Emirates Driving Company P.J.S.C.

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

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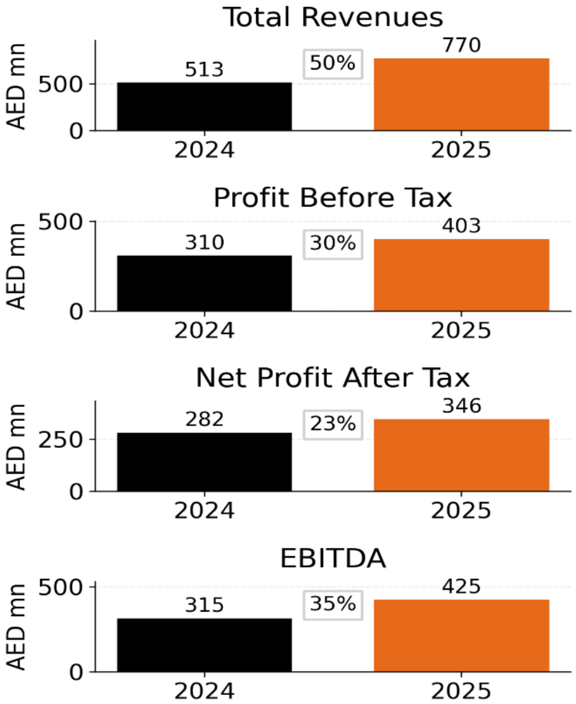
DIRECTORS' REPORT
31 December 2025

Dear Shareholders,

We are pleased to present the Business and Operations Report for the year ended 31 December 2025, together with the consolidated financial information of Emirates Driving Company PJSC (the "Company") and its subsidiaries (together referred to as the "group") as of 31 December 2025.Financial results are set out in the consolidated financial statements.



- Total revenues increased from AED 513 million in 2024 to AED 770 million in 2025, representing a 50% increase.
- Profits before tax increased from AED 310 million in 2024 to AED 403 million in 2025, representing a 30% increase.
- Net profit after tax increased from AED 282 million in 2024 to AED 346 million in 2025, representing a 23% increase.
- EBITDA increased from AED 315 million in 2024 to AED 425 million in 2025, representing a 35% increase.

Strategic update during 2025

During 2025, the Group advanced its strategy to evolve from a driving education leader into a broader mobility platform, supported by disciplined capital allocation and targeted expansion into adjacent, high growth segments.

Strategic investment in Mwasalat Holding LLC

During the year, the Group progressed its expansion into the wider mobility ecosystem through a strategic investment in Mwasalat Holding LLC. The Company acquired a 22.5% equity stake, with an option to increase its shareholding to 50.6%, subject to completion conditions and relevant regulatory approvals. This investment strengthens the Group's positioning across the UAE mobility value chain and creates a pathway for operational and commercial synergies to support sustainable, long term shareholder value.

Expansion into EV charging infrastructure through Chargepoint

In Q4 2025, Emirates Driving Company secured a strategic win through the award of a tender from the Integrated Transport Centre in Abu Dhabi to develop and operate next generation EV charging stations. To execute this initiative, the Group established Chargepoint EV Charging Stations Management and Operation L.L.C in Abu Dhabi as a dedicated subsidiary to oversee execution and delivery.

ESG leadership and governance

During 2025, the Group further strengthened its ESG credentials by maintaining its MSCI AAA ESG rating for the second consecutive year, reflecting continued leadership in sustainability performance. In addition, the Group achieved compliance with the ESG 1000 Standards, reinforcing the strength of its ESG governance framework, policies, and disclosure practices.

Transactions with related Parties

The consolidated financial statements disclose related party transactions and balances in note 24. All transactions are carried out as part of our normal course of business and in compliance with applicable laws and regulations.

Outlook

Looking ahead to 2026, the Group will remain focused on disciplined execution across its expanded mobility portfolio. Priorities include progressing plans to increase the Group's shareholding in Mwasalat Holding LLC to 50.6%, subject to completion conditions and relevant regulatory approvals, while accelerating integration initiatives to unlock operational and commercial synergies. In parallel, the Group will advance AI integration across key customer and operational journeys to enhance service quality, improve decision making, and strengthen productivity, governance, and financial controls. The Group will continue to prioritize cash generation, return on invested capital, and prudent capital allocation, while actively monitoring macroeconomic conditions, regulatory developments, and competitive dynamics.

Vote of Thanks

The Board of Directors extends its sincere appreciation to our shareholders for their continued confidence and long-term support. We also thank our government partners and regulators for their guidance and collaboration, our customers for their loyalty, and our bankers and business partners for their continued trust. Above all, we recognize the commitment of our employees whose professionalism and dedication have been central to delivering our strategic priorities during 2025. We look forward to building on this momentum and continuing to create sustainable value for all stakeholders.

On behalf of the board

Khalifa Abdulla Alromaithi
Chairman of Board of Directors

Deloitte & Touche (M.E.)
Level 11, Al Sila Tower
Abu Dhabi Global Market Square
Al Maryah Island
P.O. Box 990
Abu Dhabi
United Arab Emirates

Tel: +971 (0) 2 408 2424
Fax:+971 (0) 2 408 2525
www.deloitte.com

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF EMIRATES DRIVING COMPANY P.J.S.C.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Emirates Driving Company P.J.S.C. (the "Company") and its subsidiary (together, the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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 are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) applicable to audits of consolidated financial statements of public interest entities, together with the other ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition The Group recognised revenue of AED 770 million during the year from driver training and testing services. Driver training revenue is recognised over the period in which the services are provided to customers while the testing services are recognized once the test has been administered. The Group is dependent on its Information Technology (IT) environment for the reliability of its financial reporting process due to the large volume and diverse range of transactions processed daily relating to driver training and testing services.	We performed the following procedures, inter alia, in respect of revenue recognition: • We obtained an understanding of the process adopted by management to measure and record revenue and performed walkthroughs to identify the relevant controls; • We assessed the abovementioned controls to determine if they had been designed and implemented appropriately and tested these controls to determine if they had been operating effectively;

Deloitte.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF EMIRATES DRIVING COMPANY P.J.S.C. (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Key Audit Matters (continued)

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>We have considered revenue recognition to be a key audit matter as a result of the following:

• The quantitative significance of the amount to the consolidated financial statements;
• The Group's significant reliance on its's IT environment;
• The requirement of ISAs to consider revenue recognition to be a fraud risk; and
• The level of audit effort required.

The Group's revenue recognition accounting policy is disclosed in note 2.5 to the consolidated financial statements, note 2.4 for the key judgments applied and estimates made and details of the amount of revenue recognised during the year are disclosed in note 3.</td><td>• We utilised our IT specialists to assess the effectiveness of controls over the IT systems that impact revenue recognition, including change management, access management, data center and network operations at entities where we relied on controls.

• We also utilized our IT specialists to test IT automated controls for the selection of prices for courses in the Student Registration System (SRS) and the interface for the transfer of collection data from the SRS to the accounting system at the entities where we relied on controls.

• We performed procedures to assess whether the revenue recognition criteria adopted by the Group are in accordance with the requirements of IFRS Accounting Standards;

• We performed testing on manual journal entries posted to revenue to assist us in identifying unusual or irregular transactions.

• We performed the following procedures over the driver training and testing revenue of the entities where we are not relying on controls:
- recalculated the mathematical accuracy of revenue by using data analytics to match all services provided, as detailed in invoice listings to the standard approved rates; and
- reconciled service usage data with the Group's accounting system.

• We selected recorded driver training and testing revenue transactions, on a sample basis, and performed the following procedures:
- Determined that the service had been rendered by agreeing the details to student attendance logbooks; and
- Agreed the rates charged to the approved master price list.

• We performed analytical procedures in order to detect any unusual or unexpected variations for further investigation as necessary.

• We assessed the disclosure in the consolidated financial statements relating to this matter against the requirements of IFRS Accounting Standards.</td></tr>
</table>

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF EMIRATES DRIVING COMPANY P.J.S.C. (continued)

Report on the audit of the consolidated financial statements (continued)

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2024, were audited by another auditor who expressed an unmodified opinion on those statements on 31 January 2025.

Other information

The Board of Directors' and management are responsible for the other information which consists of the information included in the Group's 2025 Annual Report and Board of Director's report. The Directors' report is obtained prior to the date of this auditor's report and we expect to obtain the remaining sections of the Group's 2025 Annual Report after the date of our auditor's opinion. The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information, and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we will read the Group's 2025 Annual Report, if we conclude that there is a material misstatement therein, we will be required to communicate the matter to those charged with governance and consider whether a reportable irregularity exists in terms of the auditing standards, which must be reported.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB and in compliance with the applicable provisions of the Company's Articles of Association and the UAE Federal Law No. 32 of 2021, as amended, and for such internal control as management 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.

Report on the audit of the consolidated financial statements (continued)

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 skepticism 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 the management.

- Conclude on the appropriateness of the 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF EMIRATES DRIVING COMPANY P.J.S.C. (continued)

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

We communicate with those charged with governance, 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Law No. 32 of 2021, as amended, we report that for the year ended 31 December 2025:

- We have obtained all the information we considered necessary for the purposes of our audit.
- 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, as amended;
- The Group has maintained proper books of account.
- The financial information included in the Directors' report is consistent with the books of account and records of the Group;
- As disclosed in note 11 to the consolidated financial statements, the Group has made investments during the financial year ended 31 December 2025;
- During the year, the Group made social contributions of AED 15 thousand (2024: AED 50 thousand).
- Note 24 to the consolidated financial statements discloses the material related party transactions, balances, and the terms under which they were conducted; and
- Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Company has contravened, during the financial year ended 31 December 2025, any of the applicable provisions of UAE Federal Law No. 32 of 2021, as amended, or of its Articles of Association which would materially affect its activities or its financial position as at 31 December 2025.

Deloitte & Touche (M.E.)

Obada Alkowatly
Registration No. 1056
28 January 2026
Abu Dhabi
United Arab Emirates

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended 31 December 2025

	Notes	2025 AED'000	2024 AED'000
Revenue	3	**770,487**	512,929
Direct expenses	4	**(269,238)**	(153,474)
GROSS PROFIT		**501,249**	359,455
General and administrative expenses	5	**(181,627)**	(109,712)
Finance costs	6	**(9,653)**	(4,407)
Loss on remeasurement of contingent consideration	26	**(9,629)**	-
Rental income (net)	13	**4,295**	5,647
Net gain from financial assets at fair value through profit or loss	7	**6,980**	15,797
Gain on sales of assets held for sale	13	**41,433**	-
Share of results from associates	11	**3,519**	-
Interest income		**33,427**	34,582
Other income		**13,470**	8,934
PROFIT BEFORE TAX		**403,464**	310,296
Income tax expense	27	**(57,603)**	(27,936)
PROFIT FOR THE YEAR		**345,861**	282,360
Attributable to:			
Owners of the Company		**332,965**	277,210
Non-controlling interests		**12,896**	5,150
		345,861	282,360
BASIC AND DILUTED EARNINGS PER SHARE	8	**0.31**	0.26

The attached notes 1 to 32 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	**2025 AED'000**	2024 AED'000
PROFIT FOR THE YEAR		**345,861**	282,360
Other comprehensive loss			
Items that will not be reclassified to the consolidated statement of profit or loss in subsequent periods:			
Change in fair value of financial assets at fair value through other comprehensive income (OCI)	15	**-**	(8,089)
Other comprehensive loss for the year		**-**	(8,089)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**345,861**	274,271
Attributable to:			
Owners of the Company		**332,965**	269,121
Non-controlling interests		**12,896**	5,150
		345,861	274,271

The attached notes 1 to 32 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2025

	Notes	2025 AED'000	2024 AED'000
ASSETS			
Non-current assets			
Property and equipment	9	**299,903**	282,288
Right-of-use assets	10	**125,263**	85,347
Investment in an associate	11	**322,886**	-
Intangible assets and goodwill	14	**280,173**	280,025
		1,028,225	647,660
Current assets			
Derivative financial asset	11	**5,300**	-
Financial assets at fair value through profit or loss	15	**56,405**	85,308
Inventories		**1,165**	1,008
Trade and other receivables	16	**46,116**	44,324
Amounts due from related parties	24	**-**	1,315
Cash and bank balances	17	**946,478**	721,727
		1,055,464	853,682
Assets held for sale	13	**5,823**	164,100
		1,061,287	1,017,782
TOTAL ASSETS		**2,089,512**	1,665,442
EQUITY AND LIABILITIES			
Equity			
Share capital	18	**538,718**	538,718
Statutory reserve	19	**106,135**	72,519
General reserve	20	**106,135**	72,519
Retained earnings		**634,325**	551,756
Equity attributable to owners of the Company		**1,385,313**	1,235,512
Non-controlling interests	29	**124,184**	115,698
Total equity		**1,509,497**	1,351,210
Non-current liabilities			
Employees' end of service benefits	21	**15,757**	13,110
Lease liabilities	10	**128,247**	88,263
Deferred tax liabilities	27	**17,386**	18,243
Murabaha financing	23	**128,000**	-
		289,390	119,616

The attached notes 1 to 32 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
As at 31 December 2025

	Notes	2025 AED'000	2024 AED'000
Current liabilities			
Trade and other payables	22	**132,456**	107,050
Contingent consideration	26	**51,000**	41,371
Income tax payable	27	**58,515**	27,903
Amounts due to related parties	24	**7,004**	11,794
Lease liabilities	10	**8,100**	6,498
Murabaha financing	23	**33,250**	-
		290,325	194,616
Liabilities associated to assets held for sale	13	**300**	**-**
		290,625	194,616
Total liabilities		**580,015**	314,232
TOTAL EQUITY AND LIABILITIES		**2,089,512**	1,665,442

To the best of our knowledge, the financial information included in these consolidated financial statements fairly presents in all material respects the financial condition, results of operations and cash flows of the Group as of, and for, the periods presented therein.

Chairman of the board of Directors	**Chief Executive Officer**	**Chief Financial Officer**

The attached notes 1 to 32 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Attributable to equity holders of the Company						
	Share capital AED'000	Statutory reserve AED'000	General reserve AED'000	Cumulative change in fair value AED'000	Retained earnings AED'000	Non-controlling interests AED'000	Total equity AED'000
At 1 January 2024	89,786	44,893	44,893	22,953	947,030	-	1,149,555
Profit for the year	-	-	-	-	277,210	5,150	282,360
Other comprehensive loss for the year	-	-	-	(8,089)	-	-	(8,089)
Total comprehensive income (loss) for the year	-	-	-	(8,089)	277,210	5,150	274,271
Transfer to statutory and general reserves	-	27,626	27,626	-	(55,252)	-	-
Acquisition of a subsidiary (note 28)	-	-	-	-	-	110,548	110,548
Disposal of financial assets at fair value through other comprehensive income	-	-	-	(14,864)	14,864	-	-
Capitalization of retained earnings (note 18)	448,932	-	-	-	(448,932)	-	-
Dividends declared (note 30)	-	-	-	-	(183,164)	-	(183,164)
At 31 December 2024	538,718	72,519	72,519	-	551,756	115,698	1,351,210
At 1 January 2025	538,718	72,519	72,519	-	551,756	115,698	1,351,210
Profit for the year	-	-	-	-	332,965	12,896	345,861
Other comprehensive loss for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	332,965	12,896	345,861
Transfer to statutory and general reserves (notes 19 and 20)	-	33,616	33,616	-	(67,232)	-	-
Dividends declared (note 30)	-	-	-	-	(183,164)	-	(183,164)
Dividends paid to non-controlling interests	-	-	-	-	-	(4,410)	(4,410)
At 31 December 2025	**538,718**	**106,135**	**106,135**	**-**	**634,325**	**124,184**	**1,509,497**

The attached notes 1 to 32 form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
As at 31 December 2025

	Notes	**2025 AED'000**	2024 AED'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**403,464**	310,296
Adjustments for:			
Depreciation of property and equipment	9	**33,361**	28,352
Depreciation of right-of-use assets	10	**6,068**	3,081
Amortisation of intangible assets	14	**5,442**	3,422
Other income		**-**	(916)
Loss on remeasurement of contingent consideration	26	**9,629**	-
Provision for employees' end of service benefits	21	**3,926**	2,433
Provision for expected credit losses	16	**13,161**	-
Finance costs	6	**9,653**	4,407
Loss on disposal of property and equipment	9	**-**	259
Dividend income	7	**(2,344)**	(2,042)
Interest income		**(33,427)**	(34,582)
Gain on disposal of assets classified as held for sale	13	**(41,433)**	-
Share of results from an associate	11	**(3,519)**	-
Fair value gain on financial assets at fair value through profit or loss	7 & 15	**(5,717)**	(11,789)
		398,264	302,921
Working capital adjustments:			
Increase in inventories		**(157)**	(110)
Increase in trade and other receivables		**(9,337)**	(6,954)
Increase in trade and other payables		**25,408**	4,081
Decrease/(increase) in amounts due from related parties		**1,315**	(1,315)
(Decrease)/increase in amounts due to related parties		**(4,790)**	326
Net cash generated from operating activities		**410,703**	298,949
Employees' end of service benefits paid	21	**(1,279)**	(649)
Income tax paid		**(28,080)**	-
Net cash flows from operating activities		**381,344**	298,300
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of financial assets at fair value through profit or loss	15	**(2,572)**	(7,654)
Proceed from sales of financial assets at fair value through profit or loss	15	**27,304**	11,104
Proceeds from sale of financial assets at fair value through OCI	15	**-**	28,571
Purchase of property and equipment		**(53,381)**	(23,777)
Net cash paid on acquisition of a subsidiary	28	**-**	(118,171)
Interest received		**38,239**	40,253
Purchase of intangible assets	14	**(5,590)**	(4,266)
Proceeds from disposal of property and equipment	9	**2,405**	-
Dividends received	7	**2,344**	2,042
Proceeds from disposal of assets classified as held for sale	13	**199,710**	-
Acquisition of investment in an associate	11	**(319,367)**	-
Acquisition of derivative financial assets	11	**(5,300)**	-
Movement in term deposits with Original maturities greater than three months		**(10,679)**	(362,321)
Net cash flows used in investing activities		**(126,887)**	(434,219)

The attached notes 1 to 32 form part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT (Continued)

	Notes	**2025 AED'000**	2024 AED'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	30	**(183,164)**	(183,164)
Payment of lease liabilities	10	**(12,811)**	(5,604)
Dividends paid to non-controlling interests		**(4,410)**	-
Murabaha financing	23	**160,000**	-
Net cash flows used in financing activities		**(40,385)**	(188,768)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**214,072**	(324,687)
Cash and cash equivalents at 1 January		**109,406**	434,093
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	17	**323,478**	109,406

The attached notes 1 to 32 form part of these consolidated financial statements.

1 GENERAL

Emirates Driving Company P.J.S.C. (the “Company") was incorporated in the United Arab Emirates, as a Public Joint Stock Company, in accordance with the provisions of the UAE Federal Commercial Companies Law No. (8) of 1984 (as amended), replaced by UAE Federal Law No. (32) of 2021 (as amended) and the amended Emiri Decree no. (9) for the year 2002. The Company's registered office is P O Box 2943, Abu Dhabi, United Arab Emirates. The Parent Company is Two Point Zero Group PJSC and the Ultimate Parent of the Company is Royal Group Holding LLC.

The Company, and its subsidiaries, (together referred to as the “Group”) are engaged in the following activities:

- Management and development of motor vehicles driving training;
- Manage investment properties;
- Management and delivery services;
- Passenger transport by luxury motor vehicles;
- Investment in commercial enterprises and management;
- Investment in agricultural enterprises and management.
- Investment in industrial enterprises and management.
- Electric vehicles charging stations management & operations.

The consolidated financial statements of the Group for the year ended 31 December 2025 were authorised for issue by the Chairman on behalf of the Board of Directors on 28 January 2026.

2.1 BASIS OF PREPARATION

Statement of compliance
The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) as issued by the International Accounting Standards Board (IASB) and applicable requirements of the UAE Federal Law No. (32) of 2021 (as amended).

The consolidated financial statements of the Group have been prepared on the historical cost basis, except for the remeasurement of certain financial instruments and investment properties at fair value.

The consolidated financial statements have been presented in United Arab Emirates Dirham’s (AED), which is the functional and presentation currency of the Company. All financial information is presented in AED has been rounded to the nearest thousand, unless otherwise stated.

Basis of consolidation
The consolidated financial statements comprise the financial statements of the Company and those of its subsidiaries.

Details of the Company’s subsidiaries are as follows:

Name of the subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest	
			2025	2024
Tabieah Property Investments L.L.C.	U.A.E.	Manage investment properties	**100%**	100%
Emirates Mobility Company Limited	U.A.E.	Investment Company	**100%**	100%
ChargePoint Electric Vehicles Charging Stations Management and Operation – L.L.C*	U.A.E.	Electric Vehicles Charging Stations management and operation	**65%**	-
Excellence Premier Investment LLC	U.A.E.	Investment in commercial, industrial, agricultural enterprises and management	**51%**	51%

2.1 BASIS OF PREPARATION continued

Basis of consolidation continued

Name of the subsidiaries	**Country of incorporation**	**Principal activities**	**Proportion of ownership interest**	
			2025	2024
Below are subsidiaries of Excellence Premier Investment LLC:				
Excellence Driving Centre LLC	U.A.E.	Automobile driving school and Optical centre	**100%**	100%
Excellence Couriers Delivery Services LLC	U.A.E.	Order management and delivery services	**100%**	100%
Excellence Premier Auto Repair LLC	U.A.E.	Maintenance and general repairs of Vehicles, and cleaning	**100%**	100%
Excellence Premium Limousine Services LLC	U.A.E.	Passenger transport by Luxury motor vehicles	**100%**	100%

*On 9 October 2025, the Group established a new limited liability company named Chargepoint Electric Vehicles Charging Stations Management and Operation L.L.C., incorporated in Abu Dhabi, United Arab Emirates. The Group holds a 65% ownership interest, while V Charge Trading – Sole Proprietorship L.L.C., holds the remaining 35%.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant
- activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Non-controlling interest represent the portion of profit or loss and net assets of subsidiaries not owned directly or indirectly by the Parent Company. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.1 BASIS OF PREPARATION continued

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.2 CHANGES IN ACCOUNTING POLICIES

The following new and revised IFRS Accounting Standards, which became effective for annual periods beginning on or after 1 January 2025, have been adopted in consolidated financial statements. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

New and revised IFRS Accounting Standard	**Summary**
Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* relating to Lack of Exchangeability	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

Other than the above, there are no other significant IFRS Accounting Standards and amendments that were effective for the first time for the financial year beginning on or after 1 January 2025.

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective:

New and revised IFRS Accounting Standards	***Effective for annual periods beginning on or after***
Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* regarding the classification and measurement of financial instruments The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.	1 January 2026
Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* regarding purchase power arrangements The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity.	1 January 2026

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE continued

New and revised IFRS Accounting Standards	***Effective for annual periods beginning on or after***
Annual improvements to IFRS Accounting Standards - Volume 11 The pronouncement comprises the following amendments: • IFRS 1 *First-time Adoption of International Financial Reporting Standards*: Hedge accounting by a first-time adopter • IFRS 7 *Financial Instruments - Disclosures*: Gain or loss on derecognition • IFRS 7 *Financial Instruments - Disclosures*: Disclosure of deferred difference between fair value and transaction price • IFRS 7 *Financial Instruments - Disclosures*: Introduction and credit risk disclosures • IFRS 9 *Financial Instruments*: Lessee derecognition of lease liabilities • IFRS 9 *Financial Instruments*: Transaction price • IFRS 10 *Consolidated Financial Statements*: Determination of a "de facto agent" • IAS 7 *Statement of Cash Flows*: Cost method	1 January 2026
IFRS 18 *Presentation and Disclosures in Financial Statements* IFRS 18 includes requirements for all entities applying IFRS Accounting Standards for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.	1 January 2027
IFRS 19 *Subsidiaries without Public Accountability: Disclosures* IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.	1 January 2027
Amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures* The amendments cover new or amended IFRS Accounting Standards issued between 28 February 2021 and 1 May 2024 that were not considered when IFRS 19 was first issued.	1 January 2027
Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* relating to Translation to a Hyperinflationary Presentation Currency The amendments clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one.	1 January 2027
Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures (2011)* The amendments relate to the treatment of the sale or contribution of assets from an investor to its associate or joint venture.	Effective date deferred indefinitely. Adoption is still permitted.

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE continued

New and revised IFRS Accounting Standards	***Effective for annual periods beginning on or after***
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.	Effective date not yet decided by the regulator in the United Arab Emirates
IFRS S2 Climate-related Disclosures IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity.	Effective date not yet decided by the regulator in the United Arab Emirates

The Group anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and management is assessing the impact of these new standards, interpretations and amendments on the consolidated financial statements of Group in the period of initial application.

2.4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

While applying the accounting policies as stated in note 2.5, management of the Group has made certain judgments, estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period of the revision in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation of uncertainty
The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Revenue recognition
Management considers recognizing revenue over time, if one of the following criteria is met, otherwise revenue will be recognized at a point in time:

a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.
b) the Group performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
c) the Group's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

2.4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY continued

Key sources of estimation of uncertainty continued

Useful lives of property and equipment
The management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and the future depreciation charge would be adjusted where management believes that the useful lives differ from previous estimates. In 2024, the Group has revised the useful life of heavy buses and heavy vehicles, reducing it from 15 years to 10 years. This change represents an adjustment to accounting estimates in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. The impact of this change has been recognized prospectively, as required by IAS 8, with no retrospective adjustments to prior periods (refer note 9 to the consolidated financial statements).

Leases - Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Determining the lease term of contracts with renewal options
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Provision for expected credit losses of trade and other receivables
The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating etc.).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future.

At the reporting date, gross trade receivables were AED 10,945 thousand (2024: AED 14,135 thousand) and the provision for expected credit losses was AED 2,043 thousand (2024: AED 2,043 thousand). The gross other receivable were AED 23,306 thousand (2024: AED 2,714 thousand) and the provision for expected credit losses was AED 13,161 thousand (2024: nil). Any difference between the amounts actually collected in future periods and the amounts expected will be recognized in the consolidated statement of profit or loss.

2.4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY continued

Key sources of estimation of uncertainty continued

Business combinations

Accounting for the acquisition of a business requires the allocation of the purchase price to the various assets and liabilities of the acquired business. For most assets and liabilities, the purchase price allocation is accomplished by recording the asset or liability at its estimated fair value. Determining the fair value of assets acquired and liabilities assumed requires judgment by management and often involves the use of significant estimates and assumptions, including assumptions with respect to future cash inflows and outflows, discount rates, the useful lives of assets and market multiples. The Group's management uses all available information to make these fair value determinations.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION

Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in general and administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits, respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the consolidated statement of comprehensive income in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in consolidated statement of comprehensive income.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Business combinations and goodwill continued

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in consolidated statement of comprehensive income.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

When the Group loses control of a subsidiary, a gain or loss is recognised in the consolidated statement of comprehensive income and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the initial carrying amount for the purposes of subsequent accounting for the retained interest as an investment in an associate or a joint venture or financial asset.

Investment in equity-accounted investee

The Group holds an interest in an associate, Mwasalat Holding LLC OPC.

The financial statements of Mwasalat Holding LLC OPC are prepared for the same reporting period as the Group. The accounting policies of the company are aligned with those of the Group. Therefore, no adjustments are made when measuring and recognising the Group's share of the profit or loss of the investee after the date of acquisition.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over those policies.
The aggregate of the Group's share of profit or loss of an associate is shown on the face of the consolidated statement of profit or loss outside operating profit and represents profit or loss after tax and noncontrolling interests in the subsidiaries of the associate.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Investment in equity-accounted investee continued

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Impairments and reversals are presented within 'Share of results of an associate' in the consolidated statement of profit or loss.

Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss within 'Share of profit of an associate in the consolidated statement of profit or loss.

Revenue from contracts with customers

The Group recognises revenue from contracts with customers based on a five step model as set out in IFRS 15:

Step 1 Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2 Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3 Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5 Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The Group's performance does not create an asset with an alternate use to the Group and the Group has as an enforceable right to payment for performance completed to date.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Revenue from contracts with customers continued

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

Driving school services

The Group is engaged in provision of motor vehicles driving training to national and expatriates living in Abu Dhabi and Dubai, United Arab Emirates. Revenue represents fees charged to students during the period. Revenue is recognised over the period of the courses on a time proportionate basis when services are provided to customers and the amount of revenue can be measured reliably. Fees paid in advance are deferred and released to income when the related service is provided.

Courier delivery services
The Group is engaged in provision of courier delivery services to national and expatriates living in Dubai, United Arab Emirates. Revenue is recognized at point in time when the performance obligation is satisfied.

Limousine services
The Group is engaged in provision of limousine luxury services to national and expatriates living in Dubai, United Arab Emirates. Revenue is recognized at point in time when the performance obligation is satisfied.

Auto repair services
The Group is engaged in the provision of automobile repair and maintenance services in Dubai, United Arab Emirates. Revenue is recognized at a point in time when the performance obligation is satisfied, which is upon completion of the repair or maintenance service.

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

Interest income
Interest income is recognised as the interest accrues using the effective interest method, under which the rate used exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Dividend income
Dividend income is recognised when the right to receive the dividend is established.

Property and equipment
Property and equipment are stated at cost net of accumulated depreciation and impairment losses, if any.

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

Building and improvements	5 - 35 years
Furniture and decorations	5 years
Equipment and tools	4 - 20 years
Motor vehicles	5 - 15 years

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalized, and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalized only when it increases future economic benefits of the related equipment. All other expenditure is recognized in the consolidated statement of profit or loss as the expense is incurred.

Capital work in progress
Capital work in progress is stated at cost. When commissioned, capital work in progress is transferred to the appropriate property and equipment category and is depreciated in accordance with the Group's policies.

Intangible assets
Intangible assets acquired separately are reported at cost less accumulated amortisation and impairment losses, if any. Amortisation is charged on a straight-line basis over the assets' estimated useful lives. The estimated useful lives are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Amortisation is calculated using the straight-line method to allocate the assets' cost to their residual values over their estimated useful lives as follows:

Computer software	4 - 10 years
Licenses and trademark	4 years - Indefinite
Customer backlog and contracts	1 years
Internally developed material and technology	4 years

Investment properties
Investment properties comprise of building to earn rentals, capital appreciation or both.

Investment property is measured initially at cost, including transaction costs. Transaction costs include transfer of taxes, professional fees for legal services, initial leasing commissions and other incidental costs to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in the fair values are included in the consolidated statement of profit or loss in the year in which they arise.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Investment properties

Investment property is derecognised when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of investment property are recognised in the consolidated statement of profit or loss in the year of retirement or disposal.

Gains and losses on the disposal of investment property are determined as the difference between net disposal proceeds and the carrying value of the asset on the date of disposal.

Transfer to, or from investment property shall be made when there is a change in use, evidenced by:

- commencement of owner-occupation, for a transfer from investment property to owner-occupied property;
- commencement of development with a view to sale, for a transfer from investment property to inventories;
- end of owner-occupation, for a transfer from owner-occupied property to investment property; or
- commencement of an operating lease to another party, for a transfer from inventories to investment property.

Assets classified as held for sale

The Company classified its non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal group is available for immediate sale in its present condition.

Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to check whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of a non-financial asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the non-financial asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Initial recognition and measurement continued

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

a) Financial assets at amortised cost (cash and cash equivalents and trade receivables);
b) Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
d) Financial assets at fair value through profit or loss.

The Group has the following financial assets:

Cash and cash equivalents

Cash and cash equivalents which include cash on hand and deposits held at call with banks with original maturities of three months or less, are classified as financial assets at amortised cost.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

a) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost include trade and other receivables, and amounts due from related parties.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Financial assets continued

Financial assets designated at fair value through OCI (equity instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as dividend income in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss.

Impairment of financial assets
The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of financial assets
The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Financial liabilities and equity instruments
Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and equity instruments.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Financial liabilities
Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense is charged to consolidated statement of profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The financial liabilities of Group include lease liabilities, trade and other payables, contingent consideration, murabaha financing and due to related parties.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Employees' end of service benefits
The Group provides for end of service benefits of its non-UAE national employees in accordance with UAE labour law. The entitlement to these benefits is based upon the employees' length of service and completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Pension and national insurance contributions for UAE citizens are made by the Group in accordance with Federal Law No. 2 of 2000.

Leases
The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessor
Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an assets are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Group as a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Leases continued

Group as a lessee

i). Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land	32 - 35 years
Buildings	5 years
Motor vehicles	3 - 4 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii). Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii). Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Contingencies
Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Value added tax ("VAT")
Expenses and assets are recognised net of the amount of VAT, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; or
- When receivables and payables are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Current versus non-current classification
The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is classified as current when it is:

1. Expected to be realized or intended to sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realized within twelve months after the reporting period; or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period; or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Foreign currencies
For the purpose of these consolidated financial statements, the UAE Dirhams (AED) is the functional and the presentation currency of the Group.

Transactions in currencies other than AED (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in consolidated statement of profit or loss in the year in which they arise.

Provisions
Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Provisions continued

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

Taxes
The tax expense for the period comprises current and deferred tax. Tax is recognized in the consolidated statement of profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognised on all temporary differences at the reporting date between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, with the following exceptions:

- Where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- Deferred tax assets are recognised only to the extent that it is probable that a taxable profit will be available against which the deductible temporary differences and carried forward tax credits or tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the reporting date.

Current and deferred tax is charged or credited directly to other comprehensive income or equity if it relates to items that are credited or charged to, respectively, other comprehensive income or equity. Otherwise, income tax is recognised in the consolidated statement of comprehensive income.

The Pillar Two regime recently adopted by the United Arab Emirates (UAE), will significantly influence the tax landscape for multinational enterprises. This regime, introduced as part of the OECD's efforts to address base erosion and profit shifting (BEPS), imposes new global minimum tax standards.

The group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Fair value measurement
The Group measures financial instruments, such as financial assets through other comprehensive income, at fair value at each consolidated statement of financial position date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- *Level 1:* Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- *Level 2:* Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- *Level 3:* Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

External valuers are involved for valuation of significant assets, when fair value is not readily available. Selection criteria for valuers include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group’s external valuers, which valuation techniques and inputs to use for each case.

Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

Segmental analysis

The business activities of the Group are performed on an integrated basis. Therefore, any segmentation of operating income, expenses, assets and liabilities is not relevant and is not performed for internal management reporting purposes.

2.5 MATERIAL ACCOUNTING POLICY INFORMATION continued

Segmental analysis continued

For internal management purpose, the Group is organized as one business unit based on the training and testing services and has only one reportable segment. The Group is managed as a single business unit and the financial performance is reported in the internal reporting provided to the Chief Operating Decision-maker ("CODM"). The Executive Committee, which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CODM that makes strategic decisions. The financial information reviewed by the CODM is based on the IFRS compliant financial information for the Group. The CODM monitors the operating results of its business unit separately for the purpose of making decisions about resource allocation and performance assessment.

The CODM regularly reviews the consolidated statement of profit or loss and other comprehensive income. The CODM function is to allocate resources to and assess the performance of the operating segments of the Group. Based on the review and assessment of the CODM, the Group has a single operating segment, which is 'training and testing service'.

There are no other economic characteristics within the Group that will lead to determination of other operating segments. This analysis requires significant judgement as to the circumstances of the Group.

The Group does not have any operating segments that are aggregated. The CODM has considered the following criteria in determining the operating segments of the Group:

- the nature of products and services;
- the nature of the production processes;
- the type or class of customer for their products and services; and
- the methods used to distribute their products or provide their services;

Based on the criteria and evaluation above, the CODM has determined that the Group has only one operating segment, which is consistent with the internal reporting and performance measurement.

3 REVENUE

Set out below is the disaggregation of the Group's revenue:

	2025 **AED '000**	2024 AED '000
Type of revenue		
Training and testing services	**735,728**	505,528
Courier delivery services revenue	**19,414**	6,341
Limousine services revenue	**14,598**	1,060
Auto repair service revenue	**747**	-
	770,487	512,929

Timing of revenue recognition

	2025 **AED '000**	2024 AED '000
Services transferred at a point in time	**187,860**	74,227
Services transferred over time	**582,627**	438,702
	770,487	512,929

3 REVENUE continued

Geographical markets
All revenues are generated in the United Arab Emirates.

Advance consideration received from customers amounting to AED 37,735 thousand (2024: AED 34,031 thousand (note 22) represents liabilities primarily relate to services to be provided, for which revenue is recognised over time. This will be recognised as revenue when the services are rendered to the customers, which is expected to occur over the next year. The amount of AED 34,031 thousand included in advances received from customers at 31 December 2024 has been recognised as revenue in 2025 (2024: AED 23,492 thousand).

4 DIRECT EXPENSES

	2025 **AED '000**	2024 AED '000
Staff costs	**124,615**	81,099
RTA fees	**94,140**	40,803
Depreciation of property and equipment (note 9)	**14,971**	13,202
Fuel expenses	**13,495**	6,899
Repairs and maintenance	**8,831**	4,370
Insurance expenses	**2,786**	901
Transportation expenses	**2,468**	1,224
Other direct expenses	**7,932**	4,976
	269,238	153,474

5 GENERAL AND ADMINISTRATIVE EXPENSES

	2025 **AED '000**	2024 AED '000
Staff costs	**66,298**	40,713
Depreciation of property and equipment (note 9)	**18,390**	15,150
Consultancy, legal and professional charges	**9,971**	9,906
Repairs and maintenance	**12,321**	7,598
Office expenses	**7,087**	5,962
Director's remuneration	**7,500**	5,000
Water and electricity	**5,180**	4,697
Amortisation of intangible assets (note 14)	**5,442**	3,422
Depreciation of right-of-use assets (note 10)	**6,068**	3,081
Advertising and sponsorship expenses	**9,518**	2,593
Telephone and internet	**2,451**	1,782
Management and performance fees	**878**	1,621
Expected credit losses (note 16)	**13,161**	-
Bank charges	**2,596**	919
Rent	**1,730**	1,099
Other expenses	**13,036**	6,169
	181,627	109,712

6 FINANCE COSTS

Finance costs in the consolidated statement of profit or loss consist of the following:

	2025 AED '000	2024 AED '000
Finance cost – murabaha	**1,250**	-
Finance cost – lease liability (note 10)	**8,403**	4,407
	9,653	4,407

7 NET GAIN FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 AED '000	2024 AED '000
Changes in fair value (note 15)	**5,717**	11,789
Realised (loss)/gain on disposal	**(1,081)**	1,966
Dividend income	**2,344**	2,042
	6,980	15,797

8 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the year attributable to equity owners of the Company by the weighted average number of shares outstanding during the year as follows:

	2025 AED '000	2024 AED '000
Profit attributable to equity owners of the Company (AED'000)	**332,965**	277,210
Weighted average number of shares in issue for the purpose of basic and diluted earnings per share ('000)	**1,077,437**	1,077,437
Basic and diluted earnings per share (AED)	**0.31**	0.26

9 PROPERTY AND EQUIPMENT

	Building and improvements AED'000	Furniture and decorations AED'000	Equipment and tools AED'000	Motor vehicles AED'000	Capital work in progress AED'000	Total AED'000
2025						
Cost:						
At 1 January 2025	338,372	12,443	73,423	80,629	5,383	510,250
Additions	1,785	1,594	5,569	40,177	4,256	53,381
Disposals	-	(1,482)	(11,478)	(3,232)	-	(16,192)
Transfers	-	-	533	-	(533)	-
At 31 December 2025	**340,157**	**12,555**	**68,047**	**117,574**	**9,106**	**547,439**
Accumulated depreciation:						
At 1 January 2025	121,119	7,829	52,522	46,492	-	227,962
Charge for the year	12,212	1,642	6,675	12,832	-	33,361
Disposals	-	(1,334)	(9,833)	(2,620)	-	(13,787)
At 31 December 2025	**133,331**	**8,137**	**49,364**	**56,704**	**-**	**247,536**
Net carrying amounts:						
At 31 December 2025	**206,826**	**4,418**	**18,683**	**60,870**	**9,106**	**299,903**
2024						
Cost:						
At 1 January 2024	288,100	5,114	61,736	36,979	2,329	394,258
Acquired in business combination (note 28)	45,526	6,404	7,811	32,949	-	92,690
Additions	2,800	925	3,876	11,176	5,000	23,777
Disposals	-	-	-	(475)	-	(475)
Transfers	1,946	-	-	-	(1,946)	-
At 31 December 2024	**338,372**	**12,443**	**73,423**	**80,629**	**5,383**	**510,250**
Depreciation:						
At 1 January 2024	106,184	4,630	44,695	21,662	-	177,171
Acquired in business combination (note 28)	4,034	2,419	3,406	13,461	-	23,320
Charge for the year	10,901	780	5,086	11,585	-	28,352
Disposals	-	-	-	(216)	-	(216)
Adjustments	-	-	(665)	-	-	(665)
At 31 December 2024	**121,119**	**7,829**	**52,522**	**46,492**	**-**	**227,962**
Net carrying amounts:						
At 31 December 2024	**217,253**	**4,614**	**20,901**	**34,137**	**5,383**	**282,288**

9 PROPERTY AND EQUIPMENT continued

The depreciation charge for the year has been allocated as follows:

	2025	2024
	AED ’000	AED ’000
Direct expenses (note 4)	**14,971**	13,202
General and administrative expenses (note 5)	**18,390**	15,150
	33,361	28,352

On 5 November 2024, the Board of Directors approved a revision to the useful life of heavy buses and heavy vehicles, reducing it from 15 years to 10 years. This change represents an adjustment to accounting estimates in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. The adjustment in the useful life reflects updated expectations regarding the pattern of economic benefits derived from these assets. As a result of this change, the depreciation expense for the year ended 31 December 2024, increased by AED 4,293 thousand, attributable to accelerated depreciation of each asset category. The impact of this change has been recognized prospectively, as required by IAS 8, with no retrospective adjustments to prior periods.

10 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The right of use assets and lease liabilities pertain to the land, offices and car leases for which the lease term varies from 2-35 years. The lease payments are being discounted using the incremental borrowing rate (“IBR”) ranging between 6%-9.5%. Set out below are the carrying amounts of right-of-use assets and lease liabilities recognised and the movements during the year:

	Right-of-use assets	**Lease liabilities**
	AED ’000	AED ’000
As at 1 January 2025	**85,347**	**94,761**
Addition	**45,984**	**45,994**
Depreciation expense	**(6,068)**	**-**
Finance cost	**-**	**8,403**
Payments	**-**	**(12,811)**
As at 31 December 2025	**125,263**	**136,347**
As at 1 January 2024	40,264	44,659
Acquired in business combination (note 28)	48,164	51,299
Depreciation expense	(3,081)	-
Finance cost	-	4,407
Payments	-	(5,604)
As at 31 December 2024	85,347	94,761

10 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES continued

Lease liabilities are analysed in the consolidated statement of financial position as follows:

	2025 AED '000	2024 AED '000
Current	**8,100**	6,498
Non-current	**128,247**	88,263
Total	**136,347**	94,761

Following are the amounts recognised in the consolidated statement of profit or loss:

	2025 AED '000	2024 AED '000
Depreciation on right-of-use assets (note 5)	**6,068**	3,081
Interest expense on lease liabilities (note 6)	**8,403**	4,407

11 INVESTMENT IN AN ASSOCIATE

Name of associate	**Principal activities**	**Place of incorporation and Operation**	**wnership interest**
Mwasalat Holdings LLC OPC	the passenger transport and mobility services	United Arab Emirates	22.50%

Effective 23 October 2025, the Group acquired a 22.50% equity interest in Mwasalat Holdings LLC OPC (Mwasalat), with an option to increase its shareholding to 50.6%, for a total purchase consideration of AED 322 million, including the option. Mwasalat is a passenger transport and mobility services incorporated in the United Arab Emirates.

The option is expected to be exercised in 2026 and it was recognised as derivative financial asset amounting AED 5,300 thousand in the consolidated statement of financial position.

Reconciliation of the summarised financial information to the carrying amount of the interest in an associate is as follows:

	2025 AED '000	2024 AED '000
At 1 January	**-**	-
Additions	**319,367**	-
Share of results	**3,519**	-
At 31 December	**322,886**	-

11 INVESTMENT IN AN ASSOCIATE continued

The latest available financial information in respect of the Group's associate as on 31 December 2025 is summarised below:

	2025
	AED '000
Non-current assets	567,024
Current assets	371,372
Non-current liabilities	(272,243)
Current liabilities	(391,545)
Tota net assets	**274,608**
Company's share of net assets	**61,787**
Provisional goodwill*	185,099
Identifiable intangible assets*	73,332
Directly attributable costs	2,668
At 31 December	**322,886**

The share of profit from the associate has been recognised as follows:

Revenue	177,167
Profit for the year	23,640
Group's share of profit**	5,319
Group share of amortisation on identifiable intangible assets	(1,800)
Group share of results	**3,519**

**The resultant embedded provisional goodwill and intangible assets arising from the fair value of the net asset, is subject to purchase price allocation ('PPA'), which will be finalised within twelve months.*

***The share of results from the associate is recognised from the acquisition date.*

12 INVESTMENT PROPERTY

	2025 AED '000	2024 AED '000
At 1 January	**-**	164,100
Reclassified to assets held for sale (note 13)	**-**	(164,100)
At 31 December	**-**	-

On 28 August 2017, the Group purchased a building located in Saadiyat Island and which was registered under Tabeiah Property Investments LLC (a subsidiary). In 2024, the investment property has been reclassified to assets held for sale.

13 ASSETS HELD FOR SALE

On 5 November 2024, the Board of Directors resolved to sell the building located in Saadiyat Island, which is registered under Tabeiah Property Investments LLC, a subsidiary of the Group. This decision was part of the Group's strategic initiative to optimize its property portfolio, with the transaction expected to be completed within one year from the reporting date. As of 31 December 2025, the Group completed sales with a total consideration amounting to AED 199,710 thousand. The carrying value of the assets sold was AED 158,211 thousand, leading to a gain on disposal of AED 41,433 thousand. The remaining three units were fully reserved, with two units sold and ownership transferred in January 2026.

	2025 AED '000	2024 AED '000
At 1 January	**164,100**	-
Transferred from investment properties	**-**	164,100
Disposals	**(158,277)**	-
	5,823	164,100

As at 31 December 2025, AED 300 thousand is recognised as liabilities associated to held for sale.

Gain on assets held for sale shown in the consolidated statement of profit or loss consist of the following:

	2025 AED '000	2024 AED '000
Gain on sale of assets held for sale	**41,433**	-

Rental income from investment properties classified as held for sale amounted to:

	2025 AED '000	2024 AED '000
Rental income	**6,078**	8,829
Direct operating expenses	**(1,783)**	(3,182)
	4,295	5,647

14 INTANGIBLE ASSETS

	Computer software AED'000	Licenses and trademark AED'000	Customer Backlog and contracts AED'000	Internally developed material and technology AED'000	Goodwill AED'000	Total AED'000
Cost:						
At 1 January 2024	13,107	-	-	-	-	13,107
Acquired in business combination (note 28)	3,822	184,388	3,110	4,622	79,310	275,252
Additions during the year	4,266	-	-	-	-	4,266
At 31 December 2024	21,195	184,388	3,110	4,622	79,310	292,625
At 1 January 2025	**21,195**	**184,388**	**3,110**	**4,622**	**79,310**	**292,625**
Additions during the year	5,590	**-**	**-**	**-**	-	5,590
At 31 December 2025	**26,785**	**184,388**	**3,110**	**4,622**	**79,310**	**298,215**
Accumulated amortisation:						
At 1 January 2024	8,452	-	-	-	-	8,452
Acquired in business combination (note 28)	977	-	-	-	-	977
Adjustments	(251)	-	-	-	-	(251)
Charge for the year	1,482	-	1,414	526	-	3,422
At 31 December 2024	10,660	-	1,414	526	-	12,600
At 1 January 2025	10,660	-	1,414	526	-	12,600
Charge for the year	2,591	-	1,696	1,155	-	5,442
At 31 December 2025	**13,251**	**-**	**3,110**	**1,681**	**-**	**18,042**
Carrying amount:						
At 31 December 2025	**13,534**	**184,388**	**-**	**2,941**	**79,310**	**280,173**
At 31 December 2024	10,535	184,388	1,696	4,096	79,310	280,025

Assessment of goodwill and licenses and trademark impairment

During the year ended 31 December 2025, management performed its annual impairment assessments of goodwill and licenses and trademark, using the discounted cashflow model approach to calculate the value in use for the respective cash generating units. For the purpose of the impairment testing, goodwill was allocated to the respective cash generating units based on the respective enterprise values.

Management has assessed that no impairment loss is required to be recognised against goodwill and licenses and trademark at the reporting date.

Following key assumptions were used in the discounted cashflow review:
• Terminal growth rate: 2%
• Inflation rate: 4%
• Discount rate: 11-14%

15 FINANCIAL ASSETS

a) Financial assets at fair value through other comprehensive income

	2025 **AED '000**	2024 AED '000
At 1 January	**-**	36,660
Change in fair value	**-**	(8,089)
Disposals during the year	**-**	(28,571)
At 31 December	**-**	-

b) Financial assets at fair value through profit or loss

	2025 **AED '000**	2024 AED '000
At 1 January	**85,308**	76,969
Additions during the year	**2,572**	7,654
Disposals during the year	**(27,304)**	(11,104)
Change in fair value (note 7)	**5,717**	11,789
Reclassification of convertible notes to other receivable*	**(9,888)**	-
At 31 December	**56,405**	85,308

* During the period, the unquoted equity which is a convertible note was reclassified as other receivables upon its expiration (note 16).

15 FINANCIAL ASSETS continued

b) Financial assets at fair value through profit or loss continued

Financial assets at fair through profit or loss which are categorised as a level 1 represent investments in quoted equity portfolio mandatorily measured at fair value through profit or loss.

Financial assets at fair through profit or loss which are categorised as a level 3 represent investments in unquoted debt instrument mandatorily measured at fair value through profit or loss.

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
31 December 2025				
Financial assets at fair value through profit or loss	**56,405**	**-**	**-**	**56,405**
31 December 2024				
Financial assets at fair value through profit or loss	75,014	-	10,294	85,308

16 TRADE AND OTHER RECEIVABLES

	2025 AED '000	2024 AED '000
Trade receivables	**10,945**	14,135
Less: allowance for expected credit losses	**(2,043)**	(2,043)
Net trade receivables	**8,902**	12,092
Prepaid expenses	**15,818**	12,454
Accrued interest income	**2,882**	11,658
Advances to suppliers	**6,943**	4,620
Margin deposits	**1,186**	786
Staff advances	**240**	-
Other receivables, net*	**10,145**	2,714
	46,116	44,324

*Other receivables include the previously recognised unquoted FVTPL amounted to AED 9,888 thousand (note 15) plus other receivable amounted AED 3,273 thousand, presented net of a provision for expected credit losses amounting to AED 13,161 thousand. The expected credit loss is charged to general and administrative expenses (note 5).

16 TRADE AND OTHER RECEIVABLES continued

Movement in the allowance for expected credit losses is as follows:

	2025 AED '000	2024 AED '000
At 1 January	**2,043**	1,977
Acquired in business combinations	**-**	66
Charge for the year	**-**	-
At 31 December	**2,043**	2,043

As of 31 December 2025, the analysis of trade receivables including those that were past due and not impaired is as follows:

			Past due						
	Total AED'000	**Current AED'000**	**Less than 30 days AED'000**	**31-60 days AED'000**	**61-90 days AED'000**	**91-120 days AED'000**	**121 - 150 days AED'000**	**151 - 180 days AED'000**	**More than 180 days AED'000**
31 December 2025									
Expected credit loss rate		**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**94%**
Estimated total gross carrying amount at default	**10,945**	**-**	**4,225**	**979**	**1,002**	**2,568**	**-**	**-**	**2,171**
Expected credit loss	**2,043**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,043**
31 December 2024									
Expected credit loss rate		**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**20%**
Estimated total gross carrying amount at default	**14,135**	**1,883**	**107**	**190**	**-**	**462**	**-**	**1,328**	**10,165**
Expected credit loss	**2,043**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,043**

The carrying amounts of the Group's trade receivables are denominated in the UAE Dirham and approximate their fair value as at 31 December 2025 and 2024.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of the receivables mentioned above. The Group does not hold any collateral as security.

17 CASH AND BANK BALANCES

	2025 **AED '000**	2024 AED '000
Cash in hand	**52**	52
Cash at banks	**37,426**	26,354
Bank deposits with UAE banks	**909,000**	695,321
Cash and bank balances as presented in the consolidated statement of financial position	**946,478**	721,727
Less: bank deposits with original maturities for more than three months	**(623,000)**	(612,321)
Cash and cash equivalents as presented in the consolidated statement of cash flows	**323,478**	109,406

Balances with banks are assessed to have low credit risk of default since these banks are regulated by the central banks of the United Arab Emirates. Accordingly, the management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. Taking into account the historical default experience and the current credit ratings of the banks, the management of the Group have assessed that the credit risk associated with these is very low, if any, as at the end of reporting period, and hence have not recorded any expected credit loss allowances on these balances.

Bank deposits are made for varying periods of between one month to twelve months, depending on the immediate cash requirements of the Group. The effective interest rate on bank deposits ranges from 3.27 to 5.28% per annum (31 December 2024: 4.36% to 5.28%.

18 SHARE CAPITAL

	2025 **AED '000**	2024 AED '000
Authorised, issued and fully paid		
1,077,437 thousand shares of AED 0.50 each	**538,718**	538,718

On 9 January 2024, the Shareholders at the General Assembly approved:

- the split of the Company's share nominal value to be 50 Fils instead of the current nominal value of AED 1 resulting in an increase in the number of issued shares by the Company from 89,786,400 shares to 179,572,800 shares.

- the capitalization of a part of the Group's retained earnings amounting to AED 448,932,000 to the Company's share capital resulting in the share capital subsequent to capitalization to become AED 538,718,400 divided into 1,077,436,800 shares with a nominal value of 50 Fils via the issuance of 897,864,000 new shares.

- the amendment of article No. 6 of the Company's Article of Association reflecting the Company's updated number of shares and the related share nominal value.

19 STATUTORY RESERVE

In accordance with UAE Federal Law No. (32) of 2021 (as amended) concerning Commercial Companies and the Group's Articles of Association, 10% of the annual profit, including the 5% of annual profit of the subsidiary, is to be transferred to a non-distributable statutory reserve until the balance of the statutory reserve equals 50% of the Group's paid-up capital.

20 GENERAL RESERVE

In accordance with the Group's Articles of Association, 10% of the annual profit for the year is to be transferred to a general reserve until the general assembly resolves to discontinue such transfers based on the Board of Directors' proposal or if the reserve equals 50% of the Group's paid up share capital. This reserve is used for the purposes determined by the ordinary general assembly based upon the Board of Director's proposal.

21 EMPLOYEES' END OF SERVICE BENEFITS

Movement in the provision for employees' end of service benefits is as follows:

	2025 **AED '000**	2024 AED '000
At 1 January	**13,110**	8,939
Acquired in business combinations (note 28)	**-**	2,387
Charge for the year	**3,926**	2,433
Paid during the year	**(1,279)**	(649)
At 31 December	**15,757**	13,110

22 TRADE AND OTHER PAYABLES

	2025 **AED '000**	2024 AED '000
Trade payables	**24,453**	12,418
Accruals and other payables	**68,467**	58,671
Advances received from customers*	**37,735**	34,031
Retention payable	**70**	70
VAT payable	**2,031**	1,860
	132,756	107,050

*These advances are short term and will be recognised as revenue within one year from the reporting date (note 3).

23 MURABAHA FINANCING

Borrowings	**Secured/unsecured**	**Interest rates**	**Maturity**	**2025** **AED '000**	**2024** **AED '000**
Bank Ajman	Secured	EIBOR + 0.85%	October 2030	**160,000**	-

23 MURABAHA FINANCING continued

On 31 October 2025, the Group entered into a Murabaha agreement to partially finance the acquisition of Mwasalat Holding. The facility covered approximately 50% of the purchase consideration. The finance is repayable in 20 equal quarterly instalments, commencing after the drawdown date, with final maturity on 30 October 2030.

	2025 AED ’000	2024 AED ’000
Movement in Murabaha		
At 1 January	**-**	-
Drawdowns	**159,544**	-
Transactions costs	**456**	-
Finance costs	**1,250**	-
At 31 December		
	161,250	-
Non-current portion	**128,000**	-
Current portion	**33,250**	-
	161,250	-

24 RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent associated companies, shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group’s management.

Balances with related parties included in the consolidated statement of profit or loss is as follows:

Purchases from related parties	**Nature of the relationship**	2025 AED ’000	2024 AED ’000
Emircom LLC	Under common control of the ultimate parent Company	**2,930**	3,354
Provis Real Estate Management LLC	Under common control of the ultimate parent Company	**1,183**	1,183
Two Point Zero Group PJSC	Shareholder	**1,748**	972
Cyber Gate Defense LLC	Under common control of the ultimate parent Company	**271**	425
Viola Communications LLC	Under common control of the ultimate parent Company	**2,831**	12
Purple Printing LLC	Under common control of the ultimate parent Company	**-**	33
		8,963	5,979
Sales to related parties			
Aman Taxi - Sole Proprietorships L.L.C.	Other related party	**291**	-
General and administrative expenses			
Al Dhabi Capital LLC	Shareholder	**878**	1,621

24 RELATED PARTIES TRANSACTIONS AND BALANCES continued

Balances with related parties included in the consolidated statement of financial position is as follows:

	Nature of the relationship	2025 AED '000	2024 AED '000
Amounts due to related parties			
Excellence Corporate Management LLC	EPI Shareholder	**-**	11,403
Provis Real Estate Management LLC	Under common control of the ultimate parent Company	**-**	137
Two Point Zero Group PJSC	Shareholder	**1,804**	72
Emircom LLC	Under common control of the ultimate parent Company	**2,228**	182
Viola Communications LLC	Under common control of the ultimate parent Company	**2,972**	-
		7,004	11,794
Amounts due from related parties			
International Securities LLC	Under common control of the ultimate parent Company	**-**	1,287
Excellence Corporate Management LLC	EPI Shareholder	**-**	28
Aman Taxi - Sole Proprietorships L.L.C	Other related party	**-**	-
		-	1,315
Compensation of key management personnel			
Directors' remuneration		**7,500**	5,000
Salaries and short-term benefits		**3,419**	3,142
Post-employment benefits		**281**	292
		3,700	3,434

25 COMMITMENTS AND CONTINGENCIES

Capital commitments

	2025 AED '000	2024 AED '000
Contingent liabilities		
Letter of guarantees	**2,186**	357

26 CONTINGENT CONSIDERATION

	2025 AED '000	2024 AED '000
At 1 January (note 28)	**41,371**	41,371
Loss on remeasurement	**9,629**	-
At 31 December	**51,000**	41,371

27 INCOME TAX

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance ("MoF") released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. The taxable income of the entities that are in scope for UAE CT purposes are subject to the rate of 9% corporate tax.

The UAE has enacted the Pillar Two legislation by way of a Domestic Minimum Top-up Tax ("DMTT"), which became effective from 1 January 2025. The Group has recognised top-up tax amounted to AED 21,112 thousand for the period ended 31 December 2025.

The Group calculates the income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major component of income tax expense in the consolidated statement of profit or loss are:

27.1 Amount recognised in the consolidated statement of profit or loss

The major components of income tax expense for the year ended 31 December 2025 and 2024:

	2025 AED '000	2024 AED '000
Current income tax expense	**37,578**	26,977
Deferred income tax (credit)/expense	**(1,087)**	959
Domestic minimum top-up tax	**21,112**	-
Income tax expense recognized in the consolidated statement of profit or loss	**57,603**	27,936
Income tax payable as at 31 December	**58,515**	27,903

27 INCOME TAX continued

27.2 Reconciliation of accounting income

	2025 **AED ’000**	2024 AED ’000
Accounting profit before tax relating to UAE entities	**403,465**	310,296
At United Arab Emirates' statutory income tax rate of 9%	**36,439**	27,927
Less: effect of standard exemption	**(68)**	(68)
Less: effect of income not subject to tax	**(872)**	(184)
Add: effect of non-deductible expenses	**992**	261
Pillar two income for allocation of top-up tax liability	**21,112**	-
Income tax expense reported in the consolidated statement of profit or loss	**57,603**	27,936
Effective tax rate	**14%**	9%

Deferred tax liability relates to the following:

	Consolidated statement of financial position		**Consolidated statement of profit or loss**	
	2025 **AED’000**	2024 AED’000	**2025** **AED’000**	2024 AED’000
At 1 January	**18,243**	-	**-**	-
Intangible assets acquired through business combination	**-**	17,291	**-**	-
Financial instruments at FVTPL	**326**	1,134	**(831)**	1,134
Provision for expected credit losses	**(927)**	(7)	**-**	-
Amortisation of intangible assets	**(256)**	(175)	**(256)**	(175)
Deferred tax expense	**-**	-	**(1,087)**	959
Deferred tax liabilities	**17,386**	18,243	-	-

28 BUSINESS COMBINATIONS

Acquisition As At 31st of December 2024

During 2024, the Group acquired the following entity, which was accounted for using the acquisition method under IFRS 3 Business Combination:

Excellence Premier Investment LLC

Effective 19 July 2024, the Group acquired a 51% equity interest in Excellence Premier Investment LLC for a cash consideration of AED 153,000 thousand and a contingent consideration of AED 41,371 thousand. Excellence Premier Investment LLC is based in the Emirate of Dubai and is a specialized driving training, courier services, premier auto repairs and limousine services provider in the United Arab Emirates. From the date of acquisition, Excellence Premier Investment LLC contributed revenue and profit to the Group amounting to AED 114,095 thousand and AED 12,452 thousand respectively. If the acquisition had taken place at the beginning of the year, Excellence Premier Investment LLC would have contributed revenue and profit to the Group amounting to AED 233,907 thousand and AED 23,451 thousand respectively.

28 BUSINESS COMBINATIONS continued

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of the acquired entity as at the date of acquisition were as follows:

	Excellence Premier Investment LLC AED'000
Assets	
Property and equipment	69,370
Intangible assets	194,965
Right of use assets	48,164
Trade and other receivables	10,580
Cash and bank balances	34,829
Total assets	**357,908**
Liabilities	
Trade and other payables	49,000
Income taxes payable	920
Due to a related party	11,403
Employees end of service benefits	2,387
Deferred tax liability	17,291
Lease liability	51,299
Total liabilities	**132,300**
Total identifiable net assets at fair value	**225,608**
Proportionate share of identifiable net assets acquired	115,061
Goodwill arising on acquisition	79,310
Total purchase consideration	**194,371**

Purchase consideration includes a cash consideration of AED 153,000 thousand and a contingent consideration of AED 51,000 thousand payable on 31 December 2026 if Excellence Premier Investment LLC achieves the maximum normalized EBITDA for the years ending 31 December 2025 and 31 December 2026 of AED 51,000 thousand and AED 57,000 thousand, respectively. The fair value of the contingent consideration amounted to AED 51,000 thousand as at 31 December 2025 (2024: AED 41,371 thousand).

Analysis of cashflows on acquisition is as follows:

	Excellence Premier Investment LLC AED'000
Cash paid for acquisition	153,000
Cash acquired on business combination	(34,829)
Net cash paid on acquisition	**118,171**

29 Non-controlling interests

Summarised financial information in respect of the Group's subsidiary, Excellence Premier Investment LLC, having material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	2025	2024
	AED'000	AED'000
Non-current assets	**171,816**	123,287
Current assets	**51,772**	52,048
Current liabilities	**(54,687)**	(51,670)
Non-current liabilities	**(88,209)**	(51,392)
Total equity	**80,692**	72,273
Non-controlling interest	**39,539**	35,414
Equity attributable to shareholders of the Company	**41,153**	36,859
	80,692	72,273
Revenue	**292,927**	138,919
Direct expenses	**(190,672)**	(89,462)
Profit for the period	**28,822**	16,936
Profit attributable to the owners of the Company	**14,699**	6,101
Profit attributable to the non-controlling interests	**14,123**	6,351
Profit for the period	**28,822**	12,452
Other comprehensive income attributable to the owners of the Company	-	-
Other comprehensive income attributable to the non-controlling interests	-	-
Other comprehensive income for the period	**28,822**	12,452

29 Non-controlling interests continued

	2025 **AED'000**	2024 AED'000
Total comprehensive income attributable to:		
Owners of the Company	**14,699**	6,101
Non-controlling interests	**14,123**	6,351
Total equity	**28,822**	12,452
Net cash generated from operating activities	**48,206**	27,952
Net cash (used in)/from investing activities	**(26,008)**	14,513
Net cash used in financing activities	**(29,516)**	(3,312)
Net cash outflow	**(7,318)**	39,153

30 DIVIDENDS AND DIRECTORS' REMUNERATION

On 27 March 2025, the Shareholders at the Annual General Assembly approved the distribution of cash dividends of 17 Fils per share relating to the results of the 2024 financial year amounting to AED 183,164 thousand (2024: AED 17 Fils per share amounting to AED 183,164 thousand).

On 27 March 2025, the Shareholders at the Annual General Assembly approved directors' remuneration relating to the results of the 2024 financial year amounting to AED 6,250 thousand (2024: AED 5,000 thousand relating to the results of the 2023 financial year).

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise trade and other payables, murabaha financing amounts due to related parties, lease liabilities, and contingent consideration. The purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as cash and bank balances, trade and other receivables, derivative financial asset, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit or loss which arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk, foreign currency risk, interest rate risk and liquidity risk. The Board of Directors reviews and approves policies for managing each of these risks.

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES continued

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investments in debt securities. The Group seeks to limit its credit risk with respect to customers by setting credit limits for individual customers, monitoring outstanding receivables and continually assessing the creditworthiness of counterparties. The Group seeks to limit its credit risk with respect to banks by only dealing with reputable banks.

The Group trades only with recognised, creditworthy third parties. Receivable and due from related parties credit risk balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. The carrying amounts of financial assets and due from related parties represent the maximum credit exposure.

Foreign currency risk
Foreign currency risk comprises of transaction and consolidated statement of financial position risk. Transaction risk relates to the Group's cash flow being adversely affected by a change in the exchange rates of foreign currencies against the UAE Dirham. Consolidated statement of financial position risk relates to the risk of the Group's monetary assets and liabilities in foreign currencies acquiring a lower or higher value, when translated into UAE Dirhams, as a result of currency movements.

Foreign currency risk is limited since a significant proportion of the Group's transactions, monetary assets and liabilities are in UAE Dirham and US Dollar. As the UAE Dirham is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk.

Interest rate risk

Wakala/ fixed deposits
The Group is exposed to interest rate risk on its interest-bearing assets (bank deposits).

The sensitivity analysis has been determined based on the exposure to interest rates for interest-bearing financial assets assuming the amount of assets at the end of the reporting period were outstanding for the whole year.

As all the interest-bearing financial assets of the Group carry fixed interest rates, the Group is not subject to fluctuation of interest rate at the reporting date.

Murabaha financing
If interest rates had been 100 basis points higher and all other variables were held constant, the Group profit for the year ended 31 December 2025 would decrease by AED 267 thousand (2024: nil).

Sensitivity analysis – Equity price risk
All of the Group's listed equity investments are listed on Abu Dhabi Stock Exchange. For such investments classified at fair value through profit or loss, the impact of a 2% increase in ADX index at the reporting date on profit or loss would have been an increase of AED 1,128 thousand (2024: AED 1,500 thousand). An equal change in the opposite direction would have decreased profit or loss by AED 1,128 thousand (2024: AED 1,500 thousand).

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES continued

Liquidity risk
Liquidity risk is the risk that the Group will be unable to meet its funding requirements. To manage this risk, Management periodically assesses liquidity needs and ensures adequate reserves are maintained or funding from financial institutions are arranged as and when required. Management also monitors forecast and actual cash flows on a regular basis and attempts to match the maturity profiles of the Group's financial assets and liabilities.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of banking facilities. The Group limits its liquidity risk by raising funds from operations and ensuring bank facilities are available.

The table below summarises the maturities of the Group's undiscounted financial liabilities, based on contractual payment dates and current market interest rates.

	Less than 3 months AED'000	**3 to 12 months AED'000**	**1 to 5 years AED'000**	**>5 years AED'000**	**Total AED'000**
At 31 December 2025					
Lease liabilities	**6,322**	**7,515**	**52,249**	**246,101**	**308,643**
Amounts due to related parties	**7,004**	**-**	**-**	**-**	**7,004**
Contingent consideration	**-**	**51,000**	**-**	**-**	**51,000**
Trade payables	**21,724**	**2,729**	**-**	**-**	**24,453**
Total	**35,050**	**61,244**	**52,249**	**246,101**	**391,100**
At 31 December 2024					
Lease liabilities	4,700	4,259	32,668	143,149	184,776
Amounts due to related parties	11,794	-	-	-	11,794
Contingent consideration	-	-	51,000	-	51,000
Trade payables	11,803	615	-	-	12,418
Total	28,297	4,874	83,668	143,149	259,988

Capital risk management
The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustment to it in light of changes in business conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders. No changes were made in the objectives, policies or processes during the year ended 31 December 2025 and 31 December 2024. Capital comprises of share capital, statutory reserve, general reserve, cumulative changes in fair value and retained earnings attributable to the equity holders of the Company and is measured at AED 1,386,558 thousand (2024: AED 1,235,512 thousand).

32 COMPARATIVE INFORMATION

Certain comparative figures have been reclassified, wherever necessary, to confirm to the presentation adopted in the current year consolidated financial statements. Such reclassification has no impact on previously reported profit or equity of the Group.