوتها للانعقاد؛

- If the number of Board of Directors is less than the minimum required for its quorum;

- إذا نقص عدد أعضاء مجلس الإدارة عن الحد الأدنى لصحة انعقاده؛

- Discovery of any violation of the Law, these Articles or any defect in the management of the Company;

- إذا تبين لها في أي وقت وقوع مخالفات للقانون أو لنظام الشركة أو وقوع خلل في إدارتها؛

- 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.

- إذا تقاعس مجلس الإدارة عن دعوتها للانعقاد رغم طلب مساهم أو أكثر يمثلون (١٠ %) من رأسمال الشركة.

Article 42

المادة ٤٢

The following matters shall be included on the agenda of the Annual General Assembly:

يدخل في جدول أعمال الجمعية العمومية في اجتماعها السنوي المسائل الآتية:

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;

٤٢,١ سماع تقرير مجلس الإدارة عن نشاط الشركة وعن مركزها المالي خلال السنة وتقرير مدقق الحسابات والتصديق عليهما؛

42.2 To consider and approve the balance sheet and the account of profits and losses;

٤٢,٢ مناقشة ميزانية الشركة وحساب الأرباح والخسائر والتصديق عليهما؛

42.3 To elect the Directors if necessary;

٤٢,٣ انتخاب أعضاء مجلس الإدارة عند الاقتضاء؛

42.4 To appoint and determine the remuneration of the auditors;

٤٢,٤ تعيين مـدققي الحســـابـات وتحـديـد أتعابهم؛

42.5 To consider the proposals of the Board of Directors concerning the distribution of profits;

٤٢,٥ النظر في مقترحات مجلس الإدارة بشـأن توزيـع الأرباح؛

42.6 To consider the proposals of the Board of Directors concerning the remuneration of the Directors and to determine such remuneration;

٤٢,٦ النظر في مقترحات مجلس الإدارة بشـأن مكافأة أعضاء مجلس الإدارة وتحديدها؛

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

٤٢,٧ ابراء ذمة أعضــاء مجلس الإدارة أو عدم إبـراء ذمـتـهـم وعـزلـهـم ورفـع دعـوى المسؤولية عليهم حسب الأحوال؛ و

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.

٤٢,٨ ابراء ذمة مدققي الحسابات أو عدم إبراء ذمتهم وعزلهم ورفع دعوى المســؤولية عليهم حسب الأحوال.

Article 43

المادة ٤٣

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

٤٣,١ 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

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.

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 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 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.

٤٣,٢ يقفل باب التسجيل لحضور اجتماعات الجمعية العمومية عندما يعلن رئيس الاجتماع اكتمال النصاب المحدد لذلك الاجتماع أو 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 ٤٤

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 ٤٥

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

٤٥,١ يتحقق النصاب في اجتماع الجمعية العمومية بحضور مساهمين يملكون أو يمثلون بالوكالة ما لا يقل عن ٥٠٪ 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

(15) days from the date of the first meeting and the postponed meeting shall be valid regardless of the percentage of attendance.

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.

٤٥,٢ 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 ٤٦

46.1 The General Assembly shall be chaired by the Chairman of the Board of Directors. In the absence of the Chairman, the vice-chairman shall chair the meeting.

٤٦,١ يرأس الجمعية العمومية رئيس مجلس الإدارة، وعند غيابه، يرأسها 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 General Assembly shall appoint one of the shareholders to chair the meeting and shall also appoint a secretary for the meeting.

٤٦,٢ وفي حال غيابهما يرأس الجمعية أي عضو من أعضاء مجلس الإدارة يختاره مجلس الإدارة لذلك، وفي حال عدم اختيار مجلس الإدارة للعضو ، 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.

٤٦,٣ 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.

٤٦,٤ يحرر محضر اجتماع الجمعية العمومية ويتضمن 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.

٤٦,٥ 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 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

٤٦,٦ 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 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.

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المادة ٤٧

Article 47

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.

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.

المادة ٤٨

Article 48

٤٨,١. مع مراعاة ما نصت عليه المادة ١٨٠ 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.

48.1 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.

٤٨,٢. في حال كون عضو مجلس الإدارة يمثل شخصاً اعتبارياً يستبعد أسهم ذلك الشخص الاعتباري.

48.2 In the event that the Director is representing a corporate person, the shares of such corporate person shall be excluded.

٤٨,٣. 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

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.

بخلاف قائم بينه وبين الشركة.

Article 49

المادة ٤٩

49. 1 The General Assembly must, through a Special Resolution, decide the following:

٤٩,١ يتعين على الجمعية العمومية إصدار قرار خاص في الحالات التالية:

a. Increase or reduce the share capital in any manner.

أ. زيادة رأس المال بأي طريقة أو تخفيضه.

b. Issuance of Bonds/Sukuk.

ب. إصدار السندات/الصكوك.

c. Dissolution of the Company or its merger with another company.

ج. حل الشركة أو إدماجها في شركة أخرى.

d. Sale or otherwise disposing of the business venture of the Company.

د. بيع المشروع الذي قامت به الشركة أو التصرف فيه بأي وجه آخر.

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.

هـ. بيع ما نسبته ٥١٪ 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.

f. Extension of the term of the Company.

و. إطالة مدة الشركة.

g. Offering voluntary contributions for the purpose of community services.

ز. تقديم مساهمات طوعية لخدمة المجتمع.

h. Amendment to the Memorandum of Association or these Articles, subject to the following restrictions:

ح. تعديل عقد الشركة أو النظام الأساسي إلا ان حقها هذا ليس مطلقاً وانما هو مقيد بالقيود التالية:

- 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.

- ألا يؤدي التعديل إلى زيادة أعباء المساهمين؛

- ألا يؤدي التعديل إلى نقل مركز الشركة الرئيسي إلى خارج الدولة؛

ط. دخول شريك استراتيجي؛

ي. تحويل الديون النقدية إلى أسهم في رأسمال الشركة؛

ك. إصدار برنامج تحفيز موظفي الشركة بتملك أسهم فيها؛

ل. في جميع الحالات التي يتطلب فيها القانون إصدار قرار خاص.

في جميع الأحوال وفقاً للمادة ١٣٩ 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.

Article 50

The owners of shares registered on the working day preceding the holding of the General Assembly of the Company shall be deemed to be the holders of the right to vote in that General Assembly of the Company.

المادة ٥٠

يكون مالك السهم المسجل في يوم العمل السابق لانعقاد الجمعية العمومية للشركة هو صاحب الحق في التصويت في تلك الجمعية العمومية للشركة.

Article 51

المادة ٥١

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.	٥١,١ 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:	٥١,٢ استثناءً من البند (١) 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;	أ. حق المداولة في الوقائع الخطيرة التي تكتشف أثناء الاجتماع.
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.	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 (٥%) 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 / الباب السادس

AUDITORS / *مدقق الحسابات*

Article 52 / المادة ٥٢

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.

٥٢,١. 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 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.

٥٢,٢ يُعيين مدقق حسابات لمدة سنة قابلة للتجديد ولا يجوز تفويض مجلس إدارة الشركة في هذا الشأن، على ألا تتولى شركة التدقيق عملية التدقيق بالشركة مدة تزيد عن (٦) ستة سنوات مالية متتالية من تاريخ توليها مهام التدقيق بالشركة ويتعين في هذه الحالة تغيير الشريك المسؤول عن أعمال التدقيق للشركة بعد انتهاء (٣) ثلاث سنوات مالية ويجوز إعادة تعيين تلك الشركة لتدقيق حسابات الشركة بعد مرور (٢) 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.

٥٢,٣ يتولى مدقق الحسابات مهامه من نهاية اجتماع تلك الجمعية إلى نهاية اجتماع الجمعية العمومية السنوية التالية.

Article 53

المادة ٥٣

53. 1 The auditor shall comply with the provisions of the Law and the regulations, resolutions and circulars implementing it;

٥٣,١ 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;

٥٣,٢ 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;

٥٣,٣ 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

٥٣,٤ 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.

٥٣,٥ 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.

٥٣,٦ 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

المادة ٥٤

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

٥٤,١. 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

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.

يتحقق من موجودات الشركة والتزاماتها. وإذا لم يتمكن مدقق الحسابات من استعمال هذه الصلاحيات، التزم 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. 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:

٥٤,٢. 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:

a. Correctness of the accounting records maintained by the Company; and

أ. مدى صحة السجلات المحاسبية التي تحتفظ بها الشركة؛ و

b. Conformity of the extent of Company's account records with accounting records.

ب. مدى تطابق حسابات الشركة مع السجلات المحاسبية.

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

٥٤,٣. 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

the report to the Authority.

نسخة من التقرير إلى الهيئة.

54.4. A Subsidiary Company and its auditor shall provide the information and clarifications requested by the auditor of the holding company or the Parent Company for audit purposes.

٥٤,٤. تلتزم الشركة التابعة ومدقق حساباتها بتقديم المعلومات والتوضيحات التي يطلبها مدقق حسابات الشركة القابضة أو الشركة الأم لأغراض التدقيق.

Article 55

المادة ٥٥

55. 1The 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.

٥٥,١. 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. 2The 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

٥٥,٢. 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

discuss the auditor's report and ask for clarifications from the auditor on the report contents.

المدقق وأن يستوضحه عما ورد فيه.

PART SEVEN

THE FINANCE OF THE COMPANY

Article 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 effect is obtained from the Board of Directors.

56.2. The financial year of the Company shall start on the first day of September and shall end on the last day of August 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.

الباب السابع

مالية الشركة

المادة ٥٦

٥٦,١. 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 عن مجلس الإدارة.

٥٦,٢. تبدأ السنة المالية للشركة في أول سبتمبر وتنتهي في آخر يوم من شهر أغسطس 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

المادة ٥٧

على مجلس الإدارة أن يعد عن كل سنة مالية

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.

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 ٥٨

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

المادة ٥٩

توزّع الأرباح السنوية الصافية للشركة بعد خصم جميع المصروفات العمومية والتكاليف

follows:

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.

٥٩,١ يتم اقتطاع نسبة (١٠٪) عشرة بالمائة من صافي الأرباح تخصص لحساب الاحتياطي القانوني. ويوقف هذا الاقتطاع متى بلغ إجمالي قيمة الاحتياطي القانوني ما يساوي (٥٠٪) 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.

٥٩,٢ 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

٥٩,٣ دون الإخلال بالمادة ٣٦ من هذا النظام، تحدد الجمعية العمومية مكافأة أعضاء مجلس الإدارة، ويجب ألا تزيد مكافأة مجلس الإدارة على ١٠٪ من الربح الصافي بعد خصم الاستهلاكات والاحتياطي وتوزيع ربح لا يقل عن ٥٪ 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

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.

بعضها إذا تبين لها أن تلك الغرامات ليست ناتجة عن تقصير أو خطأ من مجلس الإدارة.

Article 60

المادة ٦٠

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 ٦١

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

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

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.

يكون جريمة جنائية، فلا تسقط دعوى المسؤولية إلا بسقوط الدعوى العمومية.

PART NINE

الباب التاسع

DISSOLUTION OF THE COMPANY

في حل الشركة وتصفيتها

Article 62

المادة ٦٢

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.

٦٢,١ انتهاء المدة المحددة للشركة ما لم يتم تجديدها وفقا للأحكام الواردة بهذا النظام الأساسي.

62.2 Fulfillment of the objectives for which the Company was established.

٦٢,٢ تحقيق الأغراض التي تأسست الشركة من أجلها.

62.3 A Special Resolution to terminate the term of the Company.

٦٢,٣ صدور قرار خاص من الجمعية العمومية بإنهاء مدة الشركة.

62.4 Merging the Company with another company in accordance with the provisions Law.

٦٢,٤ اندماج الشركة في شركة أخرى وفقاً لأحكام القانون.

62.5 The issuance of a judgement to dissolve the Company.

٦٢,٥ 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.

٦٢,٦ هلاك جميع أموال الشركة أو معظمها بحيث يتعذر استثمار الباقي استثماراً مجدياً.

Article 63

المادة ٦٣

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 subject to complying with article (309) of the Law in this regards.

إذا بلغت خسائر الشركة نصف رأس مالها المصدر وجب على مجلس الإدارة خلال (٣٠) 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 مع الالتزام بأحكام المادة (٣٠٩) من القانون المتعلقة بهذا الشأن.

Article 64

المادة ٦٤

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.

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.

PART TEN

الباب العاشر

FINAL PROVISIONS

الأحكام الختامية

Article 65

المادة ٦٥

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.

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.

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.

المادة ٦٦

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.

Article 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.

المادة ٦٧

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

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.

المادة ٦٨

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

In case there is any contradiction between the provisions of these Articles in the Arabic and English texts, the Arabic text shall prevail.

المادة ٦٩

عند وجود تعارض بين نصوص المواد باللغتين العربية والإنجليزية، يغلب جانب النص باللغة العربية.

Article 70

These Articles of Association shall be deposited and published in accordance with the Law.

المادة ٧٠

يودع هذا النظام الأساسي وينشر طبقاً للقانون.

التوقيع Signatures	المنصب Position	لجنة المؤسسين Founders’ Committee
	رئيس Chairman	السيد/ محمد علي ابوالحسن الانصاري Mr. Mohammed Ali Abualhassan Alansari
	عضو Member	السيد/ فؤاد علي ابوالحسن الانصاري Mr. Fuad Ali Abualhassan Alansari
	عضو Member	السيد/ عيسى علي ابوالحسن الانصاري Mr. Eisa Ali Abualhassan Alansari
	عضو Member	السيد/ راشد علي ابوالحسن الانصاري Mr. Rashed Ali Abualhassan Alansari

Annex (3) – Receiving Banks' Branches

Emirates NBD - Participating Branches

AREA	BRANCH	Location	Working Hours	IPO Working Hours	Contact
Dubai	Group Head Office Branch	Ground Floor, Emirates NBD Group Head Office, Baniyas Road, Deira, Dubai	Monday to Thursday	Monday to Thursday	800 3623 476
			(8:00 AM - 3:00 PM)	(8:00 AM - 2:00 PM)	
			Friday	Friday	
			(7:30 AM - 12:15 PM)	(7:30 AM - 11:15 PM)	
Dubai	Jumeirah Branch	Emirates NBD Building, Al Wasl Rd Intersection, Umm Suquiem 3, Jumeirah, Dubai	Monday to Thursday	Monday to Thursday	800 3623 476
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(7:30 AM - 12:15 PM)	(7:30 AM - 11:15 PM)	
			Saturday	Saturday	
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
Dubai	Al Qusais Branch	Damascus St, Near Dubai Grand Hotel, Al Qusais, Dubai	Monday to Thursday	Monday to Thursday	800 3623 476
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(7:30 AM - 12:15 PM)	(7:30 AM - 11:15 PM)	
			Saturday	Saturday	
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
Abu Dhabi	Abu Dhabi Main Branch	Ground Floor, Al Neem Building, Shaikh Khalifa street , Abu Dhabi	Monday to Thursday	Monday to Thursday	800 3623 476
			(8:00 AM - 3:00 PM)	(8:00 AM - 2:00 PM)	
			Friday	Friday	
			(7:30 AM - 12:15 PM)	(7:30 AM - 11:15 PM)	
Abu Dhabi	Electra Street Branch	Zayed The Second Street, Near Electra Park, Abu Dhabi	Monday to Thursday	Monday to Thursday	800 3623 476
			(8:00 AM - 8:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(7:30 AM - 12:15 PM)	(7:30 AM - 11:15 PM)	
			Saturday	Saturday	
			(8:00 AM - 8:00 PM)	(8:00 AM - 1:00 PM)	
Al Ain	Al Ain Main Branch	Sheikh Khalifa Bin Zayed St, (in front of Burjeel Hospital), Al Ain	Monday to Thursday	Monday to Thursday	800 3623 476
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(7:30 AM - 12:15 PM)	(7:30 AM - 11:15 PM)	
			Saturday	Saturday	
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
Sharjah	Sharjah Main Branch	Ground Floor, Emirates NBD Building, Immigration Road, Al Qassimia Area, Sharjah	Monday to Thursday	Monday to Thursday	800 3623 476
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(7:30 AM - 11:30 AM)	(7:30 AM - 11:15 PM)	
			Saturday	Saturday	
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	

AREA	BRANCH	Location	Working Hours	IPO Working Hours	Contact
Ajman	Ajman Branch	Emirates NBD Building, Sheikh Rashid Bin Humaid St, Al Sawan, Ajman	Monday to Thursday	Monday to Thursday	800 3623 476
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(7:30 AM - 12:15 PM)	(7:30 AM - 11:15 PM)	
			Saturday	Saturday	
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
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	Monday to Thursday	800 3623 476
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(7:30 AM - 12:15 PM)	(7:30 AM - 11:15 PM)	
			Saturday	Saturday	
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
Fujairah	Fujairah Main Branch	Sheikh Hamad Bin Abdullah Street, Town Centre 3, Fujairah, Opposite Al Diar Siji Hotel, Fujairah	Monday to Thursday	Monday to Thursday	800 3623 476
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(7:30 AM - 12:15 PM)	(7:30 AM - 11:15 PM)	
			Saturday	Saturday	
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
Ras Al Khaimah	Ras Al Khaimah Main Branch	Al Muntasir Road, Al Mamourah Road Intersection, Ras Al-Khaimah	Monday to Thursday	Monday to Thursday	800 3623 476
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(7:30 AM - 12:15 PM)	(7:30 AM - 11:15 PM)	
			Saturday	Saturday	
			(8:00 AM - 2:00 PM)	(8:00 AM - 1:00 PM)	

Emirates Islamic Bank - Participating Branches (English)

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
1	Healthcare City Branch	Dubai	Monday to Thursday (8am - 4pm) Friday (8 - 12.30pm & 2pm - 4pm)	Monday to Thursday (8am - 1pm) Friday (8am - 11.30am)	Building 16, Dubai Health Care City
2	Nad Al Hamar	Deira	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Bel Remaitha Club Building,Show Rooms # S-8 & S-9,Nad Al Hamar Area, Al Rubat street
3	Halwan Branch	Sharjah & NE Region	Monday to Saturday (8am - 8pm) Friday (8am - 11.30am	Monday to Saturday (8am - 1pm) Friday (8am - 10.30am)	Sheikh Isam Building,Wasit Street, Industrial Area, Halwaan, Sharjah
4	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
5	Ras Al Khaimah Branch	Ras Al Khaimah	Monday to Saturday (8am - 8pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Emirates Islamic Tower, Ground Floor, Al Muntaser Road - Al Nakheel Area
6	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
7	Main Branch Abu Dhabi	Abu Dhabi	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Khalidiyah Corniche Area, Wave Tower
8	Al Ain Branch	Al Ain	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Jawazat Street, Near Sheikha Salama Mosque

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	
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	
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	
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	
5	Zayed the First branch	Abu Dhabi	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 07:30 AM -	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 08:00 AM - 11:00 PM (Friday)	Zayed The First Road, Abu Dhabi	

			12:30 PM (Friday)			
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	

ADCB - 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	Mushrif Branch	Normal Branch	00173	Abu Dhabi		08:00 AM - 07:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Al Mushrif, Al Khaleej Al Arabi Road, Mushrif Cooperative Society, Ground floor, P.O.Box. 63824 Abu Dhabi
2	**Shahama Branch**	Normal Branch	00153	Abu Dhabi		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Dubai Abu Dhabi Road, Near Bani Yas Coop , P.O.Box: 76 122
3	**Hazza Bin Zayed Stadium Branch**	Normal Branch	00207	Abu Dhabi, Al Ain		08:00 AM - 07:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Hazza Bin Zayed Stadium, Al Ain
4	**Zayed Town Branch**	Normal Branch	00152	Abu Dhabi, Al Dhafra Region		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Zayed Town Main Street, Near Zayed Town Court, P.O.Box: 50 013 Zayed Town
5	**Al Riggah Branch**	Normal Branch	00251	Dubai		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Al Riggah Road, Near Al Riggah Metro-Station, P.O.Box: 55 50
6	**Business Bay Branch**	Normal Branch	00265	Dubai		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Business Bay, Al Khaleej Al Tejari, Dubai, Nearest landmark-Business

										bay metro station
7	**Ajman Branch**	Normal Branch	00321	Ajman		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Al Ittihad Street, Near Lulu centre, P.O.Box: 18 43
8	**Ras Al Khaimah Branch**	Normal Branch	00331	Ras Al Khaimah		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Al Naeem Mall, New central business district, P.O.Box: 1633
9	**Fujairah Branch**	Normal Branch	00051	Fujairah		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Hamed Bin Abdulla Street, Near ADNOC, P.O.Box: 77 0
10	**Ruwais Branch**	Normal Branch	00158	Abu Dhabi, Al Dhafra Region		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Al Ruwais City, Sheikh Zayed Road, Central Market, ADCB Building, Abu Dhabi, P.O.Box 11851
11	**Dalma Mall Branch**	Mall Branch	00302	Abu Dhabi		10:00 AM - 09:00 PM Monday to Thursday	03:00 PM - 10:00 PM	10:00 AM - 02:00 PM Saturday to Thursday	03:00 PM - 07:00 PM	Dalma Mall- 1st floor - Mussafah
12	**Al Zahiya City Centre Branch**	Mall Branch	00154	Sharjah		10:00 AM - 09:00 PM Monday to Thursday	03:00 PM - 10:00 PM	10:00 AM - 02:00 PM Saturday to Thursday	03:00 PM - 07:00 PM	Sheikh Mohammed Bin Zayed Street, Al Zahia City Centre, Ground level, near Entrance A, P.O.Box: 23657

Al Maryah Community Bank - Participating Branches

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address	Contact Number
1	Al Maryah Community Bank, Innovation Hub	Abu Dhabi	Mon-Sat: 8AM to 10PM	Mon-Sat: 8AM to 10PM	Al Maryah Community Bank, Innovation Hub, 454 Shakbout Bin Sultan Street, Abu Dhabi, UAE	600571111
2	Al Maryah Community Bank, Mall of the Emirates	Dubai	Mon-Sat: 10AM to 10PM	Mon-Sat: 10AM to 10PM	Al Maryah Community Bank, Level 1, Ski Dubai Entrance, Mall of the Emirates, Dubai, UAE	600571111
3	Al Maryah Community Bank, ADNOC HQ	Abu Dhabi	Mon-Fri: 8AM to 4PM	Mon-Fri: 8AM to 4PM	Al Maryah Community Bank, ADNOC HQ, Corniche, Abu Dhabi, UAE	600571111

CIB - Participating Branches

S. No.	Branch Name	Branch Location - Area	Customer Timing	IPO Subs Timings	Branch Address	Contact No.
1	Abu Dhabi Main Br.	Abu Dhabi	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Airport Road, Opposite to Etisalat Bldg, Abu Dhabi	04 - 6092222
2	Al Ain Main Br	Al Ain	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Salah El Din Al Ayyubi Street, Al Ain	04 - 6092222
3	Dubai Main Br.	Dubai	Monday to Thursday & Saturday 08:00 AM - 2:00 PM Friday 7:15 AM to 12:15 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Bur Saeed Area, Al Ittihad Road, Al Shoala Building, Dubai	04 - 6092222
4	Sheikh Zayed Road Br.	Dubai	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Grosvenor House Commercial Tower, Sheikh Zayed Road, Near Fairmont Hotel, Dubai	04 - 6092222
5	Umm Suqeim Br.	Dubai	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Abdalla Bin Fahd Villa, Jumeirah Street, Umm Suqeim 1, Dubai	04 - 6092222
6	Ras Al Khaimah Main Br.	RAK	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Al Nakeel Area - Al Muntasir Str - Dubai Islamic Bank Bldg.	04 - 6092222
7	Sharjah Main Br	Sharjah	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:15 PM	Al Zahra'a St - Al Qasimia - Al Nud - Sharjah	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	Sheikh Zayed Main Branch	Normal Branch	403	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Sheikh Rashid Bin Saeed St(Old Airport Road) opposite to Hilton Capital Grand Hotel
3	Nation Towers Branch	Mall Branch	71	Abu Dhabi	1	10:00 AM to 10:00 pm	04:00 PM to 10:00 PM	10:00 AM to 2:00 PM 04:00 PM to 09:00 PM	04:00 PM to 09:00 PM	Nation Towers Galleria – Corniche Road, First Floor
4	Baniyas Branch	Normal Branch	13	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Al Mafraq –Dubai Road opposite Al Mafraq Hospital - Baniyas
5	Khalifa A City Branch	Normal Branch	94	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Khalifa A city, street # 16/21 south west.
6	Madinat Zayed Branch	Normal Branch	7	Abu Dhabi West (Gharbiya)	5	08:00 am to 02:00 pm	8:00 AM to	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Madinat Zayed City - Western Region

#	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
							12:00 PM			
7	Oud Al Toba Branch	Normal Branch	54	Al Ain	2	08:00 am to 08:00 pm	8:00 AM to 12:00 PM	08:00 am to 07:00 pm	08:00 AM to 11:00 AM	Oud Al Toba St., No.133
8	Al Tawaam Branch	Normal Branch	365	Al Ain	2	08:00 am to 08:00 pm	8:00 AM to 12:00 PM	08:00 am to 07:00 pm	08:00 AM to 11:00 AM	Sheik Khalifa Bin Zayed St, 135th St, Opposite UAE university
9	Al Qusais Branch	Normal Branch	51	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Al Qusais Area -Al Wasl Building
10	Second of December Branch	Normal Branch	86	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Jumeirah beach street, Dubai
11	Sheikh Zayed Road Branch	Normal Branch	14	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Emarat Atrium Building, Sheikh Zayed Road
12	Nad Al Sheba Branch	Normal Branch	15	Dubai	3	10:00am to 05:00pm	04:00 PM to	11:00 AM to 04:00 PM	05:00 PM to 09:00 PM	Avenue Mall - Nad Al Sheba - Nad Al Sheba 2 - Dubai

#	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
							10:00 PM			
13	Dubai Internet City - Arenco Branch	Normal Branch	53	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Arenco Tower, Dubai Internet City
14	Fujairah Branch	Normal Branch	6	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Shaikh Hamad Bin Abdulla Street
15	Ras Al Khaimah Branch	Normal Branch	11	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Opposite Al Manar Mall, Al Muntasir Road
16	Dibba Branch	Normal Branch	17	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Sheikh Zayed Street, Opposite Dibba Police Station - Fujairah
17	Kalba Branch	Normal Branch	49	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Al Wahda Street - Khamis Khalfan Al Zahmi Building - Block No:19
18	Al Dhaid Branch	Normal Branch	38	East Coast	6	08: 00am to 02:00 pm	8:00 AM to	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Al Dhaid Expo Center

#	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
							12:00 PM			
19	Khorfakkan Branch	Normal Branch	22	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Corniche Road, Banks Area
20	Umm Al Quwain Branch	Normal Branch	29	Sharjah North East Area	4	08: am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	King Faisal Street opposite Umm Al Quwain Mall
21	Sharjah Main Branch	Normal Branch	5	Sharjah North East Area	4	08: am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Al Mussala Area opposite Etisalat building

Annex (4) – Details of the Company's Investments in its Subsidiaries

No.	Name	Ownership Percentage	Place of Incorporation
1.	Al Ansari Exchange LLC	100%	United Arab Emirates
2.	Blue Horizon On Demand Labors Supply Services LLC	100%	United Arab Emirates
3.	CashTrans Money & Valuables Transport Services LLC	100%	United Arab Emirates
4.	Worldwide Cash Express Limited	100%	United Arab Emirates
5.	Al Ansari Digital Pay (under incorporation)	100%	United Arab Emirates

Annex (5) – Group Structure Chart