

A photograph of three school children in a classroom. Two girls and one boy are gathered around a table, looking at a tablet. They are wearing blue and white striped school uniforms. The background shows a classroom with a whiteboard and other students. A large, semi-transparent maroon shape is overlaid on the bottom left of the image, containing the text.

**INVESTING IN
EDUCATION:**
DELIVERING PROMISES,
ENRICHING FUTURES

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INTRODUCTION

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CHAIRMAN'S FOREWORD



It is with great pride that I present Taaleem's Integrated Annual Report 2024–2025, marking yet another year of progress and distinction as we continue our journey towards academic excellence, operational strength, and responsible growth. Guided by a clear strategic vision, Taaleem remains firmly positioned as a leading force in shaping the UAE's evolving education landscape.

The milestones achieved over the past year are a direct reflection of the disciplined execution of our long-term strategy. This strategy continues to yield robust results, anchored in the remarkable enhancement of our premium school offering, the expansion of our operational footprint in the UAE and beyond, and the deepening of our public-sector partnerships. Our ongoing investments into new campuses, curricular expansion, and learning environments have further enhanced our value accretion across segments. Taaleem's portfolio continues to earn recognition from regulatory bodies and stakeholders alike, reflecting our continuous focus on delivering exceptional learning outcomes and fostering an inclusive and student-centred learning environment.

Driven by our growth ambitions, the past year has marked significant progress across our portfolio, including K-12 schools, nurseries, and government partnerships. We are advancing our premium and super-premium school development pipeline across Dubai and Abu Dhabi, expanding capacity,

curricula, and target segments to meet the needs of a dynamic and increasingly selective student population. Our portfolio continues to grow in both scale and impact, reinforced by our most recent announcement for the Ghaf Woods land acquisition for a new school, and aligned with national education priorities and strengthened through collaboration with key stakeholders.

This year also marked our entry into the fast-growing and under-served Early Childhood Education (ECE) segment through the acquisition of Kids First Group (KFG), a leading nurseries group with 34 operational nurseries across the UAE and Qatar, expanding our reach from the earliest years of education and supporting families from the very beginning of their children's learning journey. By acquiring a profitable and scalable ECE platform, Taaleem unlocks a compelling new growth avenue. The transaction not only delivers immediate cash flow and enhances earnings per share but also enables strategic entry into the wider GCC market, positioning Taaleem for long-term expansion in a high-potential segment.

We remain committed to embedding sustainable practices across every facet of our operations. With the support of our dedicated Environmental, Social, and Governance (ESG) consultants, we have continued to lay the foundation for a comprehensive sustainability framework and set of practices, reinforcing our belief that long-term success must be aligned with

environmental stewardship, social responsibility, and governance transparency. Central to this commitment is our focus on inclusion and accessibility, ensuring that high-quality education is available to a broader segment of society through innovative partnership models and responsible delivery. This work remains integral to our identity as a purpose-driven organisation, and we look forward to building further on these foundations in the year ahead.

As we reflect on this year's achievements, I would like to express my sincere gratitude to Taaleem's Board of Directors for their guidance and strategic insight and to our shareholders for their continued confidence and support. I also extend my heartfelt appreciation to our passionate educators, school leaders, and operational teams whose commitment to our shared mission continues to define Taaleem's success. I remain confident that with their dedication and expertise, Taaleem will continue to deliver on its promise and chart a course towards enduring, sustainable impact.



Khalid Al Tayer
Chairman of the Board

AT A GLANCE

Delivering transformative learning experiences to inspire young minds across the UAE and the Gulf.

Founded in 2003, Taaleem has grown to become one of the UAE's largest and most trusted K-12 education providers. As a cornerstone of academic excellence, Taaleem manages a diverse portfolio of schools dedicated to delivering outstanding academic outcomes and nurturing the holistic development of every student. We believe in the transformative power of education to shape futures and inspire generations to realise their full potential.

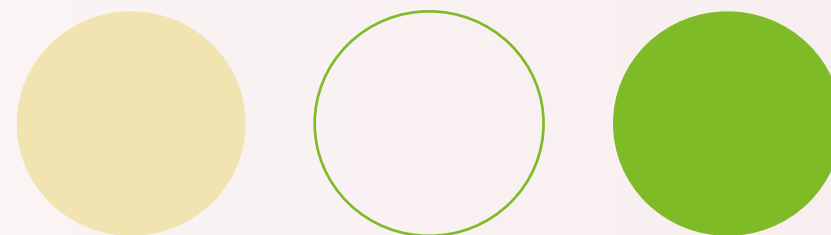
We are proud to be the first private education company listed on the Dubai Financial Market (DFM), currently educating over 41,365 students as of the end of the 2024-2025 academic year across a growing network of 38 schools. Our consolidated enrolment figure has seen a compound annual growth rate (CAGR) of 20.5% over the last five years, showcasing the increasing demand for high-quality education and trust placed in our schools across the UAE. Taaleem's portfolio includes 12 premium schools that we own and operate, and we are set to expand into the super-premium segment through the launch of two Harrow International Schools in the UAE, with Harrow Dubai set to launch for the 2026-27 academic year. These elite institutions, developed in partnership with the prestigious UK-based Harrow School, will set new benchmarks for British education in the region.

Looking ahead, Taaleem is focused on deepening its presence in the premium education segment while strategically expanding into the rapidly growing Early Child Education (ECE) market. As part of this strategic

vision, we recently signed an agreement to acquire Kids First Group, a leading nursery operator managing 34 nurseries across the region. This acquisition marks a significant step in our growth journey, enabling us to serve families from the earliest stages of a child's educational journey and reinforcing our commitment to delivering high-quality education across all age groups.

In addition to our premium offerings, Taaleem manages 26 government partnership schools, underscoring our strong collaboration with the UAE government. We are the only education provider entrusted with schools across all three major public-private partnership initiatives: 'Abu Dhabi's Charter Schools', 'Dubai Schools-PPP', and 'Ajyal Schools' under the Ministry of Education (MoE). This unique position underscores our role as the UAE's preferred partner in advancing national education goals.

At Taaleem, our commitment to educational excellence is driven by a team of highly qualified educators and administrators whose expertise and passion for teaching are at the heart of our success. Their dedication creates a nurturing environment where students are inspired to explore their potential and thrive. We place great value on personalised attention, recognising that each student has unique talents, interests, and aspirations. By tailoring our approach to individual needs, we foster a student-centric learning experience that extends well beyond academic performance.



BOASTING AN EXPANSIVE SCHOOL FOOTPRINT ACROSS THE UAE



mission

To inspire our students to identify their passions and talents. We will encourage them to develop holistic skills, knowledge, and character so that they can compete successfully on the global stage and become responsible world citizens.

vision

To be the most respected provider of early childhood, primary, and secondary education in the Gulf region.





Our Portfolio of Schools and Nurseries

Premium and Super-Premium Schools

Our schools cater to a wide range of student needs and aspirations by offering internationally recognised curricula, including the UK National Curriculum, the International Baccalaureate (IB), the American Curriculum, and the French Curriculum. This diverse academic offering ensures that students receive a comprehensive, globally competitive education. Reflecting the multicultural fabric of the UAE, our schools are designed to serve

both international and expatriate communities. Simultaneously, they also appeal to Emirati families seeking high-quality, internationally accredited education for their children. Every Taaleem school is defined by its commitment to quality, innovation, and student success. We invest in state-of-the-art facilities and modern teaching methodologies to create dynamic learning environments where students are empowered to thrive.



PREMIUM SCHOOLS

UK NATIONAL CURRICULUM



INTERNATIONAL BACCALAUREATE (IB) CURRICULUM



FRENCH CURRICULUM



AMERICAN CURRICULUM



SUPER-PREMIUM SCHOOLS - COMING SOON





Acquisition of Kids First Group (KFG)

In June 2025, Taaleem acquired a 95% share in Kids First Group Limited (KFG), a leading GCC-based ECE provider. KFG complements Taaleem's sought-after K-12 offering with a network of premium nurseries, which expands Taaleem's presence across the education spectrum, broadens demographic reach, and reinforces our premium positioning. The transaction provided a unique opportunity to acquire a scalable and agile platform operating on a fully leased, asset-light model.

Today, KFG operates 34 nurseries across Dubai, Abu Dhabi, and Doha. These are strategically located near business hubs and residential districts, serving more than 5,000 students under multiple leading brands. KFG delivers four distinct curricula: Montessori, IB Primary Years Programme (PYP), Reggio Emilia, Washington State guidelines, and the UK Early Years Foundation Stage, each offered at different price points. This breadth enables the company to provide tailored education experiences that meet the needs of a broad and diverse market.



NURSERY BRANDS



Redwood
MONTESSORI NURSERY

15 Branches



Redwood
CENTER OF EXCELLENCE

2 Branches



12 Branches



3 Branches



1 Branch



1 Branch



34
Nurseries



6
Brands



4
Curricula



UAE & Qatar
Locations



MILESTONES

Founding Years and Initial Vision

2003–2004

- Beacon Education was founded

2004–2005

- Commercial operations commenced under the “Beacon Education” brand
- Launched three premium schools: Dubai British School (DBS) Emirates Hills, American Academy for Girls (AAG), and Uptown International School (UIS)

2005–2006

- Launched Raha International School (RIS) – Gardens Campus

2007–2008

- The National Bonds Corporation invested in Beacon Education and established ‘Madaares’, with a mandate to launch and operate world-class K-12 schools
- Launched Greenfield International School (GIS)

Establishing the Brand

2008–2009

- Beacon Education rebrands as Taaleem

2009–2018

- Launched Jumeira Baccalaureate School (JBS)
- Launched DBS Jumeirah Park Foundation
- Launched DBS Jumeirah Park

Building on Our Reputation

2019–2020

- Successfully awarded the operation of four Abu Dhabi Charter schools by the Abu Dhabi Department of Education and Knowledge (ADEK), further cementing Taaleem’s growing reputation in the K-12 market

2020–2021

- Launched Raha International School (RIS) – Khalifa City

Expanding Our Footprint

2021–2022

- Awarded the operation of two schools under the ‘Dubai Schools-PPP’, ‘Dubai Schools’ Al Barsha, and ‘Dubai Schools’ Al Khawaneej
- Awarded the operation of two Abu Dhabi ‘Charter Schools’

2022–2023

- Taaleem became the first private education provider to be listed on the Dubai Financial Market (DFM)
- Awarded the operation of one school under the ‘Dubai Schools-PPP’, ‘Dubai Schools’ Nad Al Sheba; three Abu Dhabi ‘Charter Schools’; and four ‘Ajyal Schools’ through a service agreement with the Ministry of Education
- Acquired Jebel Ali School (JAS) as part of Taaleem’s inorganic growth strategy

A New Chapter

2023–2024

- Entered into a master agreement with Harrow International Schools Limited (HISL)
- Received the certificate of completion and opened DBS Jumeira for the 2024–2025 academic year
- Commenced construction of the fifth Dubai British School branch – DBS Mira

Building Beyond Boundaries

2024–2025

- Expanded the Greenfield International School (GIS) campus, adding a capacity of over 500 students
- Launched DBS Jumeira with a capacity of 1,900 students for the academic year 2024–2025
- Acquired Lycée Libanais Francophone Privé Meydan (LLFPM), Taaleem’s first school to offer the French curriculum
- Signed land leases in Dubai and Abu Dhabi to develop two super-premium schools under the Harrow brand, with Harrow Dubai set to launch for the 2026–27 academic year and Abu Dhabi to follow
- Finalised the acquisition of 95% of the Kids First Group (KFG), a leading GCC early-learning education group with 34 nurseries, at an attractive valuation
- Completed the acquisition and renovations of DBS Islands, an extension of DBS Emirates Hills, in time to launch for the 2025–2026 academic year
- Completed construction of the fifth branch of the Dubai British Schools (DBS) network, DBS Mira, for its launch in the 2025–2026 academic year
- Added four new nurseries under the Abu Dhabi ‘Charter Schools’ agreement, followed by the renewal of Taaleem’s contract for a further three years



A YEAR IN REVIEW

Growing with UAE

Taaleem is actively expanding its portfolio through the development and acquisition of new schools and nurseries, reinforcing its long-term strategy for sustainable revenue generation. During our 2024/2025 financial year, Taaleem has expanded massively by entering the ECE sector, acquiring new schools, signing partnerships

with global operators, as well as opening our own schools. Taaleem is tapping into multiple high-demand market segments that support its strategy to serve a broader age range, increase student retention across educational stages, and build stronger community ties.

NEW SCHOOL LAUNCHES

- DBS Jumeira**
 Taaleem has opened DBS Jumeira, a flagship campus located along the Dubai Canal, welcoming strong enrolment and early recognition.
- DBS Mira**
 Expanding its presence in the UAE, Taaleem has introduced DBS Mira, a purpose-built campus in Mira Oasis 2, bringing affordable, high-quality education to the community.

KEY ACQUISITIONS

- LLFPM**
 Taaleem has acquired Lycée Libanais Francophone Privé Meydan, its first-ever French curriculum school.
- Kids First Group**
 Taaleem has acquired Kids First Group, marking its entry into Early Childhood Education with 34 nurseries that offer various international curricula.

NEW PARTNERSHIPS

- Harrow Schools Partnership**
 Taaleem has entered a partnership with the prominent Harrow Schools (coming soon) to become its exclusive partner in the GCC, with two Harrow schools launching in the UAE in the coming years.

NEW EXPANSIONS

- Greenfield International School**
 Growing our IB offering, Taaleem has expanded Greenfield International School, a fully authorised IB World School serving Pre-K to Grade 12, with strong enrolment growth and top-tier accreditations.
- DBS Islands – EH Extension**
 To cater to the growing demand for DBS Emirates Hills, Taaleem has acquired land and buildings, launching DBS Islands as an extension of DBS Emirates Hills.
- Dubai School (PPP) – New Campus**

High Margins and Cash-Generating Business Model

While Taaleem continues to grow its portfolio of schools across its brands and acquiring new schools, the recent expansion into ECE and nurseries aligns with a rapidly evolving market that is gaining momentum across the UAE. National initiatives and policy reforms have placed early years learning at the forefront of the country's educational agenda, driving increased investment and innovation in the sector. At the same time, parental preferences are shifting towards professionally delivered, structured programmes that support holistic development from the earliest stages.

This growing demand presents a compelling opportunity for Taaleem to extend its educational impact, build long-term student retention, and

diversify its revenue streams. By entering this space, Taaleem is not only responding to market trends but also positioning itself as a key contributor to the UAE's vision for lifelong learning and global competitiveness from early childhood to school graduation.

More information on the ECE market is available in the Strategic Report section starting on page 38.

More information on our portfolio of schools and nurseries is available in the Strategic Report section starting on page 52.

More information on the KFG acquisition is available in the Strategic Report section starting on page 90.

Maximising Transparency and Shareholder Value

Taaleem's dividend policy is designed to offer shareholders consistent and attractive returns while maintaining financial flexibility for long-term growth. The policy targets annual dividend distributions, subject to approval by the Board of Directors and the General Assembly, and contingent on the availability of distributable reserves and strong cash flow. For FY 2024–2025, Taaleem declared AED 150 million in cash dividends, equivalent to AED 0.15 per share, delivering a yield of approximately 3.2% based on market prices. With a payout ratio of 91.2% for the year ending 31 August 2025, the company demonstrates a clear commitment to returning a substantial portion of earnings to investors. Since its IPO, Taaleem has maintained a stable dividend approach, aiming to sustain and gradually grow dividends in line with

earnings, positioning itself as a reliable income-generating stock in the UAE's education sector.

Taaleem has also reinforced its commitment to transparency and stakeholder engagement by participating in 10 local and two international conferences and holding discussions with over 90 investors and analysts. These initiatives reflected the company's dedication to open communication, alignment with market expectations, and the creation of sustainable long-term value for its investors.

More information on Stock Information, Dividends, and Investors Engagement is available in the Strategic Report starting on page 96.

Committed to Sustainability

At Taaleem, educational quality is our highest priority, and sustainability is a key driver of that excellence. Our 2024–2025 Sustainability Report reflects a deep commitment to integrating environmental responsibility, ethical governance, and community engagement into our educational framework, guided by global standards such as the Global Reporting Initiative, UN Sustainable Development (SDG) Goals, the Paris Agreement, and UAE Net Zero 2050.

Through initiatives like solar energy, recycling, water conservation, and student-led environmental programmes, we create healthier, more inclusive learning environments. Supported by third-party verification and frameworks like the Greenhouse Gas Protocol and Green Education Partnership, Taaleem ensures that every learner thrives in a setting built for long-term sustainability, innovation, and world-class education.

More information on sustainability starting on page 102.

2024–2025 HIGHLIGHTS

Taaleem delivered strong growth in the 2024–2025 academic year, driven by the successful execution of its expansion strategy and continued investment in broadening access to high-quality education in the UAE and beyond.

Overview

In the 2024–2025 academic year, Taaleem accelerated its growth through strategic acquisitions, new campus launches, and a growing student base. Taaleem achieved strong growth in enrolment, supported by increased capacity in premium schools and the addition of four nurseries under the Abu Dhabi ‘Charter Schools’ contract. These developments drove improved utilisation and contributed to a solid uplift across key operational and financial indicators. This momentum reflects

Taaleem’s enduring commitment and ability to shaping the future of education through purposeful growth and meaningful impact.

Financial Highlights

Taaleem crossed the billion dirhams mark in revenues with AED 1.1B recorded in FY 2024/25, fuelled by an expanding student base and increased capacity utilisation.



Operational Highlights

Over the past year, Taaleem made significant strides by acquiring KFG, marking its entry into Early Childhood Education (ECE), and expanding into the French curriculum through the acquisition of LLFPM. These major milestones were complemented by the growth of the GIS campus and the awarding of four nurseries under the Abu Dhabi ‘Charter Schools’ government

partnership. Taaleem’s unwavering commitment to educational excellence and the consistent delivery of high-quality learning experiences continues to attract a growing student base across its portfolio of premium schools, reinforcing its position as a trusted partner in advancing the UAE’s national education agenda.

AED **1,135.5** mn

Revenues
(up 20.1% y-o-y)

AED **317.9** mn

EBITDA
(up 17.4% y-o-y | 28.0% margin)

AED **180.6** mn

Net Profit (pre-tax)
down 0.8% y-o-y | 15.9% margin)



41,365

Total Number of Students
(up 9.1% y-o-y)



55,127 Seats

Added Capacity
(up by 28.5% y-o-y)



38 Schools
6 New Schools



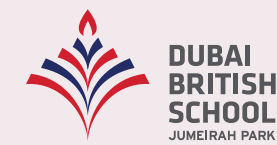
34
Total Number of Nurseries



Accreditation

Taaleem's unwavering commitment to educational excellence continues to earn widespread recognition, with numerous prestigious awards and accreditations reinforcing its reputation as one of the UAE's leading education providers.

UK National Curriculum Schools



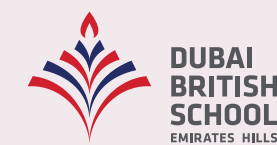
DBS Jumeirah Park

- Retained KHDA's inspection rating of 'Outstanding'
- Completed BSME accreditation
- BTEC approved centre
- Completed PENTA/ BSO accreditation as 'Outstanding'



DBS Jumeirah Park Foundation

- Retained KHDA's inspection rating of 'Outstanding'
- Completed BSME accreditation
- Completed Early Excellence/ BSME accreditation as 'Outstanding'



DBS Emirates Hills

- Retained KHDA's inspection rating of 'Outstanding'
- Completed BSME accreditation
- BTEC approved centre
- Completed PENTA/ BSO accreditation as 'Outstanding'



Jebel Ali School

- Retained KHDA's inspection rating of 'Very Good'
- Completed BSME accreditation
- BTEC approved centre
- Completed BSO accreditation as 'Outstanding'

French Curriculum Schools



Lycée Libanais Francophone Privé Meydan

- Retained KHDA's inspection rating of 'Very Good'
- Completed AEFÉ accreditation

American Curriculum Schools



American Academy for Girls

- Retained KHDA's inspection rating of 'Good'
- Completed CIS and NEASC accreditation

International Baccalaureate Schools



Greenfield International School

- Retained KHDA's inspection rating of 'Very Good'
- Completed CIS accreditation
- Fully accredited IB World School
- Retained BTEC approval
- Completed NEASC accreditation



Uptown International School

- Retained KHDA's inspection rating of 'Very Good'
- BTEC approved centre
- Fully accredited IB World School
- Signed numerous university partnerships



Jumeira BaccaLaureate School

- Obtained KHDA's inspection rating of 'Very Good'
- Completed IBO accreditation visits
- Completed CIS re-accreditation
- Fully accredited IB World School



RIS – Gardens Campus

- Retained ADEK's inspection rating of 'Very Good'
- Fully accredited IB World School
- Completed CIS accreditation



RIS – Khalifa City Campus

- Retained ADEK's inspection rating of 'Good'
- Fully accredited IB World School
- Completed CIS accreditation

WHY INVEST IN TAALEEM?

Robust Demand Drivers

A Growing Market

A growing population seeking internationally accredited high-quality private education.

- Growing UAE population and incoming expats
- Clear and supportive education-first policies
- Demand consistently outgrowing supply for quality education

K-12 Market CAGR 2025-2030f | **7.5%**

Established Brand Equity

Distinguished portfolio of school brands with international accreditation and local regulatory recognition for educational excellence.

- Renowned reputation with 2-decade presence
- High staff retention rates exceeding 80%
- Top regulatory ratings across our portfolio
- Market-leading brands across multiple curricula

Market Share of 'Outstanding' Schools² | **13%**

Strong Growth Potential

Positioned to Expand

Multipronged strategy to grow our capacity, increase enrolment, and diversify our portfolio.

- Capacity to self-fund growth with low net debt/EBITDA.
- Fast-growing capacity through acquisitions, expansions, and new schools
- Focus on investments with strong IRR and fast payback
- Portfolio diversification by venturing into the fast-growing ECE vertical

Year-on-Year Enrolment Growth | **9.1%**

Healthy Financials Powering Growth

Track record of sustainable margins in a cash generative business, with increasing economies of scale.

- Sustainable margins
- Cash generative business
- High economies of scale
- Prudent borrowing and capital allocation

FY24-25 EBITDA Margin | **28.0%**

FY24-25 Debt/EBITDA | **3.0x**

FY24-25 FCF Conversion | **31.9%**

Maximising Value and Returns

Consistent Dividends Policy

Since its IPO, Taaleem has upheld a consistent dividend policy, providing shareholders with good yields and reliable returns while maintaining flexibility to support long-term growth.

- Annual dividends payment with good yields
- Reusing earnings to finance our growth

FY24-25 Dividends Yield | **3.2%**

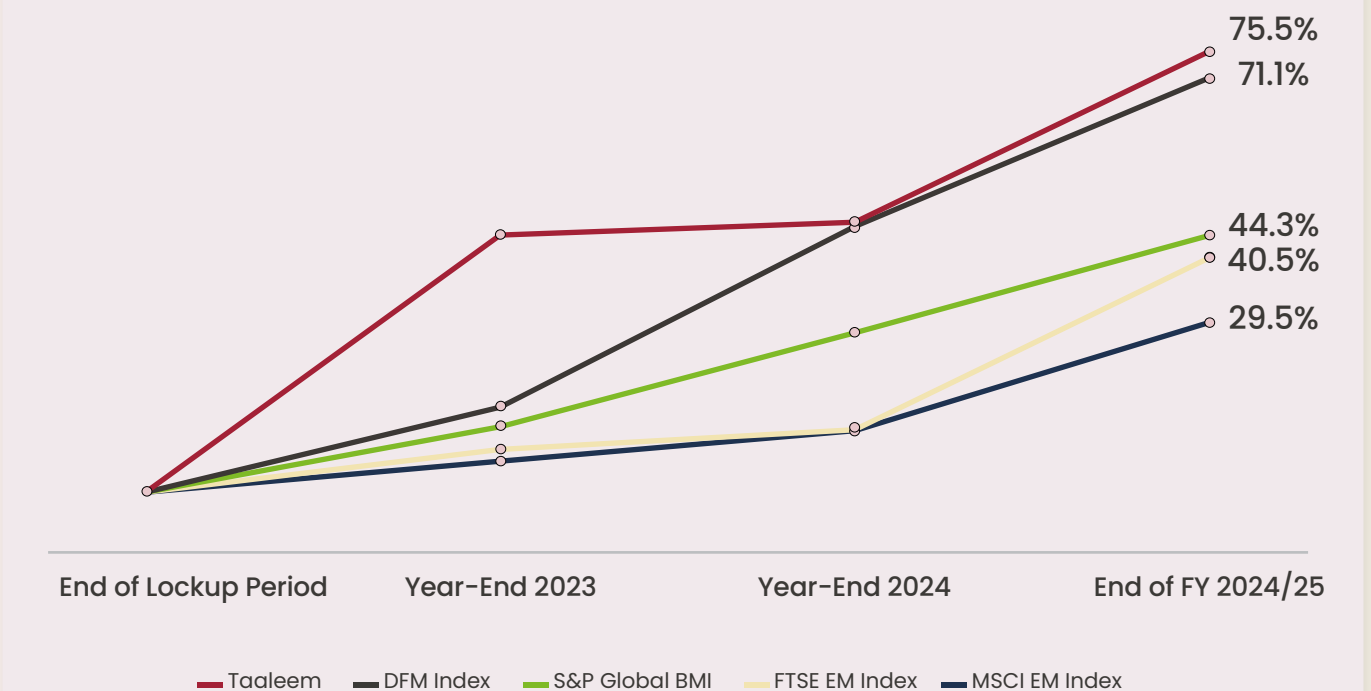
Stock Outperforming Indices

Taaleem's share price has increased faster than key comparable indices, reflecting our growth and investability.

- Taaleem's stock has outperformed MSCI EM, S&P Global BMI Indices, and DFM General Index
- Buy recommendations from reputable analysts, such as EFG, Arqaam, and SICO

Target Price Upside | **16%**

SHARE PERFORMANCE VS. INDICES (REBASED AT END OF LOCKUP)



¹ Source: Mordor Intelligence: UAE Private K12 Education Market Size & Share Analysis – Growth Trends & Forecasts (2025 – 2030)

² Source: KHDA & ADEK – Based on a pool of schools across Abu Dhabi and Dubai with tuition fees ranging from AED 50k to 90k | UK National, French, IB and American schools.



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**STRATEGIC
REPORT**

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CEO'S MESSAGE

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The 2024–2025 academic year marked an important chapter in Taaleem’s journey. It was a year defined by strategic expansion, operational excellence, and strong academic outcomes. As we advance our vision to deliver high-quality education in the region, we remain focused on long-term value creation, investing in our staff and students, and building a future ready organisation. Our progress this year echoes the trust placed in us by shareholders and families alike, the commitment of our educators, and the clarity of our strategic roadmap.

Executing with Impact

We delivered exceptional growth across our financial and operational metrics throughout the year. Operating revenue rose 20.1% year-on-year to cross the AED 1 billion mark for the first time, recording AED 1,135.5 million by the end of the academic year. This outstanding achievement was driven by our commitment to quality education, continued investment in teachers, and the growing brand equity of our schools, resulting in a 19.3% increase in premium school enrolments and continued strength in our government partnerships segment, all while consistently prioritising students’ interests. Net profit increased to AED 164.5 million, maintaining a robust 14.5% margin. We also made substantial forward-looking investments, with CAPEX reaching AED 763.5 million, reinforcing our confidence in the long-term fundamentals of the UAE education sector. Our results were also supported by the successful completion of strategic acquisitions, which have begun contributing positively to revenue and diversification.

Our school network expanded to 38 schools, serving more than 41,365 students. In the premium segment, we launched Dubai British School (DBS) Jumeira and acquired Lycée Libanais Francophone Privé Meydan, marking our entry into the French curriculum to cater to the growing Francophone community. Taaleem

has also recently acquired a new land plot from Majid Al Futtaim in Ghaf Woods to develop a premium school with a planned capacity of 1,800 students. In parallel, we grew our PPP scope to 26 government partnership schools after adding four nurseries under the Abu Dhabi ‘Charter Schools’ PPP contract.

As we scale our footprint, we remain equally focused on optimising utilisation across our network. Several of our newly launched and acquired schools are progressing through their ramp-up phase, with student numbers steadily increasing in line with expectations as we bear the fruits of our ability to deliver on our promises and the credibility we have built in the education sector. This is a critical period during which we focus on embedding Taaleem’s academic standards, strengthening community engagement, and fine-tuning operations. We are also deploying targeted enrolment strategies and enhancing our value proposition to accelerate capacity utilisation, particularly within the premium segment. These efforts ensure that each school operates efficiently while delivering a consistently high-quality learning experience across the board.

This year also marked our entry into the fast-growing and underserved Early Childhood Education (ECE) segment through the acquisition of Kids First Group (KFG). With 34 nurseries across the UAE and Qatar, KFG has immediately expanded our reach from the earliest years of education and positioned us for regional growth. The transaction delivers immediate financial benefits while unlocking a scalable platform aligned with Taaleem’s values and long-term vision. KFG is strongly aligned with our mission, with a deep focus on the child as an individual and supporting them in their educational journey to the highest standards.

Elevating the Learning Experience

Quality remains the foundation of everything we do. Our schools continued to outperform the market, with nine schools maintaining ‘Outstanding’ or ‘Very Good’ inspection ratings from the KHDA and ADEK, including three ‘Outstanding’ schools, a distinction held by only 23 schools across Dubai. Our students have been able to deliver academic results that are well above market averages and remain in an upward trend across our curricula offerings. We also advanced our digital learning agenda to include the latest AI and EdTech practices, enhanced teacher training programmes, and introduced new wellbeing and safeguarding protocols. These initiatives are designed not only to raise academic standards but also to nurture character, resilience, and personal growth that keeps pace with the rapid changes in the global education landscape.

Looking ahead, our partnership with Harrow Schools across six GCC countries marks a significant milestone as we prepare to introduce the super-premium segment to the region. The new Harrow schools in Dubai and Abu Dhabi will bring a globally renowned education model to families seeking excellence without compromise.

A Strong Foundation for the Future

With a clear growth trajectory, healthy financials, and a dedicated team, Taaleem is well-positioned to capture further opportunities in a dynamic and evolving sector. I remain deeply grateful to our parents, students, staff, and shareholders for their trust and support. Together, we are building a future in which quality education is accessible, inclusive, and transformational for generations to come.

Alan Williamson
Chief Executive Officer



OUR MARKET

Positioned at the crossroads of global trade and technological innovation, the UAE has solidified its role as a strategic hub for technology, business, and global investments. Strong macroeconomic fundamentals, a healthy regulatory environment, and a growing population have all synergised to create an ideal atmosphere for established and upcoming businesses to flourish in the UAE. This positioning has made the country a magnet for skilled professionals, entrepreneurs, and multinational corporations, all of whom have strong interest in high-quality education for their children and contribute to a growing demand for premium education offerings.

The UAE's rapidly expanding population, driven by its growing and diverse expatriate community, continues to reinforce robust and sustained demand for high-quality private education, while the Emirati government continues to catalyse both the public and private educational sectors in the UAE, with education at the heart of the UAE's national vision for sustainable development. The government has made consistent and sizeable investments in education infrastructure, teacher training, curriculum reform, and technology integration, reinforcing its long-standing commitment to nurturing a knowledge-based economy. These efforts are guided by strategic initiatives such as the UAE Centennial 2071 and the National Strategy for Higher

Education 2030, both of which underscore the vital role education plays in driving long-term prosperity.

As more families choose to live and work in the UAE, the need for competitive and high-quality education options has become increasingly central to their decision-making. For families relocating to the UAE, access to quality education that follows globally recognised curricula, such as the UK National, International Baccalaureate (IB), French, and American curricula, is a key consideration. As a result, schools that offer these curricula, coupled with innovative facilities, highly qualified faculty, and forward-thinking teaching methods are especially appealing to parents seeking to invest in their children's education. These conditions, shaped by a unique blend of cultural diversity and economic ambition, create a fertile environment for private education providers to grow, adapt, and thrive in meeting the evolving expectations of students and their families.

Today, the private sector serves as the backbone of the UAE's K-12 education landscape, enrolling nearly three-quarters of all school-age students nationwide. This dominance reflects not only the sector's scale and maturity but also its proven ability to deliver consistent quality, foster innovation, and respond promptly to market needs.

The Centrality of Private K-12 Education

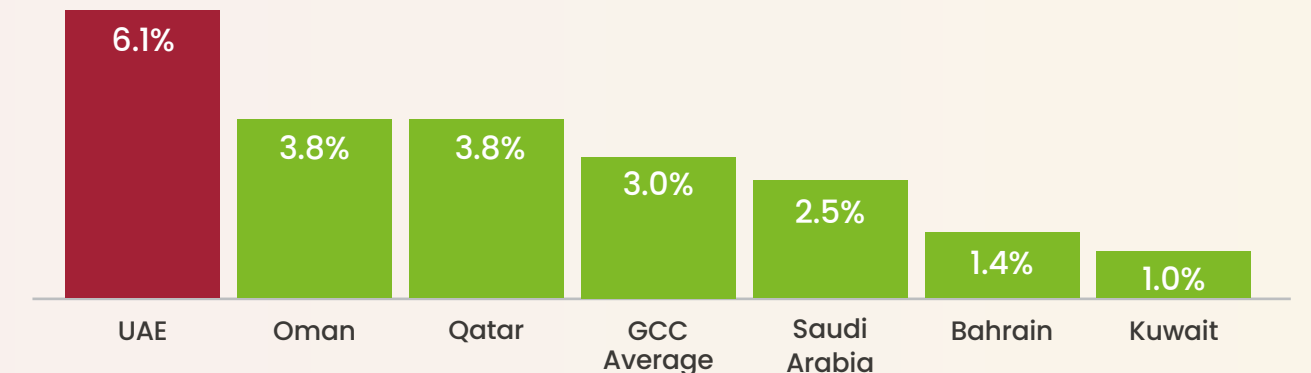
The UAE ranks among the most competitive education markets in the GCC, with a strong mix of public and private institutions serving a diverse and growing population. In recent years, the government has prioritised the modernisation of the K-12 sector through expanded private sector participation, curriculum reform, and technology integration. These efforts have elevated education quality and aligned the education system with the highest international benchmarks. Markets capitalise on growing demand and higher enrolment rates.

Private K-12 education plays a vital role in this landscape, with the majority of school-aged children depending on private schools; over 75% of K-12 students in the UAE, or over 1.2 million children, are enrolled in private institutions,

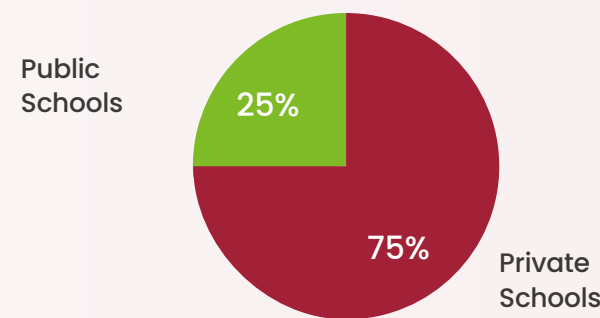
putting private providers at a significant advantage in catering to demand. The private K-12 education market is now estimated at USD 7.2 billion in 2025 to grow with a CAGR of 7.5% until 2030 to reach USD 10.3 billion, highlighting the sector's sustained growth potential and attractiveness.³

Regulatory authorities such as KHDA and ADEK have been established for years to collaborate closely with private operators, with the goal of regulating and maintaining academic quality and transparency. Public-private partnership models, such as Taaleem's 'Dubai Schools,' 'Ajyal Schools,' and Abu Dhabi 'Charter Schools,' further reflect the government's confidence in the private sector's operational abilities to deliver accessible and high-quality education.

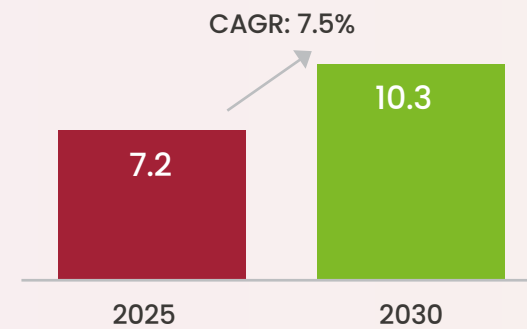
STUDENT ENROLMENT CAGR IN GCC, BY COUNTRY (2018-2023 CAGR)⁴



K-12 ENROLMENT, PRIVATE VS. PUBLIC SCHOOLS¹



PRIVATE K-12 EDUCATION MARKET SIZE (USD, BILLION)²



¹ Alpen Capital, GCC Education Industry Report, August 2023.

² Mordor Intelligence: UAE Private K12 Education Market Size & Share Analysis - Growth Trends & Forecasts (2025 - 2030).

³ Mordor Intelligence: UAE Private K12 Education Market Size & Share Analysis - Growth Trends & Forecasts (2025 - 2030).

⁴ Alpen Capital, GCC Education Industry Report, May 2025.



Core Drivers of the UAE's K-12 Education Market

The UAE K-12 education market is underpinned by strong macroeconomic fundamentals, rising income levels, and forward-looking national strategies that continue to support long-term sector growth.

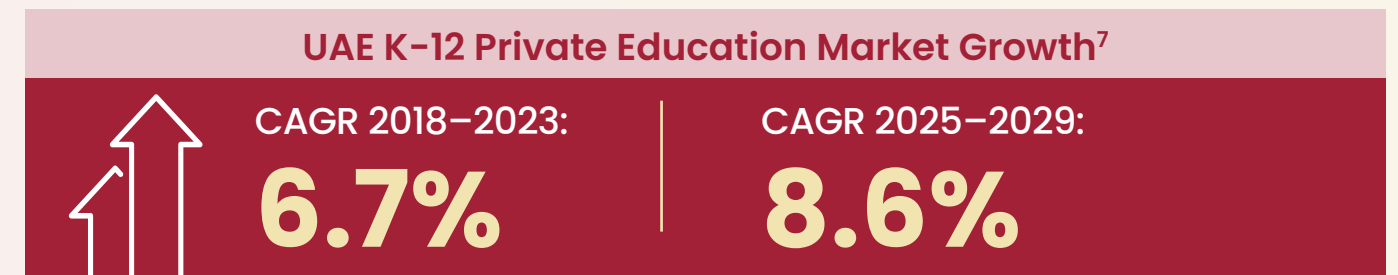
- Economic Stability and Continued Government Spending:** The UAE's stable economic outlook, increasingly diversified GDP base, and prudent fiscal policy have created a favourable environment for sustained investment in the education sector. Education remains a key pillar of the national development strategy, consistently receiving significant federal budget allocations for the education sector as a whole, approximately 15.3% in 2025.⁵ This commitment ensures continuous advancement of infrastructure, teacher training, and private-sector enablement, supporting the sector's long-term resilience and scalability.
- Urban Development and Demand for New Capacity:** Rapid urban growth in major emirates, such as Dubai and Abu Dhabi, continues to drive strong demand for new educational infrastructure. As new residential communities take shape across the country, demand for K-12 schools continues to rise. Government authorities have continued to encourage private sector participation through supportive licensing frameworks, while land allocation for new schools remains selectively managed to align with broader urban development priorities.
- Embedding Technology and Innovation in K-12 Education:** The UAE continues to set the benchmark for innovation in education, placing digital transformation at the heart of its national vision. Future-focused skills, such as artificial intelligence (AI), coding, and robotics, are being actively integrated into school activities

through initiatives, such as the 'AI for Teachers' initiative, reflecting the country's commitment to preparing both educators and students for the opportunities and challenges of tomorrow. Schools are moving beyond traditional subjects to introduce learners to data science, digital ethics, machine learning, and computational thinking from an early age.⁶ This shift in content is designed to cultivate creativity, analytical reasoning, and digital fluency, empowering students to become confident problem-solvers and innovators in a rapidly evolving global landscape. These forward-looking efforts are equipping the next generation with the mindset, skills, and adaptability they need to lead in an increasingly digital and fast-changing world.

- Regulatory Support and Quality Oversight:** Government regulators such as KHDA in Dubai and ADEK in Abu Dhabi play a vital role in ensuring quality and transparency across the education sector. These authorities oversee curriculum approvals, inspection frameworks, teacher licensing, and fee regulations, ensuring that schools operate with a high degree of accountability. Their structured oversight and performance-linked incentives have raised the standard of education across both new and established institutions.
- Shift Towards Premium and Super-Premium Education:** The UAE's private education market is experiencing a clear shift towards premium and super-premium segments, particularly in Dubai. A decade ago, schools

⁵ UAE Government Portal, Federal Budget.

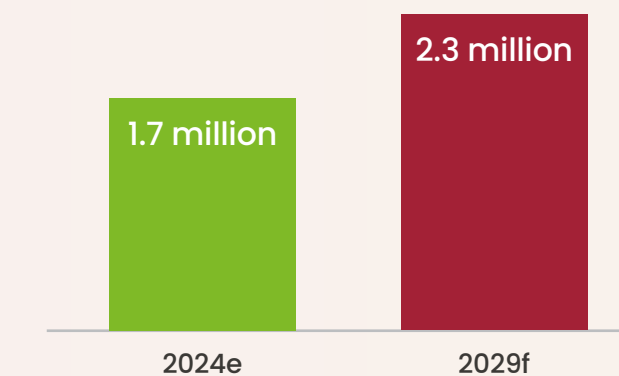
⁶ Alpen Capital, GCC Education Industry Report, May 2025.



charging over AED 60,000 made up just 10% of the market; today, they account for 25%, with 9% now charging over AED 80,000.⁴ This trend reflects a combination of rising household purchasing power, increasing demand for high-quality education, and a

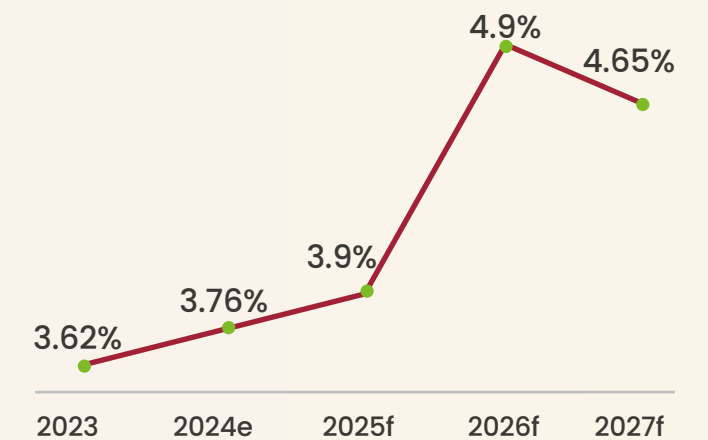
preference for globally recognised curricula and facilities. Meanwhile, ultra-affordable schools that charge under AED 20,000 are sharply contracting in market share, while the mid-market segment has held steady at around 44% of total schools⁷

UAE K-12 SCHOOL- AGE POPULATION⁷



⁷ Alpen Capital, GCC Education Industry Report, May 2025.

UAE REAL GDP GROWTH RATE⁸



⁸ Statista. "Growth of the Real Gross Domestic Product (GDP) United Arab Emirates 2030." Accessed August 14, 2025. <https://www.statista.com/>



A Structurally Protected Sector Favouring Established Operators

The UAE’s private K-12 education sector remains characterised by high and enduring barriers to entry. From regulatory complexity and access to prime locations to capital intensity and brand credibility, new entrants face significant structural challenges. Taaleem’s long-standing presence, institutional expertise, and track record of quality position it strongly to capitalise on upcoming market opportunities and uphold its strategic defensibility.



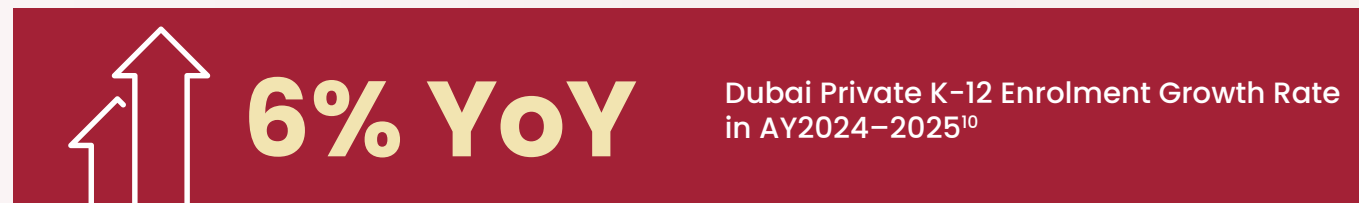
Taaleem Operates in Two of the Region’s Fastest Growing Private Education Markets

The UAE remains the most advanced K-12 education market in the region. It leads in private sector participation, regulatory maturity, and the adoption of international curricula. With over 74% of students enrolled in private schools, and strong oversight from regulators like KHDA and ADEK, the UAE offers a diverse, high-quality educational landscape. Compared to Saudi Arabia and other GCC peers, the UAE’s education market is more globally integrated, more transparent in pricing and inspection outcomes, and more agile in responding to demographic shifts and evolving parent expectations.

PRIVATE EDUCATION IN DUBAI

Dubai’s private K-12 education sector stands among the most advanced and globally integrated in the world. It continues to accommodate the educational needs of a growing expatriate community, as well as an increasing number of Emirati families pursuing

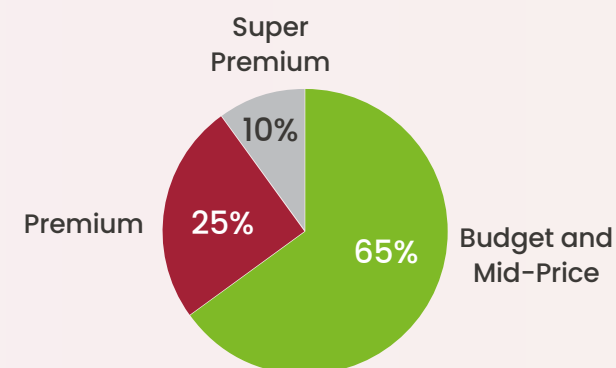
internationally recognised academic pathways. As of the 2024-2025 academic year, Dubai hosts 227 private schools that serve over 387,000 students, a 6% increase year-on-year, across 17 curricula, further accommodating the growing and diverse Dubai population.⁹



Price Segment

Dubai’s private K-12 schools are categorised into five price segments based on annual tuition fees: budget, mid-priced, premium, premium-plus, and super-premium. As of the 2024-2025 academic year, Taaleem’s schools in Dubai fall within the premium-plus segment (AED 55,000-75,000), with expansion into the super-premium segment (above AED 75,000) planned for the coming years. These segments continue to lead market growth, supported by sustained demand from both expats and national families seeking high-quality and internationally accredited education.¹¹

ENROLMENT BY SEGMENT IN AY 2024-2025¹¹



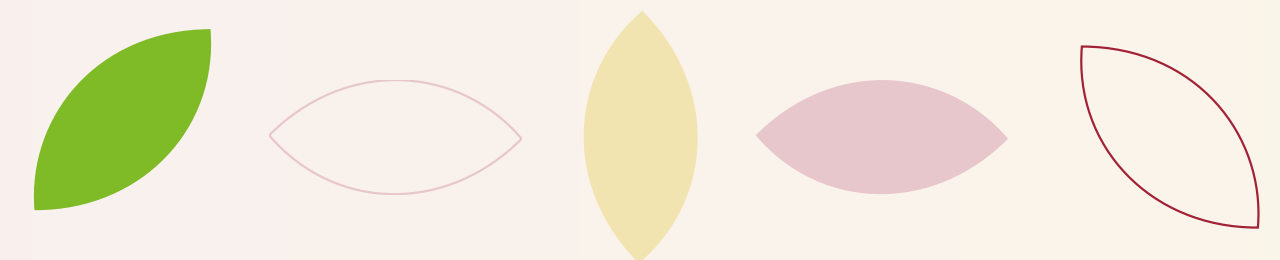
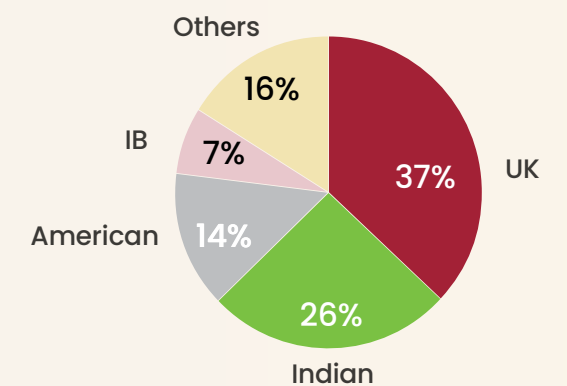
For the 2024-2025 academic year, the KHDA approved a tuition fee increase cap of 2.6%, while for the coming academic year 2025-2026, the Education Cost Index (ECI) has been set at 2.35%. Unlike previous years, where tuition adjustments were tied to individual school inspection ratings, the current framework applies ECI uniformly across all eligible schools.

While this removes performance-based differentiation, it provides a clearer structure for planning and allows premium and super-premium schools to continue expanding under a stable and predictable regulatory environment. On the other hand, ADEK has set an ECI of 2.1% for Abu Dhabi schools’ tuition increases, with multiples up to 2x depending on school ratings.

Curriculum

Within Dubai’s private schools, the UK National curriculum is the most popular, accounting for 37%¹² of private K-12 enrolments. In the rapidly growing segments of premium and super-premium segments, the UK National, International Baccalaureate (IB), and American curricula stand out as the fastest-growing segments, with the American curriculum being the most preferred among Emirati families. Taaleem’s strategic decision to offer the top curricula positions it uniquely in the market, catering comprehensively to the top educational preferences of nationals and residents in the UAE.

DUBAI K-12 CURRICULA DISTRIBUTION BY ENROLMENT¹³



⁹ KHDA, Shaping the Future, accessed August 14, 2025, <https://www.khda.gov.ae/en/publications/article?id=12274>.

¹⁰ KHDA Dubai’s Private Schools Open Data, March 2025

¹¹ Alpen Capital, GCC Education Industry Report, May 2025.

¹² KHDA, Dubai’s Private School Sector Records 6% Enrolment Growth in 2024-25 Academic Year, accessed August 14, 2025, <https://www.khda.gov.ae/en/News/EnrolmentGrowth2024-25>.

¹³ KHDA, “Dubai’s Private School Sector Records 6 % Enrolment Growth in 2024-25 Academic Year,” KHDA, accessed August 14, 2025, KHDA website.



PRIVATE EDUCATION IN ABU DHABI

Abu Dhabi's private K-12 enrolment continues to grow, underpinned by a rising expatriate population and increasing demand from Emirati families seeking internationally recognised education. The emirate's education landscape caters to a diverse demographic profile, offering a broad range of curricula to meet the evolving expectations of both local and expatriate communities. As of the 2024-

2025 academic year, private school enrolment in Abu Dhabi reached approximately 3,898 students, reflecting a 6.5% year-on-year growth. This trajectory is supported by the emirate's strong economic fundamentals and overall market growth, attracting skilled professionals and their families into the emirate and driving sustained demand for high-quality private education.

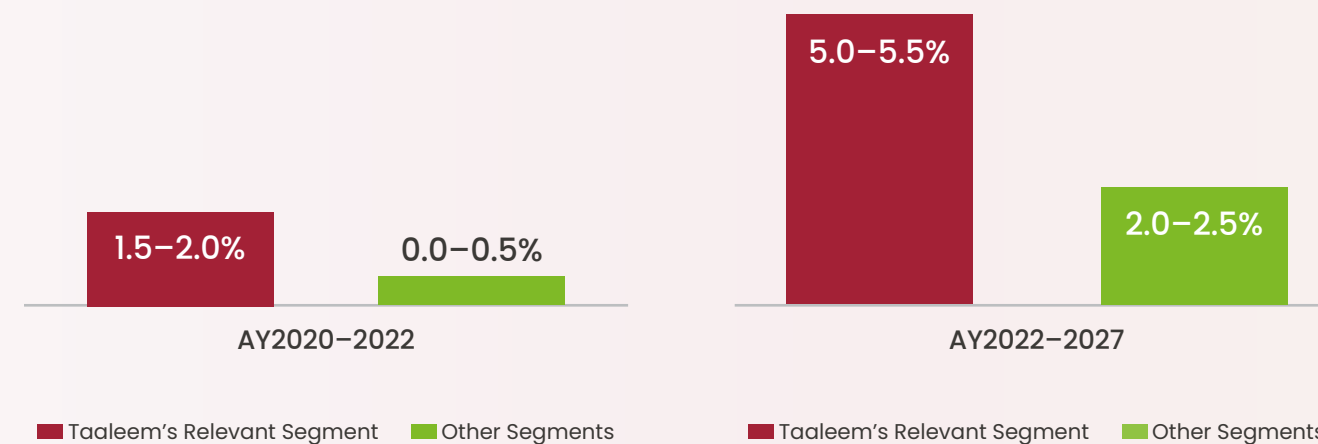


Price Segment

Abu Dhabi's private K-12 schools are categorised into four pricing tiers: super-premium, premium, mid-priced, and budget. Taaleem's Abu Dhabi schools are positioned within the premium segment, with annual fees across the portfolio averaging

AED 61,945. This segment is experiencing notable growth, driven by an influx of families moving to Abu Dhabi for new employment opportunities and a rising number of Emirati families transferring their children from public to private education.

ABU DHABI K-12 ENROLMENT CAGR BY PRICE SEGMENT



Curriculum

Private schools in Abu Dhabi offer 14 different curricula, giving parents a wide range of options to choose from. The International Baccalaureate (IB) curriculum, while relatively newer than others, is rapidly gaining popularity across the emirate. Strong academic outcomes and

growing demand from both local and expatriate families have positioned the IB as one of the fastest-growing offerings, reflecting a broader shift towards globally recognised education standards.





EARLY CHILDHOOD EDUCATION

Early Childhood Education (ECE) has emerged as a national priority across the UAE, recognised as the foundation for lifelong learning and future academic success. With approximately 473,000 children under the age of five, the market represents a vast and growing opportunity. ECE plays a critical role in nurturing cognitive, social, and emotional development during this formative stage. Yet, despite increasing parental awareness and strong government policy support, only 22% of these children are currently being served, with just 27,000 enrolled in professional early learning environments. The existing network of 650 nurseries is a solid foundation, but it highlights the significant room for expansion.¹⁴

The UAE government has embedded ECE into its broader educational transformation agenda, with initiatives such as the Dubai Early Childhood Plan and national frameworks for child development. These efforts focus on expanding access to quality nursery and KG provision, improving teacher qualifications, and integrating global best practices. Public-private partnerships, such as the Abu Dhabi 'Charter Schools' and regulatory incentives, are also helping to expand private sector participation and attract investment into this strategic segment.

The UAE's pre-primary enrolment rose at a compound annual growth rate (CAGR) of 6.1% between 2018 and 2023, achieving one of the highest growth rates across all education stages. The Gross Enrolment Ratio (GER) for pre-primary

reached 96.7% in 2023,¹⁵ the highest in the GCC and well above the global average. This reflects both the depth of market demand and the effectiveness of regulatory measures aimed at increasing participation in early education. There is a growing shift in parental preferences away from traditional nursery models and informal, home-based care towards professionally delivered ECE programmes. Parents are increasingly seeking institutions that offer structured, internationally benchmarked curricula designed to build early literacy, numeracy, creativity, and emotional resilience.

Leading nurseries across the UAE offer a range of respected international ECE curricula, including the British Early Years Foundation Stage (EYFS), Montessori, Reggio Emilia, and the IB Primary Years Programme. These frameworks are designed to foster curiosity, independence, and foundational academic skills through developmentally appropriate methods. Their adoption reflects the UAE's position as a global education hub, catering to a diverse population that values both academic readiness and holistic development from the earliest years.

ECE will continue to play a pivotal role in the UAE's education ecosystem, supported by long-term policy commitments and sustained private investment. As education strategies shift towards outcomes-based models, early years education will remain at the heart of national efforts to drive inclusive, high-quality learning and set the stage for long-term academic success.

¹⁴ Taaleem, KFG Acquisition IR Presentation, June 2025.

¹⁵ Alpen Capital, GCC Education Industry Report, May 2025.





PPP SCHOOLS

Public-private partnership (PPP) schools in the UAE represent a collaborative model that leverages public oversight with private sector expertise to deliver high-quality, accessible education. These schools typically offer free education to Emirati students and affordable alternatives for expatriate families. Under this framework, the government retains ownership of the school infrastructure and regulatory authority, while operational responsibilities are delegated to experienced private education providers such as Taaleem. This model enhances service quality, improves operational efficiency, and enables optimal resource utilisation, ultimately supporting broader national goals of raising education standards.



26
PPP Schools

Total PPP Schools Operated by Taaleem

'Dubai Schools'

As of the 2024–2025 academic year, Taaleem operates three 'Dubai Schools-PPP' under the PPP initiative launched in partnership with The Executive Council (TEC) and the Knowledge Fund Establishment (KFE). These three schools have transitioned to state-of-the-art expanded campuses in 2024–2025 academic year, providing a total capacity of over 9,000 students.

Abu Dhabi 'Charter Schools'

Taaleem was awarded four new nurseries this academic year under the 'Charter Schools' PPP, bringing the total to 15 'Charter Schools' and nurseries under Taaleem's partnership with ADEK. These schools and nurseries cater exclusively to GCC nationals and provide free education to Emirati students. They currently follow an American-based curriculum for grades K to 5, with plans for future expansion into higher grade levels. In the 2024–2025 academic year, Taaleem recorded the largest enrolment increase among its PPP schools, adding 765 new students.

MoE 'Ajyal Schools'

Taaleem also manages eight of the 18 operational 'Ajyal Schools' operating under the Ministry of Education (MoE). These schools integrate the national curriculum—including Arabic language, Islamic studies, and moral education—with international components, primarily the American curriculum. The model reflects the government's vision of blending local identity with global academic standards.

According to the latest government updates, the programme will conclude at the end of the 2025–2026 academic year, with operators handing over schools to the MoE in phases. During the year, Taaleem handed over four of the eight schools it previously managed and was assigned management of one school from another operator for a single academic year, with the intention of returning it to the MoE alongside the remaining four schools under Taaleem's management.





OUR BUSINESS MODEL AND STRATEGY

Taaleem’s growth and success are attributed to a comprehensive strategy that delivers unparalleled high-quality education to its students.

Since its establishment, Taaleem has grown into one of the UAE’s largest and most diversified education providers, offering a broad range of academic curricula across multiple verticals. These include 38 schools in the premium and government segments, as well as a newly acquired nurseries platform (KFG) with 34 operational facilities in the UAE and Qatar, serving a student body of 4,968 students. Our mission is to provide transformative, high-quality education across every stage of a young learner’s journey, from early years to secondary education, underpinned by a commitment to academic excellence, innovation, and inclusive values.

Our operating model spans the ownership and management of 12 premium schools in Dubai and Abu Dhabi, in addition to 26 government partnership schools managed under long-term agreements with national education authorities. On top of this, our recent acquisition of KFG added 34 nurseries to our consolidated education platform.

This scale, combined with our ongoing investment in modern campuses, faculty development, and differentiated curricula, enables us to meet the evolving needs of a diverse and globally minded student population.

Taaleem’s strategy continues to be guided by four pillars: excellence, growth, diversity, and sustainability, and is executed through a blend of organic expansion and strategic acquisitions. In 2024–2025, we added two premium schools (LLFP Meydan and DBS Jumeira), secured land for two Harrow super-premium schools, and expanded our ECE footprint through the acquisition of Kids First Group. These steps mark a major evolution in our portfolio, allowing us to capture early-stage enrolments and build long-term brand loyalty.

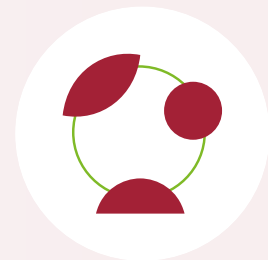
Looking ahead, we remain focused on expanding our impact and reach across the UAE’s education landscape while maintaining disciplined execution and long-term value creation for our stakeholders.



Quality



Growth



Diversity



Sustainability



Quality

Academic excellence remains a central focus across all Taaleem schools. We deliver globally respected curricula, including the UK National Curriculum, IB Diploma, French Bacculaureate, and American Curriculum. These programmes are carefully designed to stretch students’ potential and equip them with the skills and mindset needed for long-term academic and career success. We pursue this through a comprehensive approach that combines academic rigour, compliance with regulatory standards, and international accreditations. Our schools offer welcoming, student-focused environments led by qualified and passionate educators who are supported by ongoing training and professional development. We continuously invest in advanced learning tools, modern facilities, and innovative teaching practices to ensure a consistent standard of excellence across our network.

ACCREDITATION



British Schools in the Middle East (BSME)



New England Association of Schools and Colleges



International Baccalaureate Organisation



Agence pour l'Enseignement Français à l'Étranger (AEFE)



British Schools Overseas



ISO 45001



Council of International Schools (CIS)



Council of British International Schools (COBIS)

GOVERNING BODIES



The Knowledge and Human Development Authority (KHDA)



The Abu Dhabi Department of Education and Knowledge (ADEK)



Number of Premium Taaleem Schools that Received a Rating of 'Outstanding' or 'Very Good' in 2024–2025

Academic Distinction and Recognition

Our schools hold accreditations from internationally recognised education bodies, reflecting our commitment to upholding and exceeding global standards. These accreditations serve as a mark of quality and reinforce our promise to provide a world-class educational experience that is widely acknowledged and highly valued. Taaleem has received accreditation from the following bodies (see logos adjacent), among others.

In addition to our accreditations, Taaleem schools undergo stringent inspections by the Knowledge and Human Development Authority (KHDA) and the Abu Dhabi Department of Education and Knowledge (ADEK). These inspections result in ratings that range from 'Outstanding' to 'Very Weak'. In the 2024–2025 academic year, nine of Taaleem’s premium schools received ratings of 'Outstanding' or 'Very Good'. This achievement highlights our unwavering commitment to meeting and surpassing the highest standards of education.

Taaleem is committed to aligning with the UAE’s national vision by actively embedding Islamic studies, the Emirati identity, and global cultural awareness across our school communities. In line with the recently mandated federal guidelines, our schools continue to strengthen these core themes through curricula, daily practices, and school environments. Several of our schools in Dubai have been rated ‘Very Good’ by the KHDA

for their success in promoting Islamic values and cultural integration, reflecting the strength of this approach. Strong demand from Emirati families continues to highlight the confidence local communities place in Taaleem. Our close collaboration with UAE education authorities reinforces our role in shaping a future-ready generation while remaining deeply rooted in the cultural fabric of the nation.



Investing in Talent and Professional Development

At Taaleem, we recognise that the success of our educational mission begins with our people. Our teachers are at the heart of everything we do, and we are proud to maintain one of the highest teacher retention rates in the sector, reaching 80.2% in 2024–2025. We offer highly competitive packages of benefits that go beyond industry benchmarks, including development pathways through the Taaleem Teaching School, career progression programmes, and a range of wellness initiatives that support mental, physical, and emotional health. As a result, several of our schools have also earned Platinum and Gold certifications

from the internationally recognised ‘Best School to Work’ programme, underscoring the strength of our workplace culture and the supportive environments we cultivate.

This is a direct reflection of our continued investment in both the professional and personal wellbeing of our staff. By empowering educators to grow and thrive, we ensure that students benefit from innovative, future-ready teaching approaches. Our learning environments are designed not only to foster academic excellence but also to nurture empathy, resilience, and curiosity.

Inspiring Learning Spaces

At Taaleem, we understand that the physical environment plays a vital role in shaping how students learn, grow, and connect with the world around them. That’s why we design our campuses to be more than just schools; they are dynamic, engaging spaces that foster curiosity, collaboration, and creativity. Each Taaleem campus is thoughtfully developed to support a wide range of learning experiences, from academic

exploration in well-equipped classrooms and science labs to physical development in expansive sports grounds and wellness centres. Creative expression is nurtured through dedicated arts, music, and performance spaces that allow students to discover and develop their talents. By creating modern, student-centred environments, we ensure that every learner has the space, tools, and inspiration needed to reach their full potential.

Strategic Integration of AI and EdTech in Education

At Taaleem, we recognise the transformative potential of artificial intelligence (AI) in reshaping education. We have taken a proactive, strategic approach to integrating AI across our schools and operations, focusing on three key areas: enhancing teaching and learning, boosting operational efficiency, and investing in professional development. AI-powered platforms are being piloted to support adaptive learning, personalised instruction, and real-time feedback, enabling educators to better meet the individual needs of students. Simultaneously, we are applying AI to streamline administrative processes and improve data-driven decision-making. Importantly, we are equipping our staff with the training they need

to confidently adopt AI tools in their day-to-day teaching practices.

Across our diverse curricula, AI is used to enrich the student experience. Learners are encouraged to use AI tools to research, personalise, and organise their learning journeys. These technologies promote innovation and self-directed study while also increasing access to content. Features such as text-to-speech, real-time captioning, translation, and customisable learning interfaces help remove barriers related to language and communication, making learning more inclusive. As AI continues to evolve, we are committed to remaining agile, learning from each other and adapting to emerging opportunities and challenges.

Data-Driven Evaluation and Enhancements

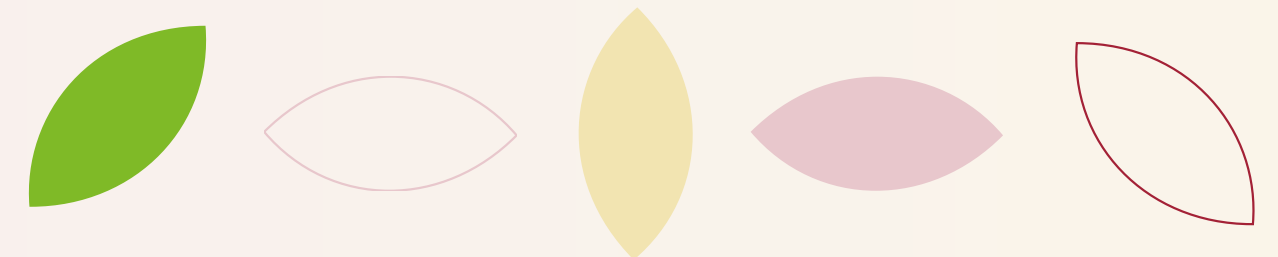
We apply a structured, data-informed approach to evaluate the impact of technology on learning outcomes. Feedback from students, parents, and teachers is gathered regularly to assess usability and effectiveness. Key performance indicators, such as student achievement, engagement levels, and classroom behaviour, are analysed to

ensure tools align with our educational objectives. Technology audits, classroom observations, and professional development evaluations help maintain high standards. These continuous feedback loops ensure that our technological investments deliver meaningful, measurable benefits for our students and staff.

Comprehensive Digital Ecosystem

Taaleem’s long-standing enterprise agreement with Microsoft ensures group-wide access to Microsoft 365 and Azure services, supporting a deeply integrated digital learning ecosystem. Tools like Microsoft Teams and SharePoint are widely used across administrative and classroom settings. Notably, the American Academy for Girls is

a Microsoft Showcase School, a distinction earned by fewer than 500 schools globally, recognising its excellence in technology-driven education. In addition to platforms such as iSAMS and Schoolbox, we are actively evaluating advanced AI solutions, like Microsoft Copilot and ChatGPT Enterprise, to further enhance both learning and operational productivity.





Innovation Learning Through Technology

Learning Management Systems (LMS)

Taaleem schools employ state-of-the-art LMS platforms, such as Seesaw, Toddle, and Schoolbox, tailored to support various curricula and enhance communication and collaboration.



Child Protection Systems

For student safeguarding, all schools implement CPOMS, a secure platform for tracking wellbeing and managing various child-protection aspects.



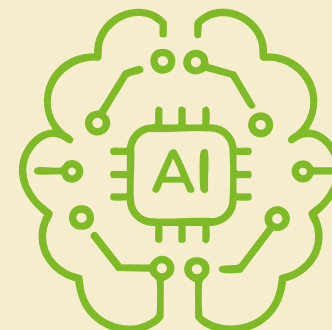
Advanced Data

Schools conduct advanced data analytics using BI tools like Microsoft Power BI, enabling monitoring and improvement of student progress through data-driven insights.



Artificial Intelligence (AI)

Integrating AI in education and operations, focusing on enhanced teaching and learning, operational efficiency, and professional development.





Growth

Taaleem’s growth strategy is rooted in a clear, multi-dimensional roadmap that balances the expansion of our educational offering with operational excellence. By leveraging both

organic and inorganic growth opportunities, we are expanding our impact, increasing capacity and responding to evolving student needs across the region.

Expand and Optimise Premium and Super-Premium Schools

Our flagship premium schools form the core of our educational model. We are committed to maximising their value by enhancing facilities, deepening academic offerings, and strengthening student retention. Enrolment growth across new and existing premium schools continues to outpace the market, supported by strong brand positioning and targeted early-years intake strategies that drive long-term student retention and lifetime value.

Abu Dhabi marks our strategic entry into the ultra-premium segment. The Group is on track to add an additional 3,600 student seats in super-premium schools equally split between Harrow Dubai and Harrow Abu Dhabi.

To meet growing demand, we are unlocking additional capacity at our high-demand DBS Emirates Hills campus through the expansion onto newly acquired land and buildings. This will serve as the Early Years facility, known as DBS Islands—an extension of DBS Emirates Hills. At the same time, we are ramping up utilisation with new campuses, such as DBS Mira, enhancing occupancy across our flagship schools, and growing our capacity through new school launches such as the recently announced Ghaf Woods school. These efforts are supported by consistent enrolment growth of 1.4%-12.6% across curricula and targeted investments in student acquisition and retention.

Recent expansions increased Taaleem’s K-12 school capacity by 4,718 seats during FY 2024/25. This includes the launch of Dubai British School Jumeira (DBS Jumeira) in September 2024–2025 academic year, the acquisition of the Lycée Libanais Francophone Privé Meydan (LLFP Meydan), and the expansion of Greenfield International School (GIS). The upcoming launch of two Harrow-branded super-premium schools in Dubai and

Strategic Partnerships with Government Entities

Taaleem continues to play a leading role in the UAE’s PPP school ecosystem. As of 2024–2025, we operate 26 PPP schools across three major government programmes, serving nearly 25,000 students. Our established track record and strong institutional

partnerships have enabled us to deliver consistently in this portfolio, with recent renewals underscoring public-sector confidence. We remain committed to maintaining high standards and supporting national priorities within this segment.



Inorganic Growth Through Acquisitions

Acquisitions form a vital pillar of Taaleem’s growth strategy, supporting rapid market entry and allowing us to scale efficiently across high-potential segments. This ‘quick-to-market’ approach enables us to expand our presence in strategic locations, diversify our offering, and respond more swiftly to emerging demand. In the 2024–2025 academic year, we made significant strides through several key acquisitions. These included the purchase of Lycée Libanais Francophone Privé Meydan (LLFP Meydan), marking our entry into the French curriculum

segment, and the acquisition of DBS Islands, which supports the expansion of our high-performing DBS Emirates Hills campus.

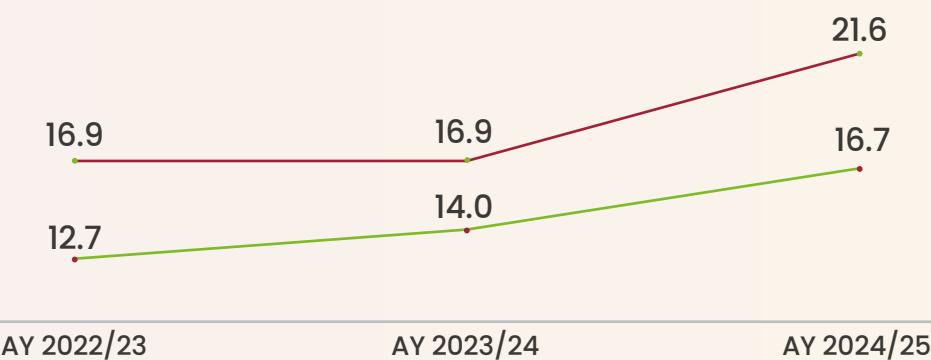
In parallel, we have acquired KFG, a leading nursery operator with 34 nurseries across the UAE and Qatar. This acquisition significantly strengthens our ECE platform. By adding these nurseries into our network, we are enhancing educational continuity, unlocking new revenue streams, and reinforcing Taaleem’s long-term position as a leader in comprehensive, high-quality education.

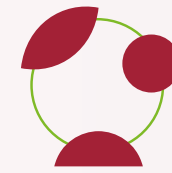
Ramp-up of Newly Introduced Schools

The ramp-up of newly launched schools is a key driver of Taaleem’s medium-term growth. Our focus is on establishing strong academic and operational foundations from day one, ensuring each new school meets the high standards expected of our brand. This includes implementing robust curricula, recruiting top-tier educators, and fostering an engaging and inclusive learning environment. While early-stage schools typically operate below optimal capacity, we are committed to accelerating their growth trajectory and positioning them as leading institutions within their communities.

Alongside new development, we actively pursue acquisitions that align with our strategic objectives. Inorganic growth allows us to enter new segments and geographies quickly, leveraging the existing infrastructure, reputation, and enrolment base of acquired institutions. By integrating these schools into our network, we elevate quality, unlock operational efficiencies, and extend Taaleem’s market presence. Together, new school ramp-ups and targeted acquisitions form a complementary pathway to sustainable, scalable growth across the UAE’s evolving education landscape.

SCHOOLS CAPACITY VS. ENROLMENT PROGRESSION, (‘000)





Diversity

At Taaleem, we are proud to foster an inclusive and internationally diverse community of students and educators. We believe that diversity is not only a strength but an essential component of high-quality education. A culturally rich environment encourages broader

Promoting Multiculturalism

Our school communities are home to a rich mix of students representing diverse nationalities, making diversity a defining feature of the Taaleem experience. We embrace this richness by embedding cultural understanding into both academic programmes and school life. Through inclusive curricula, international

Adapting to Individual Needs

We recognise that diversity goes beyond culture; it includes learning needs, abilities, and interests. In line with the Dubai Inclusive Education Policy Framework, Taaleem is committed to delivering personalised, accessible education to every learner. Our schools offer dedicated support for students of determination through specialised staff, tailored

perspectives, cultivates empathy, and prepares students to thrive in an increasingly globalised world. Our commitment to diversity is deeply embedded in our policies and practices, ensuring that every student feels seen, supported, and celebrated.

days, language celebrations, and cross-cultural initiatives, we promote mutual respect and a strong sense of belonging. By encouraging dialogue and appreciation for different worldviews, we prepare our students to become compassionate global citizens who are confident in navigating diverse environments.

learning plans, and inclusive teaching strategies. This commitment has earned Taaleem 'Very Good' and 'Outstanding' ratings across multiple campuses for our inclusive education provision. We continue to invest in training, resources, and innovation to ensure all students can thrive, regardless of their starting point.



Sustainability

Operational Efficiency

Taaleem's cost efficiency is driven by a centralised operating model that integrates key functions across legal, finance, IT, human resources, and educational leadership. This structure enables consistent execution, improved responsiveness, and meaningful economies of scale. By leveraging a largely fixed cost base and applying standardised operational processes, we ensure that administrative functions are performed effectively and at scale across our network of schools.

Robust financial discipline is reinforced through strong cost controls, ongoing benchmarking, and the adoption of best practices across campuses. At the

Responsible Business Practices

Taaleem acknowledges its responsibility to the environment, society, and its broader stakeholder community. This commitment goes beyond direct impact, reflecting our role as an educator and role model. By embedding sustainability into our operations, we aim to instil in our students a lasting sense of environmental and social responsibility. Our objective is to drive positive change, strengthen resilience, and create long-term value across all areas of our organisation.

same time, our focus on leadership development, including targeted training for school principals, teachers, and academic leaders, continues to enhance performance and operational agility.

Operating as a lean, efficient organisation enables Taaleem to maximise the benefits of revenue growth and seamlessly scale our platform. This disciplined approach supports long-term sustainability and positions us to deliver consistent value creation for our shareholders while continuing to invest in high-quality education across all our schools.

We achieve this by integrating sustainable practices and ethical decision-making into our daily operations while aligning with recognised environmental, social, and governance (ESG) standards. Taaleem has made steady progress in embedding responsible business practices throughout its schools and operations.

For further information, please refer to the 'Sustainability' section of this report on page 102.





OUR PORTFOLIO

Taaleem’s portfolio of K-12 schools and nurseries across Dubai and Abu Dhabi has garnered a distinguished reputation and brand equity in the market.

Taaleem proudly manages a diverse portfolio of 38 K-12 schools across the UAE, comprising 12 premium schools and 26 government partnership schools as of end of the 2024-2025 academic year. These schools are strategically located in Dubai, Abu Dhabi, Sharjah, Ras Al Khaimah, Ajman, and Fujairah, ensuring broad accessibility and regional impact.

The Group’s premium schools feature cutting-edge facilities and deliver a well-rounded educational experience that nurtures students’ academic, personal, and social development. The 26 government partnership schools, operated in collaboration with the Abu Dhabi Department of Education and Knowledge (ADEK) and the Knowledge and Human Development Authority (KHDA), maintain the same rigorous academic standards, promoting equitable access to high-quality education and personalised learning pathways.

Taaleem’s schools proudly serve a diverse student community that includes both Emirati and expatriate families. With internationally recognised curricula, such as the UK National, International Baccalaureate (IB), French, and American programmes, the schools are thoughtfully designed to meet the educational needs of a global population already thriving within our classrooms. With a range of tuition fees tailored to different market segments, Taaleem ensures that exceptional education remains accessible while upholding its reputation for excellence within the UAE’s educational landscape.

As of the end of the academic year, Taaleem serves 41,365 students. As part of our expansion strategy, the beginning of the new 2025-2026 academic year witnessed the launch of a new premium school, DBS Mira, with a capacity of 1,800 students, as well as the expansion of DBS Emirates Hills through the addition



“Taaleem’s unwavering commitment to delivering world-class education across its network of premium schools is reflected in its remarkable achievements.”

of DBS Islands (DBS Emirates Hills expansion), which increased the school capacity by an additional 400 seats. On top of this, we recently made a new addition to the pipeline, with the purchase of land in Ghaf Woods in Dubai to build a premium school with a 1,800 students capacity. The portfolio is also being diversified, with two new super-premium Harrow schools scheduled to open in the coming years.

As part of this growth journey, Taaleem has also expanded into the ECE sector through the strategic acquisition of Kids First Group (KFG). KFG operates a network of 34 premium nurseries across the UAE and Qatar under six well-established brands, including Redwood Montessori, Redwood Centre of Excellence, Odyssey, Willow Children’s Nursery, Ladybird, and Children’s Oasis. These nurseries offer a diverse mix of internationally respected curricula, such as Montessori, IB Primary Years Programme (PYP), Reggio Emilia, Washington

State guidelines, and the UK Early Years Foundation Stage. With a current capacity of 6,000 students and an enrolment utilisation rate of 84%, KFG is one of the few operators in the region with meaningful scale. Looking ahead, KFG is on track to expand its capacity to 9,500 students by 2029, reinforcing Taaleem’s position as a leading provider of high-quality, inclusive early years education.

As the network continues to grow, so does our commitment to educational excellence. Taaleem is proud to report that nine of its premium schools have maintained ‘Outstanding’ or ‘Very Good’ ratings from KHDA and ADEK. Two recently launched schools are still within their initial years of operation and are scheduled for their first official inspections after completing three years, in line with regulatory timelines, further underscoring our dedication to delivering high-quality academic programmes across the Group.

Compliance and Equity in Taaleem’s Diverse Premium Portfolio

Taaleem has enhanced consistency and compliance across its schools through several key initiatives. These include the implementation of BlueSky for staff appraisal, Moodle for mandatory training by the KHDA, and Child Protection Online Management System (CPOMs) for safeguarding. Additional tools like StaffSAFE and CPOMs Spotlight are being introduced to strengthen governance. All schools

underwent internal reviews and audits by KPMG. Standardised definitions for Special Educational Needs and Disabilities (SEND) and Gifted and Talented students are being adopted. A new Individual Learning Support Assistant (ILSA) policy and centralised education policies have also been introduced to enhance student support and consistency across schools.

2024-2025 PORTFOLIO OVERVIEW

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OUR LEADERSHIP

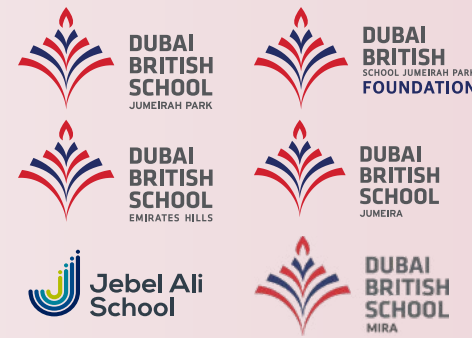
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Premium Schools

UK National Curriculum



IB Curriculum



French Curriculum



American Curriculum



Super-Premium Schools

UK National Curriculum



KFG Nurseries

Montessori



UK EYFS



Reggio Emilia



IB PYP



Government Partnerships

American Curriculum



38

Operational Schools

34

Operational Nurseries

75.0 %

Capacity Utilisation



55,127 Students

Total Capacity (+28.5% YoY)

41,365 Students

Enrolled (+9.1% YoY)

2,284

Teachers

2 Super-Premium Upcoming Schools

2 Upcoming Nurseries

4 Curricula



Premium K-12 Schools

Premium schools are equipped with state-of-the-art facilities and provide a comprehensive learning experience that caters to students' holistic development.

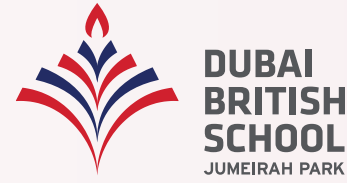
Premium schools are schools owned and operated by Taaleem, forming the core of its revenue stream. These schools are distinguished by their personalised approach to education, characterised by lower student-to-teacher ratios. The portfolio includes five schools offering the UK National Curriculum with an additional school newly launched in 2025-2026, another five schools following the International Baccalaureate (IB) curriculum, one French curriculum school, and one American curriculum school. Most of these schools

are rated 'Outstanding' or 'Very Good' from KHDA and ADEK.

In the 2024-2025 academic year, Taaleem expanded its portfolio through the acquisition of Lycée Libanais Francophone Privé Meydan (LLFPM), marking the Group's first French curriculum school. Additionally, Taaleem launched a new greenfield UK curriculum school, DBS Jumeira, as part of its DBS network, with over 500 students enrolled since the start of the 2024-25 academic year.



UK NATIONAL CURRICULUM SCHOOLS



Dubai British School – Jumeirah Park

DBS Jumeirah Park is a K–12 international school located in Jumeirah Park, Dubai, offering the UK National Curriculum to students aged 6-18 years old, and has a current utilisation rate of 99.3% as a highly respected and demanded school. DBS Jumeirah Park provides external examinations, including the General Certificate of Secondary Education (GCSE), A Levels, and International Business and Technology Education Council (BTEC) Level 3 Qualifications.

DBS Jumeirah Park has earned an ‘Outstanding’ rating from both the BSO and the KHDA, a testament to its unwavering commitment to academic excellence. It is also proud to be

the first school in the UAE to receive Centre of Excellence status from the Inclusion Quality Mark (IQM), recognising its leadership in inclusive education. In addition, DBSJP is BSME accredited and an approved BTEC centre.

The school has received numerous accolades, including being named ‘Best School in Dubai’ by Schools Compared and listed among the Top 100 StandOut Schools in the UAE by Yalla. It was also the winner of the MENA School Excellence Awards for Staff Wellbeing and achieved a ‘Platinum’ rating in the Best Schools to Work survey, reflecting its strong community ethos and dedication to staff wellbeing.

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28,614 sqm
Campus Size

Y1 – Sixth Form
Grades Served

6Y–18Y
Age Group Served



Outstanding
Rating by KHDA & BSO



Member
BSME



Awards
Best School in Dubai
by Schools Compared

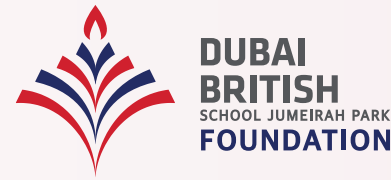


FACILITY HIGHLIGHTS

- Art and Music Studios
- Science Laboratories
- Sports Halls
- Astro turf Pitches
- Design Technology Suite
- ICT and Technology Labs
- Food Technology Lab
- Drama and Dance Studio
- Performing Arts Auditorium
- Eight-Lane Indoor Swimming Pool
- Tennis Courts



UK NATIONAL CURRICULUM SCHOOLS



Dubai British School – Jumeirah Park Foundation

DBS Jumeirah Park Foundation (DBSJPF) is a purpose-built, family-oriented early years institution offering the UK Early Years Foundation Stage (EYFS) curriculum to children aged 3–5 years, across FS1 and FS2 with a utilisation rate of 100.0%. Through a rich blend of play-based learning and thematic instruction, DBSJPF nurtures children’s development across key domains including communication, language, physical, personal, social, and emotional growth.

By focusing on child-centred themes during these formative years, DBSJPF creates an

engaging and supportive environment that lays a solid foundation for lifelong learning. DBSJPF serves as the feeder school for Taaleem’s DBS Jumeirah Park, which continues the educational journey from Year 1 to Year 13.

Notably, DBSJPF is the first and only early years school in the UAE to be accredited by the British Schools in the Middle East (BSME), and it has earned an ‘Outstanding’ rating from both the UAE’s KHDA and the UK’s British Schools Overseas (BSO) inspection framework.

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5,856 sqm
Campus Size

FS1 & FS2
Grades Served

3Y–5Y
Age Group Served



Outstanding
Rating by KHDA & BSO



Member
BSME

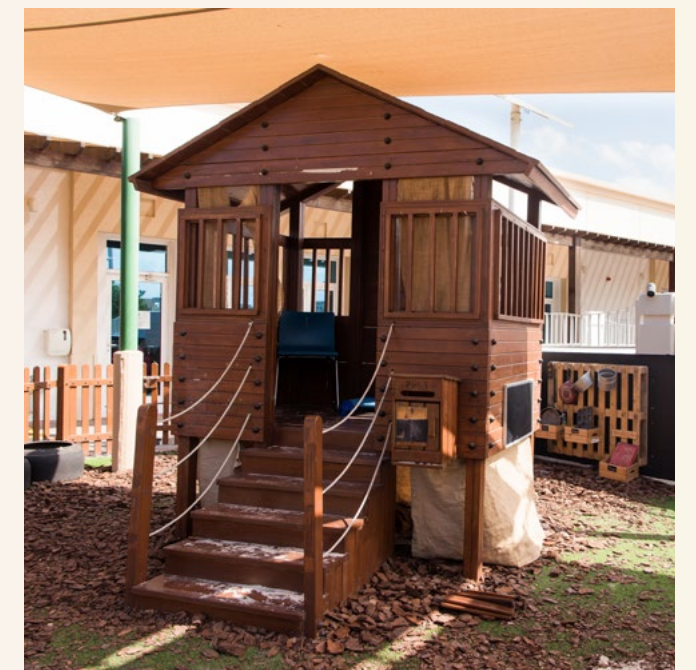


Awards
Early Excellence Award



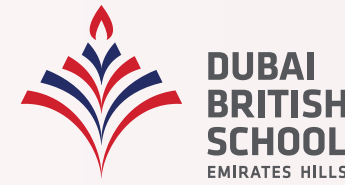
FACILITY HIGHLIGHTS

- Multi-Purpose Indoor Hall
- State-of-the-Art Classrooms
- Shaded Swimming Pool
- Health Centre
- Shaded Outdoor Play Area
- Solar Panels
- Outdoor Bicycle Track
- Library
- Sensory Room
- Specialist Music Room





UK NATIONAL CURRICULUM SCHOOLS



Dubai British School – Emirates Hills

DBS Emirates Hills is a leading UK National curriculum school in Dubai, serving over 1,200 students and offering GCSEs, A Levels, and BTECs. It has consistently maintained an 'Outstanding' rating from both KHDA and BSO, while ranking among the top five schools in the UAE for A Level results (A*– C), according to Which School Advisor.

DBS Emirates Hills had major campus renovation in June 2025 to support continued growth in the coming academic year. The new Islands Campus is also launching, which is an expansion site dedicated to Early Years education as part of DBSEH. Additionally, a new 'Rising 3s' programme serving two-year-old students is set to launch,

with both initiatives expected to accommodate an additional 400 students starting in the 2025–2026 academic year. These expansions come as strategic decisions to support the remarkable demand that saw utilisation consistently recording 100.0% over the past 3 years at DBS Emirates Hills.

The school is recognised for its inclusive and wellbeing-focused approach, earning a Centre of Excellence status from IQM, a 'Gold' rating in the Best Schools to Work survey, and a membership in the Alliance for Sustainable Schools. With outstanding facilities in science, arts, and sports, the school offers a holistic education that nurtures talent and passion.



26,315 sqm
Campus Size

Rising 3s– Sixth Form
Grades Served

2Y–18Y
Age Group Served



Outstanding
Rating by KHDA & BSO



Member
BSME



BTEC Approved



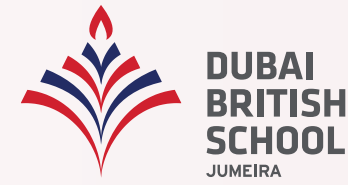
FACILITY HIGHLIGHTS

- Art and Music Studios
- Science Laboratories
- STEAM Laboratory
- Library
- Performing Arts Auditorium
- Swimming Pool
- Sports Hall
- Astroturf Pitches
- Outdoor Play Areas
- Fitness Gym
- Sixth Form centre
- Cafeteria





UK NATIONAL CURRICULUM SCHOOLS



Dubai British School – Jumeira

DBS Jumeira is one of the newest members of the DBS family, delivering the UK National Curriculum on a state-of-the-art campus completed in 2024. Officially opened in August for the 2024–2025 academic year, the school welcomed over 500 students in its inaugural term, with utilisation recording 30.7% on its first year, as the school prepares to ramp-up into higher grades and increase enrollment accordingly.

The school currently serves students from Rising 3s to Year 6 and will expand year-on-year to include Sixth Form, in line with regulatory requirements. Located in the heart of Dubai, DBS Jumeira offers affordable, world-class education.

With a personalised, student-centred curriculum, the school fosters strong relationships and nurtures future leaders. Beyond academics, DBS Jumeira provides a rich array of activities that support students' physical, emotional, and cognitive development, ensuring a well-rounded and inspiring learning experience.

In a brief time, the school has earned several prestigious recognitions, including a 'Platinum' rating in the Best Schools to Work survey and the title of 'Best School' at the 2025 Mother, Baby, and Child Awards. The school also received a LEED Gold certification for sustainable design, was shortlisted for Project of the Year at the Education Estates Awards, and was highly commended at the 2024 Identity Design Awards.



25,000 sqm
Campus Size

Rising 3s– Sixth Form
Grades Served

2Y–18Y
Age Group Served



Not Rated
Rating by KHDA & BSO



Pending
BSME



Awards
Platinum Result from Best Schools to Work Survey



FACILITY HIGHLIGHTS

- Modern Classrooms
- Black Box Auditorium
- Interactive Learning Spaces
- Knowledge Hub
- Library
- Swimming Pools
- Tennis Courts
- Natural Grass Pitch
- Gym
- Sixth Form Centre



NEWLY LAUNCHED SCHOOL



Dubai British School – Mira

DBS Mira is the latest addition to the esteemed DBS family, offering the UK National Curriculum in a purpose-built, modern campus that opened in August 2025. Nestled in the vibrant Mira Oasis 2 community, the school welcomes students from FS1 to Year 6, with plans to expand through Year 13. DBS Mira combines cutting-edge facilities with a nurturing, inclusive environment that prioritises student wellbeing and academic excellence. With a personalised, inquiry-led approach to learning, the school offers a wide range of co-curricular programmes and supports holistic

development, ensuring every child thrives socially, emotionally, and intellectually.

As a new beacon of educational innovation in the region, DBS Mira is poised to become a leading choice for families seeking affordable, high-quality UK National education in a close-knit, community-focused setting. With its guiding philosophy of 'Enjoy, Aspire, Achieve', DBS Mira is poised to deliver a world-class, student-centred education that nurtures academic excellence and emotional growth while offering a rich co-curricular programme.



28,481 sqm
Campus Size

FS1 – Sixth Form*
Grades to be Served

3Y–18Y
Age Group to be Served



Not Rated
Rating by KHDA and BSO



Pending
BSME

*DBS Mira currently only operates from FS1 to Grade 6, and will ramp-up higher grades until sixth form over the coming academic years.



FACILITY HIGHLIGHTS

- Food Tech Lab
- Indoor Swimming Pool
- FS Breakout Area
- Outdoor Play Areas
- Outdoor Football Pitch
- Sports Halls
- Libraries
- Black Box Theatre
- Fitness Gym
- Science Lab
- Music Room





UK NATIONAL CURRICULUM SCHOOLS



Jebel Ali School

Jebel Ali School (JAS), one of the oldest and most respected schools in the UAE, was founded in 1977 and acquired by Taaleem in 2022. Located in Damac Hills, Dubai, JAS is a K-12 UK National curriculum school offering GCSEs, A Levels, and BTEC courses for Years 10-13. The school welcomes children from two and a half years of age, with a values-based approach that nurtures curiosity, creativity, and academic achievement. JAS continues to grow its utilisation rate over the years, with utilisation reaching an impressive 97.7% by the end of FY 2024/25.

The school has earned several prestigious recognitions, including the GESS Award for Sustainable Schools, the TIMSS Top 20 High Performing School Award, and the Excellence in

Early Years Education Award. Additionally, JAS attained the 'Wellbeing Award for Schools', 'Leading Parent Partnership Award', and the 'SEND Inclusion Award'. In the Best Schools to Work survey, JAS received 'Platinum for Administrative Staff', 'Gold for Senior Leadership', and 'Silver for Academic Staff', reflecting its strong professional culture.

To support its continued growth, JAS has embarked on improving its campus with upgrades focused on classrooms and corridors, particularly enhancing the secondary school facilities to future-proof the school's development. JAS has been rated 'Outstanding' by the BSO and 'Very Good' by KHDA, along with being a proud member of the BSME. Moreover, our Mangrove Cafe concept attained the 'German Design Award'.



33,032 sqm
Campus Size

FS1 – Sixth Form
Grades Served

3Y-18Y
Age Group Served



Very Good
Rating by KHDA



Member
BSME



Outstanding
Rating by BSO



FACILITY HIGHLIGHTS

- Indoor and Outdoor Sports Facilities
- Indoor Multi-Purpose Hall
- Outdoor Football Pitch
- Swimming Pools
- Performing Arts Auditorium
- Art and Music Studios
- Thrive Centre (Inclusion Suite) and Sensory Rooms
- Science Laboratories
- ICT and Technology Labs
- Design and Food Technology Rooms
- STEAM Room
- Fitness Gym
- Sixth Form Centre



INTERNATIONAL BACCALAUREATE SCHOOLS



Greenfield International School

Greenfield International School (GIS) is a distinguished IB World School, fully authorised to offer the complete IB continuum from Pre-KG to Grade 12, encompassing the Primary Years Programme (PYP), the Middle Years Programme (MYP), and the Diploma Programme (DP). With a strong focus on academic excellence and exceptional teaching, GIS is committed to becoming a globally recognised leader in IB education. GIS has expanded its utilisation to 88.1%, surpassing its set business plan, reflecting its growing reputation and strong community demand.

Accredited by both the Council of International Schools (CIS) and the New England Association

of Schools and Colleges (NEASC), GIS upholds the highest international standards. Its commitment to quality education is further reflected in its 'Very Good' rating from the KHDA.

Recent milestones include the opening of a new expansion building serving 500+ students, the completion of eAssessments by the first full cohort of grade 10 students, and the refurbishment of the top floor of the lower primary building, six science labs, and the canteen. The school also sealed and interlocked the sand car park for parent use and upgraded its CCTV system to meet current Security Industry Regulatory Agency (SIRA) standards.



42,078 sqm
Campus Size

Pre-KG -12
Grades Served

3Y-18Y
Age Group Served



Very Good
Rating by KHDA



Accreditation
CIS, IBO, NEASC



BTEC Approved



FACILITY HIGHLIGHTS

- ICT Labs
- Science Laboratories
- Food Technology Lab
- Performing Arts Auditorium
- Music and Drama Studios
- Arts Studios
- Sports Hall
- Astro turf Pitches
- Swimming Pool
- Tennis and Netball Courts
- Fitness Gym





INTERNATIONAL BACCALAUREATE SCHOOLS



Uptown International School

Uptown International School (UIS) is a leading IB World School in Dubai, delivering an adapted IB curriculum tailored to the local context and the needs of its diverse student community. UIS has seen yearly increases in its utilisation rate, with the rate reaching 69.0% by end of FY 2024/25. The school continues to grow and will continue to ramp-up in the coming years to further enhance its utilisation.

UIS offers the complete IB continuum, comprising the Primary Years Programme (PYP), Middle Years Programme (MYP), and Diploma Programme (DP), providing a highly rigorous and respected pathway to some of the world's most prestigious universities.

UIS continues to innovate with initiatives such as the Design Engineer Construct (DEC) Primary Pilot, the Thrive Classroom for inclusive education, and sustainability efforts that earned the UAE Digital Sustainability Stamp. Partnerships with Spinneys and Jamie's Italian/ICCA College support real-world learning, while academic enrichment includes Athletics, the CMA Challenge, and the Dubai Maths Super League.

Students have excelled in the World Scholar's Cup, DASSA Swimming, and participated in the Harvard Leadership Programme. There have been ongoing campus enhancements as part of a broader strategy to future-proof the school's facilities and ensure a safe, modern, and inspiring environment for all learners.



62,428 sqm
Campus Size

Pre-K -12
Grades Served

6 Months-18Y
Age Group Served



Very Good
Rating by KHDA



Accreditation
CIS, IBO, NEASC



Awards
Awarded UAE Digital Sustainability Stamp for School-Wide Initiatives



FACILITY HIGHLIGHTS

- Science Laboratories
- Arts Studios
- ICT and Technology Labs
- Food and Design Technology Lab
- Indoor Swimming Pool
- Astro turf Pitches
- Fitness Gym
- Tennis Courts
- Padel Courts
- Outdoor Play Areas





INTERNATIONAL BACCALAUREATE SCHOOLS



Jumeira Bacculaureate School

Jumeira Bacculaureate School (JBS) is a leading IB World School in the heart of Dubai, delivering the complete IB continuum from Pre-KG to Grade 12 with a utilisation rate of 93.4%. With a strong focus on academic excellence, creativity, and holistic development, JBS offers an inspiring environment, supported by modern facilities and a commitment to nurturing well-rounded, globally minded learners.

As a fully authorised IB World School, JBS is also accredited by the Council of International Schools (CIS) and the New England Association of Schools and Colleges (NEASC) and holds a 'Very Good' rating from the KHDA. The school has introduced a pathway curriculum from Grade 9, with a particular focus

on Science and Languages, and has expanded its subject offerings to include Environmental Systems and Societies (ESS), Economics in the Diploma Programme (DP), and Computer Science and Sport Studies in the Middle Years Programme (MYP). Furthermore, JBS is recognised as one of the Yalla 100 StandOut UAE Schools 2024–2025 by Yalla Magazine Abu Dhabi and Carfax Education.

JBS has joined the Alliance for Sustainable Schools (TASS) and continues to embed sustainable practices across its campus, including the installation of solar panels, upgraded air conditioning, and CCTV systems meeting SIRA standards.



31,426 sqm
Campus Size

Pre-K -12
Grades Served

3Y-19Y
Age Group Served



Very Good
Rating by KHDA



Accreditation
CIS & IBO



Awards
ACE School of Character
Quality Mark Plus Award for
Character Education



FACILITY HIGHLIGHTS

- ICT Labs
- Science Laboratories
- Dance Studio
- Music Hall
- Arts Studio
- Design Technology Suite
- Multi-purpose Sports Halls
- Full-Size Grass Field
- Swimming Pool
- Roof Top Tennis Courts
- Padel Courts



INTERNATIONAL BACCALAUREATE SCHOOLS



Raha International School – Gardens Campus

Raha International School Gardens Campus (RISGC), established in 2006, is Abu Dhabi's first fully authorised IB World School, delivering the complete IB continuum from Early Years to Grade 12. Located in Khalifa City's Raha Gardens, the school booked a utilisation rate of 98.4%. It serves students in a nature-integrated setting and offers modern Arts, Music, and Science facilities.

Rated 'Very Good' by the ADEK and accredited by the Council of International Schools (CIS), RISGC recently launched a revised mission and vision centred on 'We Grow People', with a focus on relationships, excellence, and aspiration. Initiatives include the implementation of Middle Leadership Standards, the BlueSky appraisal system, and the Visible Learning programme,

contributing to a pass score increase from +58 to +67. Academic improvements include improved GL assessment outcomes, a comprehensive whole-school progress testing strategy, and a renewed focus on literacy. In addition, the Parent Advisory Board was relaunched this academic year, and net promoter scores nearing the 95% parent satisfaction target.

The school earned the ISO 45001 occupational health and safety certification, a 'Silver' Best Schools to Work award, and won Best Inclusive School at the MENA Schools Excellence Awards. RISGC is preparing for CIS, ADEK, and IB reviews scheduled for late 2025. It is a recognised Yalla 100 Stand Out UAE Schools 2024–2025 by Yalla Magazine Abu Dhabi and Carfax Education.



46,802 sqm
Campus Size

K-12
Grades Served

3Y-19Y
Age Group Served



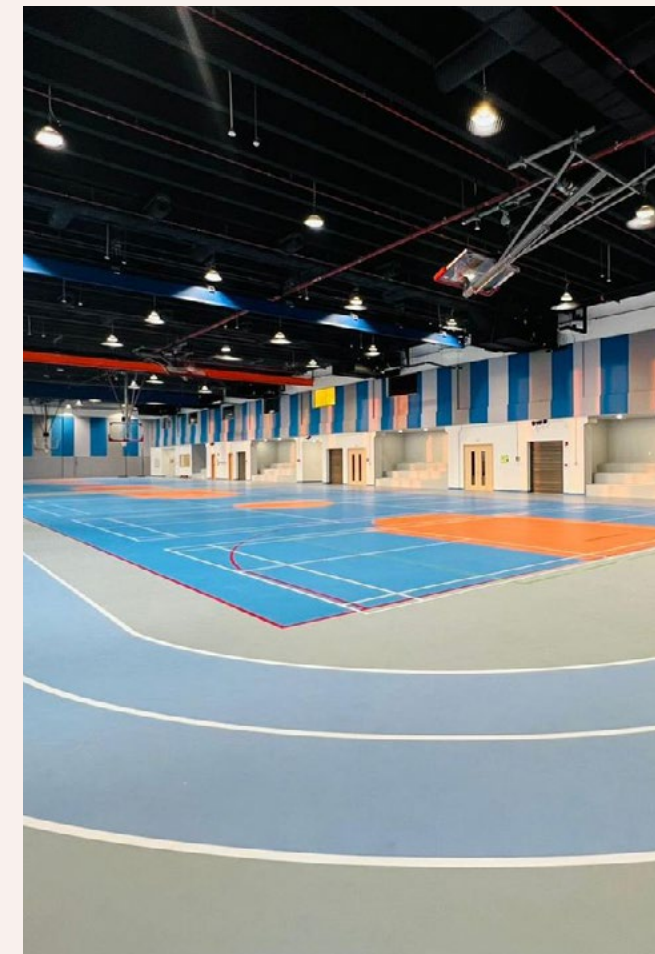
Very Good
Rating by ADEK



Accreditation
CIS & IBO



Awards
Silver Award for Best Schools to Work Survey



FACILITY HIGHLIGHTS

- Science Laboratories
- Performing Arts Auditorium with Orchestra Pit
- Digital and Product Design Studios
- Music and Drama Suite
- Arts Studios
- Sports Hall
- Football Pitches
- Swimming Pool and Training Pool
- Tennis Courts
- Library
- Early Years Playground



INTERNATIONAL BACCALAUREATE SCHOOLS



Raha International School – Khalifa City Campus

Raha International School Khalifa City Campus (RISKCC) opened in September 2020 to meet the growing demand for seats at the Gardens Campus and to support the increasing interest in the IB curriculum across the UAE. Utilisation in RISKCC continues to grow every year with an effective ramp-up strategy. The school ended the year with a utilisation rate of 55.6%.

The campus features a dedicated Early Years Centre, focused on creating safe, innovative, and collaborative learning environments that nurtures curiosity and inspires a lifelong love of learning.

Now in its fourth year of operation, RISKCC proudly received a 'Good' rating from the ADEK, which is the

highest rating typically awarded to schools during their initial evaluation. In recognition of its early progress, the school was named a 'One to Watch' by Yalla Magazine and Carfax Education in their inaugural education issue highlighting promising new schools across the UAE.

Students have excelled in sports, securing multiple titles in ADEK competitions and Junior NBA titles across various age groups. The Performing Arts programme also thrived, with highlights including musicals, art exhibitions, and a chorus performance at the Ritz Carlton. Teaching and learning were strengthened through positive evaluations from Taaleem and Visible Learning framework.



35,035 sqm
Campus Size

Pre-K–Grade 9
Grades Served

3Y–15Y
Age Group Served



Good
Rating by ADEK



Accreditation
CIS & IBO



Awards
ADEK Standardized Benchmark Assessment Award



FACILITY HIGHLIGHTS

- Indoor Swimming Pools
- Tennis Courts
- Fully Equipped Gymnasium
- Football Pitches and Sports
- Science Labs
- Product And Digital Design Studios
- Diploma Programme Suite (Oasis)
- Libraries
- Early Years Playground
- Cafeteria
- Fully Equipped Drama Studio





FRENCH CURRICULUM SCHOOLS

LYCEE LIBANAIS
FRANCOPHONE PRIVÉ
MEYDAN



Lycée Libanais Francophone Privé Meydan

Lycée Libanais Francophone Privé Meydan (LLFP Meydan) was acquired by Taaleem in a private off-market transaction as part of its strategic expansion into the high-demand French curriculum sector in the UAE. Fully operational and rated 'Very Good' by the KHDA, LLFP Meydan is regarded as one of Dubai's most respected schools among the emirate's rapidly growing Francophone community. With a 35,700-sqm campus and utilisation currently at 63.5%, the school offers immediate value and significant growth potential in the rapidly developing Meydan area.

The acquisition includes full ownership of the land and facilities, featuring seven eco-friendly buildings designed by Dorsch Gruppe. These award-winning structures are equipped with solar panels and surrounded by expansive green spaces, reflecting

the school's strong commitment to sustainability. Opened in 2021, the campus provides a modern, environmentally conscious learning environment that is fully aligned with Taaleem's values and long-term vision.

LLFP Meydan's integration into the Taaleem network supports the Group's diversified growth strategy and enhances its long-term resilience. As a cash-generative and profitable school, it strengthens Taaleem's portfolio while offering a strategic launchpad for further expansion in the Francophone education market. With its strong reputation, rising enrolment, and prime location, LLFP Meydan is positioned as a key asset in Taaleem's future growth trajectory. The school's formidable reputation, increasing enrolment, and strategic location position it as a key asset in Taaleem's future growth.



35,700 sqm
Campus Size

Pre-K-Grade 12
Grades Served

3Y-18Y
Age Group Served



Very Good
Rating by KHDA



Accreditation
AEFE



Awards
Awarded for Sustainable Design



FACILITY HIGHLIGHTS

- Green Campus Buildings
- Solar Panels
- Environmentally Friendly Design
- Auditorium
- Sports Halls
- Full-Size Football Field
- Playgrounds
- Tiered Facilities
- Science and Technology Labs
- Music Rooms
- Art Rooms
- Libraries
- Hydroponic and Glass House Plantation

AMERICAN CURRICULUM SCHOOLS



American Academy for Girls

The American Academy for Girls (AAG) is a distinguished educational school committed to delivering a rigorous American curriculum that empowers young women to become innovative leaders in both local and global communities. With a utilisation rate of 59.9%, AAG provides a focused and personalised learning experience. The school is rated 'Good' by the KHDA and is jointly accredited by the New England Association of Schools and Colleges (NEASC) and the Council of International Schools (CIS).

In its pursuit of excellence and commitment to holistic development, AAG has introduced several impactful strategic initiatives aimed at enhancing the student experience. A new child protection platform has been implemented to enhance student safety and wellbeing. The installation

of a new state-of-the-art artificial pitch has further enriched the school's physical education and extracurricular programmes. As part of its sustainability efforts, AAG has also installed solar panels and established the 'Basmat Al Beeah' Environmental Centre to foster environmental awareness and promote a culture of responsibility within the school community.

The school also celebrated the vital contributions of Emirati women through the inspiring Women of Distinction event. Reflecting its strong workplace culture and commitment to staff wellbeing, AAG earned 'Platinum' status in the Best Schools to Work survey. Additionally, the introduction of a new sensory room supports the diverse learning needs of students, fostering an inclusive, supportive, and nurturing educational environment.



12,051 sqm
Campus Size

Pre K - 12
Grades Served

3Y-18Y
Age Group Served



Good
Rating by KHDA



Accreditation
CIS & NEASC



Awards
Platinum Result from the Best Schools to Work Survey



FACILITY HIGHLIGHTS

- Science Laboratories
- Music Suite
- Sports Hall
- Cafeteria
- Outdoor Play Areas
- Art Studios
- Astroturf Pitch
- Swimming pool
- Library
- Sensory rooms



Super-Premium Schools

Super-premium schools deliver an unparalleled educational experience, combining world-class teaching, exceptional facilities, and tailored programmes.

In response to a growing demand for super-premium education in the region, where 10% of private K-12 schools now charge over AED 80,000, Taaleem is proud to announce its strategic entry into the super-premium segment. This move is anchored by a regionally exclusive partnership with Harrow International Schools, the global arm of the prestigious Harrow School in the United Kingdom. Through this alliance, Taaleem holds

the exclusive rights to establish and operate Harrow International Schools across the GCC countries: the UAE, Saudi Arabia, Bahrain, Oman, Qatar, and Kuwait.

With two Harrow schools already in the pipeline, Harrow Dubai set to launch in the 2026–2027 academic year and Harrow Abu Dhabi afterwards, Taaleem is poised to redefine excellence in the region’s educational landscape.

UPCOMING SCHOOL

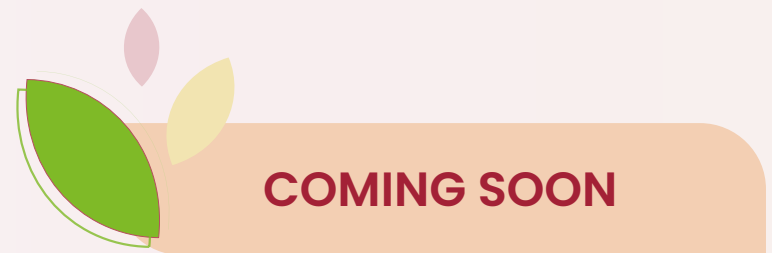




Harrow School – Dubai

Opening in August 2026, Harrow School Dubai, marks a prestigious new chapter in the UAE’s educational landscape and signifies Taaleem’s entry into the super-premium education segment. Established as part of a strategic alliance with Harrow International Schools Limited, the school will bring the heritage and academic excellence of the iconic Harrow School UK to the heart of Dubai. Designed by the renowned KODA architects, the state-of-the-art campus will feature purpose-built classrooms, world-class sports and arts facilities, and leadership programmes that embody Harrow’s core values and uncompromising standards of excellence.

Harrow School Dubai will deliver a world-class British curriculum enriched by Harrow’s distinctive values-led approach, with a strong emphasis on academic excellence, character development, and leadership. Designed to provide a holistic educational experience, students will follow a broad and balanced programme that integrates STEM, humanities, the arts, and sport, all within a nurturing, state-of-the-art learning environment. Reflecting the heritage, traditions, and uncompromising standards of its historic counterpart in the UK, Harrow School Dubai is set to become a beacon of elite British education in the region.

Construction started and is on track to meet the expected launch date in September 2026.



	
50,000 sqm Campus Size	1,800 Students Capacity
K-12 Grades Served	



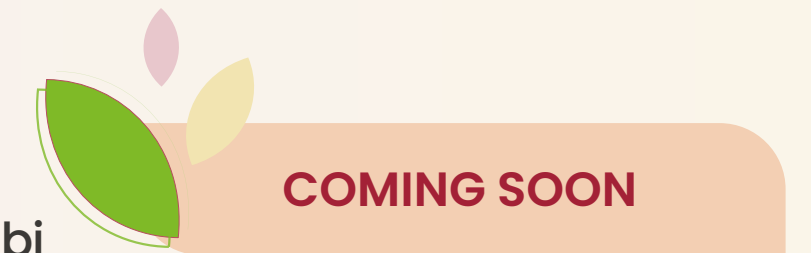
Harrow on the Hill, London





Harrow School – Abu Dhabi

As part of the Group’s expansion plans, Harrow School Abu Dhabi will bring the distinguished heritage and academic excellence of the iconic Harrow School UK to the capital of the UAE, becoming the first ever boarding school in Abu Dhabi, further strengthening Taaleem’s presence in the super-premium education segment, Harrow School Abu Dhabi, will bring the distinguished heritage and academic excellence of the iconic Harrow School UK to the capital of the UAE, becoming the first-ever boarding school in Abu Dhabi.

Located on the prestigious Saadiyat Island, the school is being established in partnership with Harrow International Schools Limited. Upholding the traditions of the original Harrow—founded in 1572 under a Royal Charter from Queen Elizabeth I—the campus will deliver a forward-thinking, values-driven education tailored to the region’s evolving needs. Designed by the acclaimed



	
70,369 sqm Campus Size	1,800 Students Capacity
K-12 Grades Served	



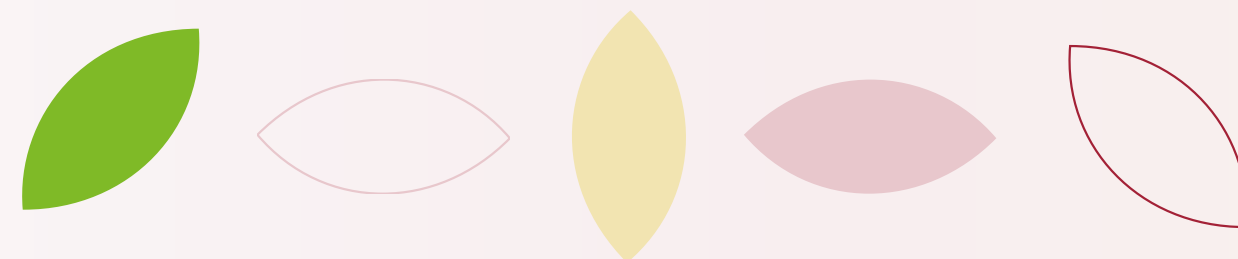
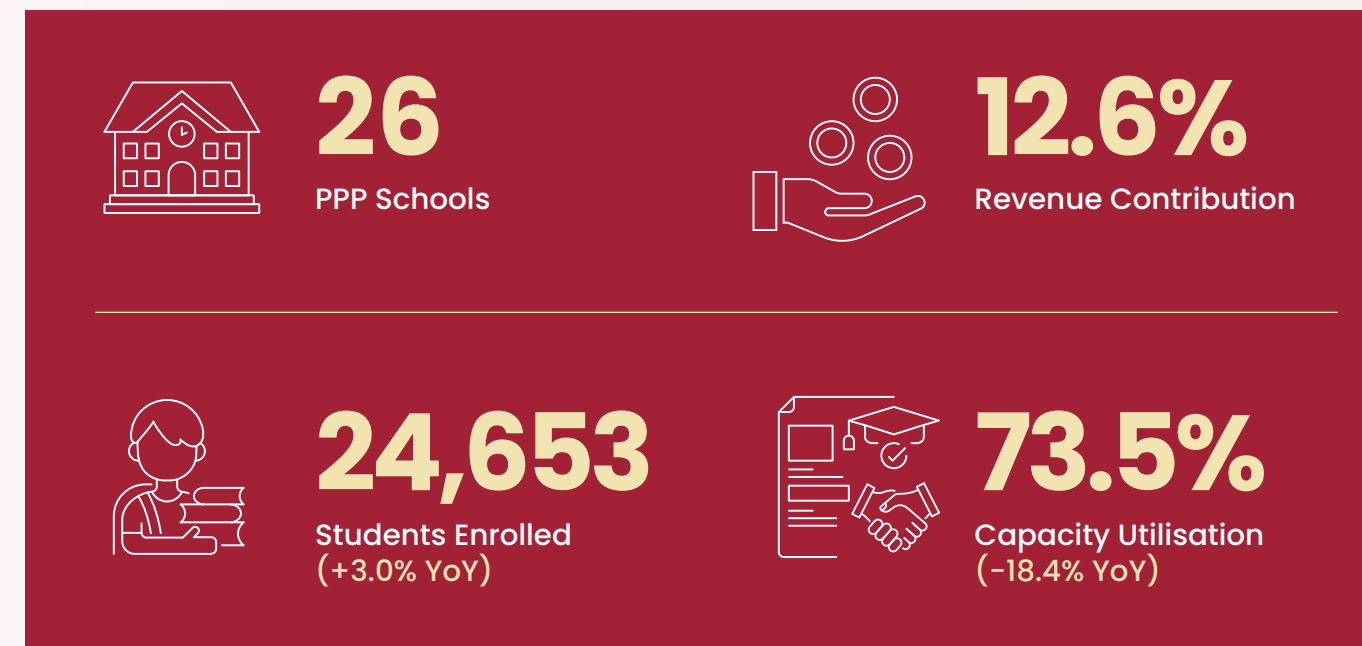


GOVERNMENT PARTNERSHIP SCHOOLS

Government partnership schools, operated in collaboration with the Abu Dhabi Department of Education and Knowledge (ADEK), the Knowledge and Human Development Authority (KHDA), and the Ministry of Education (MoE), uphold the highest educational standards, ensuring equitable access to quality learning while supporting personalised student development.

Taaleem's government partnerships reflect its commitment to advancing the UAE's vision of enhancing educational outcomes for both Emirati and expatriate students. With 26 government-affiliated schools under its management, primarily in Dubai and Abu Dhabi, Taaleem has established itself as a key contributor to the national education landscape. In the 2024–2025 academic year, the Group expanded its footprint by securing

four additional nurseries through the Abu Dhabi 'Charter Schools' partnership and renewed the 'Charter Schools' contract for another three years, effective AY2025–2026. This growth not only broadens access to quality education but also enhances operational efficiency, strengthens collaboration with UAE education authorities, and contributes to shaping a more dynamic and inclusive educational ecosystem.





Within the UAE's educational landscape, the government has introduced three distinct PPP models in education, each with its own regulatory authorities, operating structures, and geographic focuses. Despite these differences, all models share a common objective: providing high-quality education to students and expanding access to learning opportunities for students across the country.



3 'Dubai Schools-PPP' Operated by Taaleem

'Dubai Schools-PPP': Taaleem operates three schools under the PPP initiative, funded by the Knowledge Fund Establishment (KFE). These schools provide subsidised access to quality education for Emirati students while offering competitive tuition for expatriate families.

Under this model, the funding bodies primarily cover initial capital investments, including expansion-

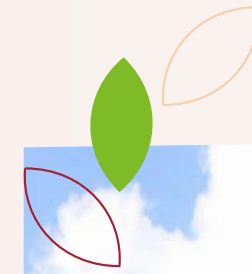
related expenditures and costs associated with land and building leases. Taaleem is responsible for managing operational costs, maintenance-related capital expenditures, and most importantly, ensuring the quality of education delivered. Unlike traditional fixed-fee management models, Taaleem's compensation is directly linked to student enrolment, aligning its incentives with performance, growth, and educational outcomes.



15 Abu Dhabi 'Charter Schools' Operated by Taaleem

Abu Dhabi 'Charter Schools': Taaleem manages 11 schools and four nurseries in collaboration with the ADEK under the Abu Dhabi 'Charter Schools' initiative. These schools and nurseries, owned by ADEK, are designed to enhance public education by offering high-quality, government-subsidised education free of charge to Emirati students. Under this model, ADEK is responsible for funding

both capital and operational expenditures, while Taaleem focuses on managing operations, ensuring educational quality, and driving student success. In return, Taaleem receives a fixed management fee supplemented by performance-based incentives tied to the achievement of predefined key performance indicators (KPIs).



8 'Ajyal Schools' Operated by Taaleem

'Ajyal Schools': Through the 'Ajyal Schools' agreement, Taaleem operates a total of eight public schools located across the Northern Emirates, including Sharjah, Ajman, Ras Al Khaimah, Fujairah and Dubai, under the oversight of the MoE. These schools deliver high-quality American curriculum education designed to

meet the educational needs of Emirati students. Under this model, the federal government funds all capital and operational expenditures, while Taaleem receives operating fees consisting of both a fixed component and a variable, performance-based component based tied to the achievement of KPIs.



EARLY CHILDHOOD EDUCATION

(KFG NURSERIES)

Taaleem’s strategic acquisition of Kids First Group (KFG) represents a significant expansion into the Early Childhood Education sector, positioning the company to capitalise on a high-growth market. This move unlocks new opportunities for innovation and the delivery of exceptional early learning experiences tailored to nurture young minds during their most formative years.

With a robust network of 34 nurseries across the UAE and Qatar, Taaleem is rapidly expanding its presence in the ECE sector. Established in 2011, Kids First Group (KFG) has earned recognition as a market leader in the GCC’s premium early education segment, offering a diverse portfolio of four internationally respected curricula (Montessori, IB Primary Years Programme (PYP), Washington State Guidelines for the Reggio Emilia Approach, and the UK Early Years Foundation Stage). These are delivered through a portfolio of its well-established brands, including Redwood Montessori, Redwood Centre of Excellence, Odyssey, Willow Children’s Nursery, Ladybird, and Children’s Oasis.

With a current capacity of 5,988 students and a clear trajectory to reach 9,500 by 2029, KFG is one of the few providers operating at meaningful scale in a highly fragmented market. This strategic acquisition positions Taaleem at the forefront of early years education in the region, unlocking opportunities for

innovation, brand consolidation, and sustainable long-term growth.

The ECE landscape in the UAE is entering a dynamic phase of growth, fuelled by increased private sector investment, a supportive regulatory environment, and shifting societal trends, including the rise of dual-income households and a growing expatriate population. Against this backdrop, Taaleem’s acquisition of a 95% stake in KFG marks a planned strategic move into a high-potential market.

KFG’s differentiated approach, which blends educational excellence with eco-conscious practices and community-led models, effectively caters to the diverse needs of modern families and reinforces its reputation for trust, innovation, and quality. This acquisition not only strengthens Taaleem’s leadership in early education but also aligns seamlessly with its broader mission to deliver inclusive, high-quality learning experiences across the region.

KFG Nurseries



34
Nurseries

6
Nursery Brands

3M- 6Y
Age Group Served



4,968
Students Enrolled

5,988
Capacity

83.0%
Capacity Utilisation



Early Years Foundation Stage
Accredited

IB Primary Years Programme (PYP)
Accredited

Montessori
Accredited



MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Taaleem closed FY 2024/25 with robust results, reflecting the disciplined execution of its growth strategy. Total revenues rose 22.2% y-o-y to AED 1,168.2 million, surpassing the AED 1 billion milestone for the first time. Growth was underpinned by record enrolments, the launch of new schools, and value-creating acquisitions. Net profit increased 19.2% to AED 164.5 million, driven by the rapid growth in enrolments and supported by disciplined cost management. The Group also accelerated investment during the year, deploying AED 763.5 million primarily into strategic acquisitions, most notably a 95% stake in Kids First Group (KFG) alongside the purchase of new schools, as well as capacity additions and campus enhancements. These investments were funded through a balanced mix of internal resources and long-term financing with favourable terms. These achievements reinforce Taaleem's position as the UAE's most diversified education provider, with a growing presence across premium, super-premium, and early childhood education, whilst positioning the Group for future growth by creating additional capacity for new student enrolments.

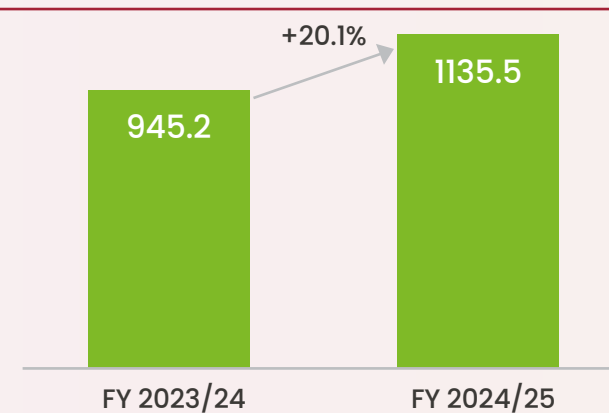
Revenue

During FY 2024/25, Taaleem generated operating revenues of AED 1,135.5 million, an increase of 20.1% compared with AED 945.2 million the previous year. This step-up reflects the combined effect of stronger student intake, the ramp-up of recently opened schools, and targeted portfolio acquisitions. Premium schools remained the main driver of performance, contributing AED 992.3 million, up 18.7% y-o-y and accounting for 87.4% of Taaleem's revenues for the year. Government partnership schools also delivered meaningful growth, with revenues expanding by 31.0% to AED 143.2 million, representing 12.6% of the total revenues recorded during FY 2024/25. Overall, the Group's revenue trajectory was supported by an 9.1% uplift in student enrolment to 41,365 students, on the back of a 28.5% expansion in capacity to 55,127 seats. While the addition of significant new capacity decreased total utilisation by 13.4%, it positions Taaleem for multi-year growth.

With strong demand drivers in place, including population growth, rising demand for high-quality private education, and supportive macroeconomic trends in the UAE, the Group is well positioned to capitalise on this headroom and convert new

capacity into sustained enrolment growth. The completion of the Kids First Group (KFG) acquisition in the final quarter did not materially affect FY 2024/25 results, though it establishes a new revenue stream that will be reflected from the first quarter of FY 2025/26. KFG is projected to generate approximately AED 290 million in revenues next year and around AED 100 million in EBITDA, underscoring its strong profitability and strategic value to the Group.

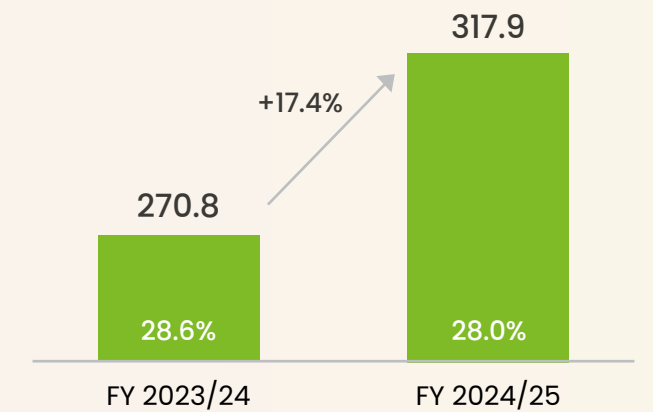
OPERATING REVENUES (AED Million)



EBITDA

EBITDA for FY 2024/25 increased by 17.4% y-o-y to AED 317.9 million, supported by strong revenue growth across the portfolio. The EBITDA margin, however, moderated to 28.0% from 28.6% recorded in the prior year, reflecting the impact of the pre-operational expenses and ramp-up costs related to the development of new projects such as DBS Mira and the upcoming Harrow schools. While higher operating and facility costs tied to portfolio growth added pressure, profitability at mature schools remained resilient. As these investments mature and utilisation builds, profitability is expected to increase in the coming years, positioning the temporary drop in EBITDA margin as a short-term effect of the long-term growth and value accretion.

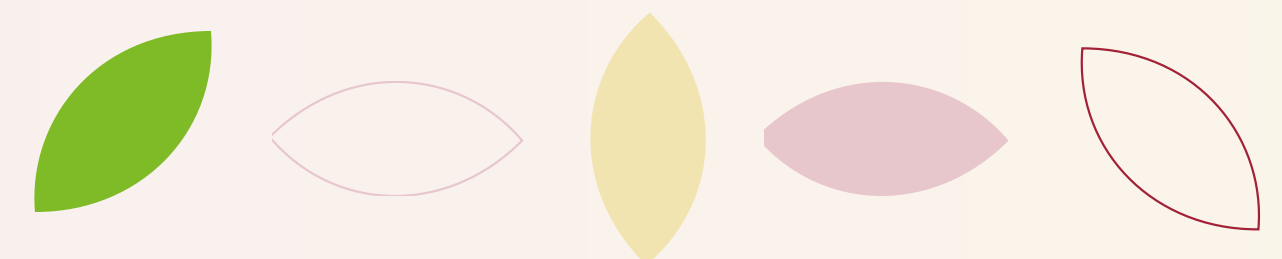
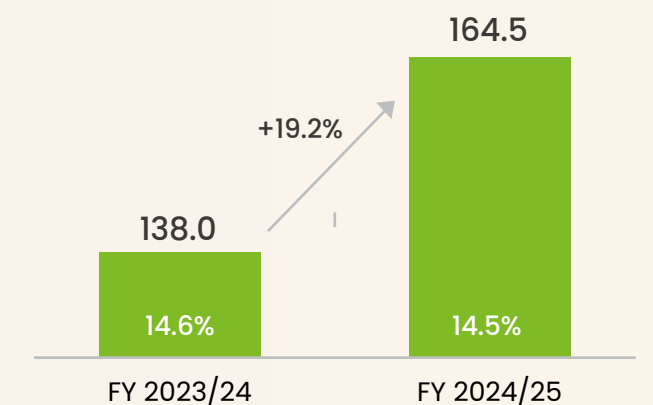
EBITDA (AED M) AND MARGIN



Net Profit

Net profit for FY 2024/25 rose 19.2% y-o-y to AED 164.5 million, with the margin easing to 14.5% from 14.6% in the prior year. The increase in net profit was underpinned by revenue growth across both premium and government segments, partially offset by higher operational expenses and higher finance costs following the funding of the Kids First Group (KFG) acquisition. While these factors weighed on reported profitability, they reflect the upfront impact of Taaleem's accelerated growth strategy. As new capacity ramps up, utilisation improves, and financing is absorbed by a broader earnings base, margins are expected to stabilise, supporting long-term earnings growth.

NET PROFIT (AED M) AND MARGIN





Balance Sheet Strength

Taaleem continued to demonstrate disciplined financial management in FY 2024/25, balancing substantial investment with a resilient capital structure. The Group deployed AED 763.5 million in capital expenditure during the year to fund the acquisition of a 95% stake in Kids First Group (KFG), the acquisition of Lycée Libanais Francophone Privé Meydan (LLFPM), the purchase of DBS Islands land and buildings, and the securing of land leases for upcoming Harrow schools, alongside capacity expansions in existing schools. The KFG transaction, which was financed through a mix of operating cash flows and carefully managed borrowings, was the primary driver of the increase in leverage ratios.

As of 31 August 2025, Taaleem reported a net debt position of AED 861.9 million compared with a net cash position of AED 560.3 million in the prior year, reflecting an increase of AED 1,422.2 million in debt. This translated to a debt-to-equity ratio of 0.75, compared with 0.08 the previous year. Despite this increase, the Group maintained a healthy liquidity position, supported by AED 531.4 million in deposits and cash balances. The Group's investments are supported by operating cash generation and prudent use of debt capacity, with the IPO proceeds remaining in place as a strategic buffer. This prudent approach gives Taaleem the flexibility to pursue further strategic mergers and acquisitions, including the upcoming Harrow schools, whilst continuing to deliver on its organic growth agenda.

Debt & Net Debt (AED M)	FY 2023/24	FY 2024/25	Difference	YoY▲
Total Debt	140.2	1,327.2	1,187.0	846.8%
Deposits (wakala)	360.0	134.8	(225.3)	-62.6%
Cash & cash equivalents	374.0	396.7	22.7	6.1%
Total Deposits, Cash & Equivalents	734.0	531.4	(202.6)	-27.6%
Restricted Cash*	33.5	66.2	32.6	97.4%
Net Debt	(560.3)	861.9	1,422.2	-253.8%

Strategic Progress

Taaleem has been overachieving on its five-year growth strategy, delivering progress across all three pillars: scaling its premium portfolio, entering the super-premium segment, and broadening government partnerships, while also expanding into a brand new and rapidly growing segment through its entry into Early Childhood Education.

The Group's entry into early childhood education was marked through the acquisition of a 95%

stake in Kids First Group, one of the Gulf's largest nursery operators with 34 centres across the UAE and Qatar. Serving 4,968 children at an 83.0% utilisation rate, this asset-light, cash-generative business diversifies the Group's revenue streams and broadens its base beyond K-12 schools.

KFG operates 34 nurseries under six brands, offering four curricula across its UAE and Qatar locations. This diversified portfolio gives the Group strong market presence and exposure to

multiple customer segments. Its lease-based, asset-light operating model enhances returns while requiring limited capital outlay, supporting strong cash generation. The acquisition represents a transformational step in Taaleem's growth journey.

In the premium segment, capacity expanded by 28.0% y-o-y to 21,574 seats following the launch of Dubai British School Jumeira, the acquisition of Lycée Libanais Francophone Privé Meydan, and the expansion of Greenfield International School. Enrolments increased by 19.3% to 16,712 students. Available seats increased by 70.5%, reaching 4,862 as of 31 August 2025, with utilisation levels temporarily lower, recording 77.5% as newly launched campuses continue to scale enrolments. The completion of DBS Mira and the launch of DBS Islands (DBS EH expansion), both opening in September 2025, will further enhance the Group's British curriculum offering and will add over 2,200 additional seats to the FY 2025/26 portfolio.

In the super-premium segment, Taaleem formalised its strategic entry through an exclusive partnership with Harrow International Schools, granting rights to establish Harrow-branded schools across six GCC countries. This move establishes the Group's presence in the super-premium tier, targeting a market where demand is accelerating. Construction has commenced on the Harrow Dubai campus, which is scheduled to open in September 2026 with capacity for 1,800 students with Harrow Abu Dhabi set to follow. Both schools are being designed by KODA Architects to deliver Harrow's hallmark blend of academic excellence, character development, and leadership, supported by world-class sports and arts facilities. Harrow Dubai has already attracted strong early inquiries from families, confirming the strength of demand for super-premium education in the region.

Government partnerships also expanded, with the addition of four new nurseries under the Abu Dhabi 'Charter Schools' programme and the continued ramp-up of Dubai PPP campuses. Capacity increased by 28.9% to 33,553 seats, with enrolment up 3.0% to 24,653 students. As a result, available seats increased by 322.0%, reaching 8,900, with utilisation temporarily down to 73.5% as of 31 August 2025, down from 91.9% in the previous year, reflecting the early-stage growth phase of new and expanded institutions providing ample headroom for future enrolments. These partnerships reinforce Taaleem's alignment with national education priorities and reflect their strong ties with government bodies, whilst delivering stable, long-term impact.

Overall, this progress reflects Taaleem's disciplined execution of its growth strategy, positioning the Group as the UAE's most diversified education provider, spanning premium, super-premium, and early childhood education, underpinned by a balanced model of organic expansion and strategic acquisitions.

Outlook



Taaleem enters FY 2025/26 with clear momentum, supported by new premium capacity at DBS Mira, the consolidation of Kids First Group, and continued progress on Harrow Dubai. These investments strengthen the Group's diversified platform across premium, super-premium, and early childhood education. With ample capacity to absorb further enrolment growth, Taaleem is positioned to enhance profitability and reinforce its leadership in the UAE's education sector.



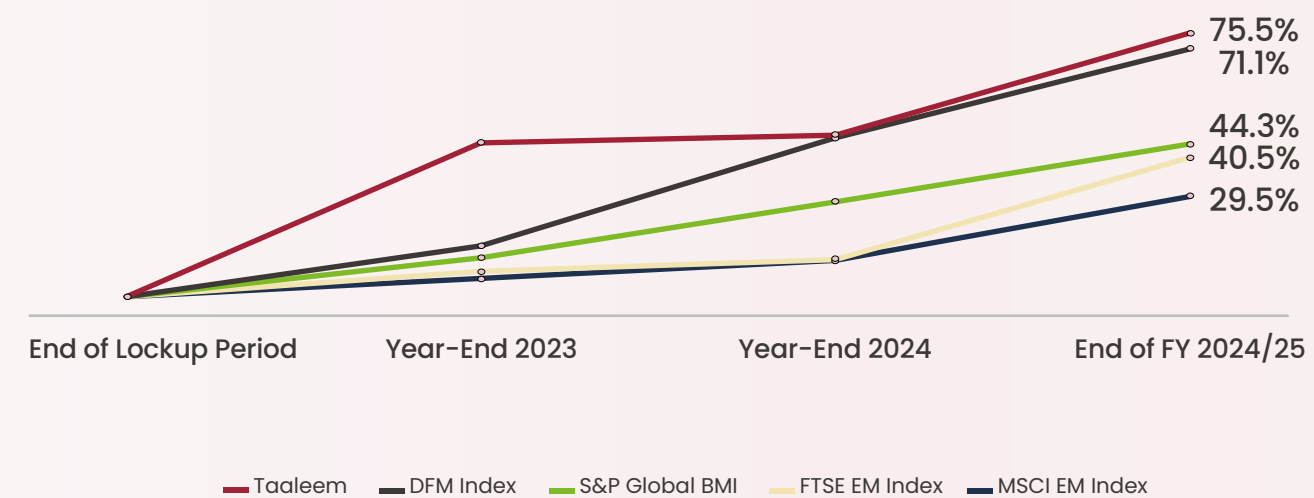


STOCK INFORMATION

Listed on the Dubai Financial Market since 29 November 2022. All information is as of 31 August 2025. Taaleem stock delivers higher than average returns compared to key indices.

 <p>AED 4.74 Share Price (+41% YoY +77% since IPO)</p>	 <p>AED 4.85 52W High</p>
<p>AED 4.79–6.50 Target Price Average AED 5.52 (16% upside)</p>	<p>AED 3.40 52W High</p>

SHARE PRICE PERFORMANCE



Performance vs. Key Indices

	Rebased at IPO	May 2023 (End of Lockup)	Year-End 2023	Year-End 2024	End of FY 2024/25
TAALEEM	100.0	100.0	144.1	146.3	175.6
DFM Index	100.0	100.0	114.6	145.6	171.1
S&P Global BMI	100.0	100.0	111.3	127.5	144.3
FTSE EM Index	100.0	100.0	107.4	110.8	140.5
MSCI EM Index	100.0	100.0	105.4	110.7	129.5

Shareholders Structure

Diversified shareholders with strong institutional trust.

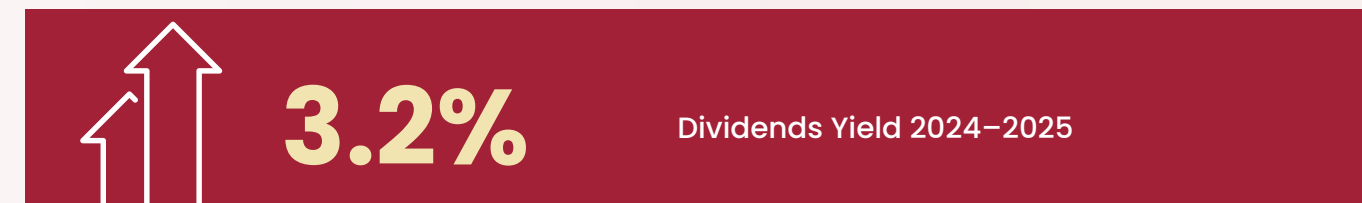
Institutional Investors and Asset Management Firms	74.4%
Retail Investors	19.8%
Banks	5.7%
Governments	0.1%
Private Companies	0.03%
Liquidity Providers	0.02%



Dividends Policy

Since its IPO, Taaleem has upheld a consistent dividend policy, providing shareholders with good yields and reliable returns while maintaining flexibility to support long-term growth.

Financial Year	Type	Dividend (AED/SHARE)	Ex-Dividend Date	Payment Date
2024-25	Annual	0.15	TBA	TBA
2023-24	Annual	0.12	14 Nov 2024	26 Nov 2024
2022-23	Annual	0.11	9 Nov 2023	21 Nov 2023



Analysts Coverage

Covered by top-tier analysts with progressively strong upside targets.

Institution	Target Price	Upside vs. 31 Aug 2025	Issue Date
EFG Hermes	AED 5.45	37%	16 Jul 2025
Arqaam Capital	AED 6.00	27%	25 Jun 2025
SICO	AED 5.20	10%	26 Sep 2024
Al Ramz	AED 4.70	-0.8%	4 Apr 2024

Investor Relations

Active investor relations team with consistent engagement with the investment community and membership in the Middle East Investor Relations Association (MEIRA).

- Participating in 12 key conferences in Dubai, Abu Dhabi, and London, such as:
 - EFG Annual Conference
 - HSBC GCC Exchanges Conference
 - DFM Capital Market Summit
- Discussions with over 90 investors and analysts
- Active participation in MEIRA events



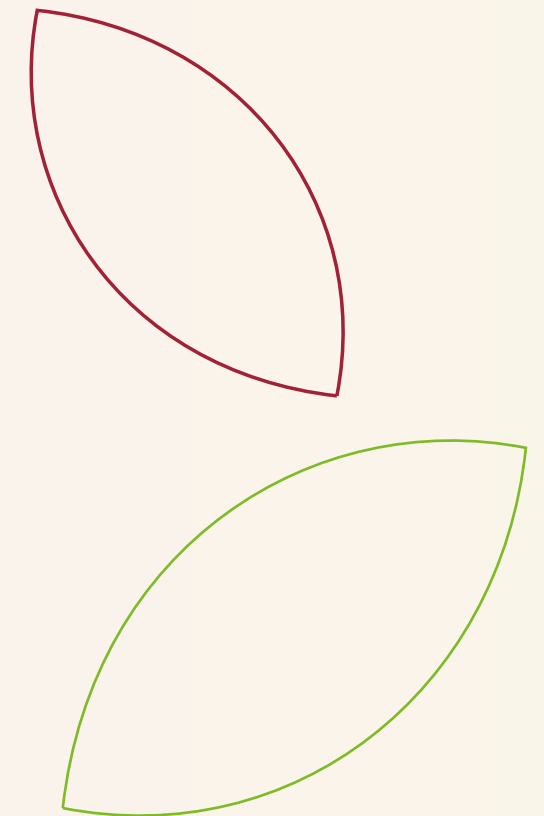
Investor Relations Contact

Nora Ghannam

Head of Investor Relations

ir@taaleem.ae

+971-50-114-2365



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EDUCATING FOR A SUSTAINABLE FUTURE

At Taaleem, sustainability is more than a commitment; it is an educational mission. Our approach recognises that lasting transformation begins in the classroom and radiates outward, shaping not only how students learn but how they live, lead, and contribute to society.

We believe that every school is a platform for change. By equipping young learners with future-ready skills, resilience, environmental awareness, collaboration, and ethical leadership, we prepare them to thrive in a world where sustainability is central. These values extend beyond our classrooms into families and communities, reinforcing the positive impact of our schools across the UAE.

Through student-led initiatives, such as hydroponic farming, zero-waste campaigns, digital wellness programmes, and climate action projects, our students are demonstrating that learning can be both meaningful and actionable. Every project reflects a culture of responsibility and ensures that sustainability is woven into daily school life.

Overview

In FY 2024–2025, Taaleem deepened its sustainability journey through decisive actions and measurable impact. We advanced our environmental commitment by aligning with the UN Global Compact (UNGC) and actively supporting the UAE Net Zero 2050 strategy. Significant progress was made through the expansion of solar energy projects across our schools, reducing emissions and fostering a culture of renewable energy use.

Alongside this, environmental awareness was embedded into curricula and extracurricular programmes, ensuring that students not only learn about sustainability but also live it in their daily school experiences.

Equally important were the social dimensions of our efforts. At Taaleem, we believe that sustainability begins with people, and during the year, we placed student wellbeing, voice, and inclusivity at the heart of our agenda. From amplifying student-led initiatives to reinforcing wellbeing and mental health programmes, we created spaces where every learner feels empowered, supported, and valued.

Inclusivity remained a cornerstone of our approach, with diversity initiatives and community engagement projects strengthening our impact beyond school walls and ensuring that our commitment to equity and social progress is both visible and actionable.

At the governance level, we strengthened our framework to ensure sustainability is not only a practice but also a principle guiding decision-making across the organisation. By embedding ESG oversight at the Board level, we created structures that reinforce accountability, transparency, and long-term alignment with global best practices. Enhanced policies around ethics, compliance, and reporting standards provided measurable integrity to our commitments, while clear monitoring mechanisms ensured that progress could be tracked and shared openly with stakeholders.

These combined efforts were recognised nationally and internationally, with Taaleem earning prestigious sustainability awards that celebrate our leadership in education and our broader contribution to a greener, fairer, and more responsible future.





Establishing the Foundation for ESG Strategy

Together, education and sustainability build the foundation for tomorrow.

Taaleem's educational framework aligns with the UN's SDGs, combining academic skills with environmental stewardship and global citizenship to promote a holistic understanding of sustainability challenges and solutions.

LINKING OUR FIVE FOCUS AREAS TO THE SDGS

School Uniforms	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 	14 LIFE BELOW WATER 	15 LIFE ON LAND
School Food	3 GOOD HEALTH AND WELL-BEING 	13 CLIMATE ACTION 	14 LIFE BELOW WATER 	15 LIFE ON LAND
School Buses	3 GOOD HEALTH AND WELL-BEING 	7 AFFORDABLE AND CLEAN ENERGY 	11 SUSTAINABLE CITIES AND COMMUNITIES 	13 CLIMATE ACTION
School Buildings	7 AFFORDABLE AND CLEAN ENERGY 	11 SUSTAINABLE CITIES AND COMMUNITIES 	13 CLIMATE ACTION 	
Education for Sustainability	4 QUALITY EDUCATION 	8 DECENT WORK AND ECONOMIC GROWTH 	13 CLIMATE ACTION 	





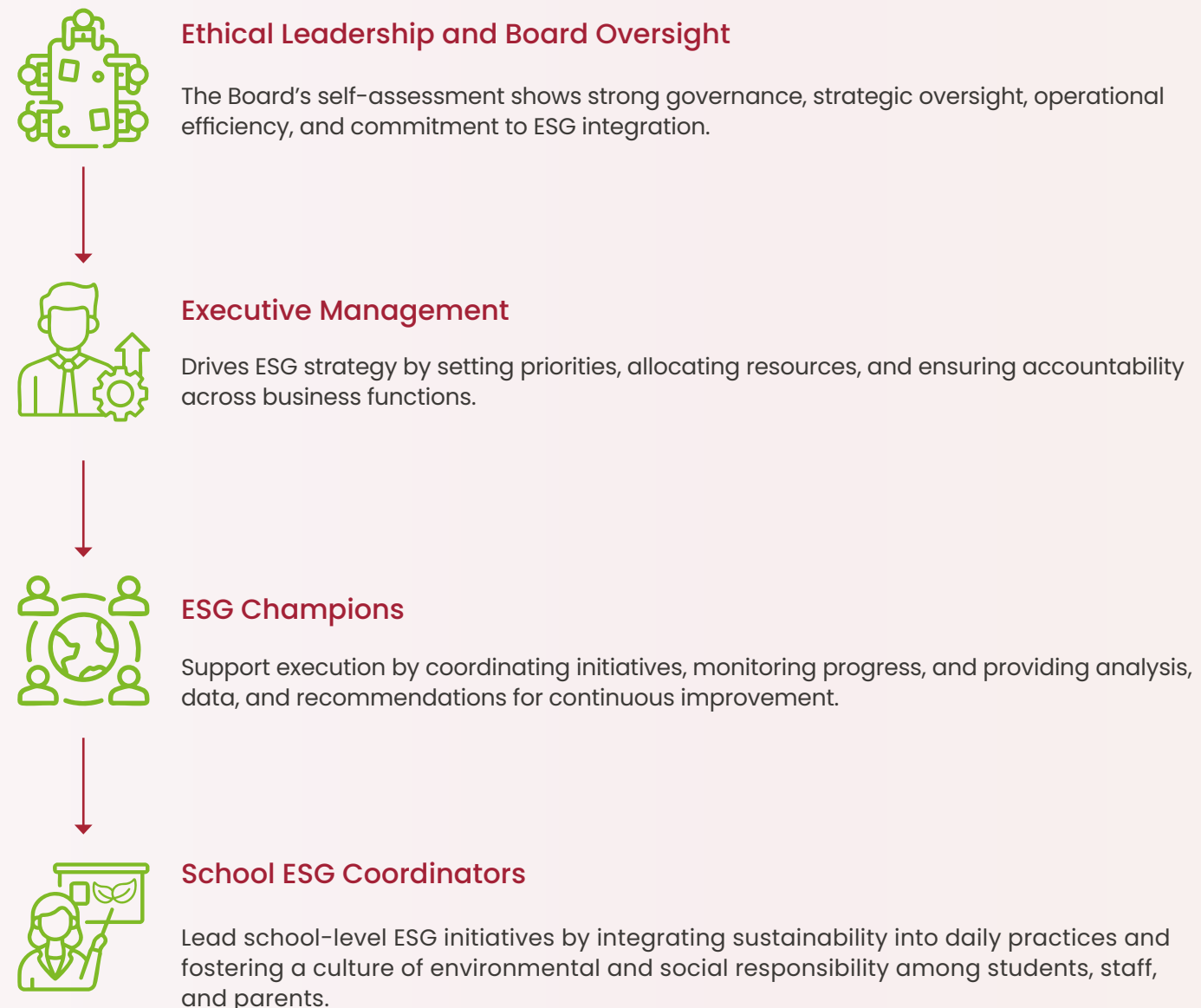
ACCOUNTABILITY THROUGH OUR BOARD

Through its leadership, the Board drives progress while ensuring integrity.

Ethical Leadership and Board Oversight

Taaleem upholds the highest standards of ethical governance, placing sustainability and financial integrity at the core of decision-making. The Board of Directors also demonstrates the Group leadership's strong commitment to ESG principles; all Board meetings held in 2024–2025 included ESG discussions.

A well-structured, multi-tiered ESG governance model ensures these principles are embedded transparently and effectively across the Group's operations and strategic planning.



Listening to Our Stakeholders

True sustainability is built on dialogue, trust, and shared responsibility.

Purpose and Approach

Taaleem conducted a GRI 3-aligned Materiality Assessment to identify and prioritise key ESG topics affecting its long-term value. Guided by UAE SCA directives and global standards, the process involved structured 2024 stakeholder engagement to align sustainability priorities with expectations and strategic risks.

	Stakeholder Group	Engagement Methods	Frequency
	Board of Directors	With agenda on ESG performance	Quarterly
	School Leaders	Strategy meetings	Periodic, as needed
	Teachers and Staff	'YourVoice' survey, wellbeing workshops, staff forums, training	Annual (survey), ongoing
	Students	Surveys, school councils, sustainability clubs, ESG projects	Monthly to quarterly
	Parents and Guardians	Newsletters, feedback forums and surveys, town halls, emails	Quarterly, as needed
	Regulators (ADEK, KHDA)	Compliance audits, policy consultations	Bi-annually or ad hoc
	Vendors and Partners	Onboarding, vetting process, supplier assessments, contractual feedback	Annually
	Local Communities	School events, volunteering programmes	Ongoing



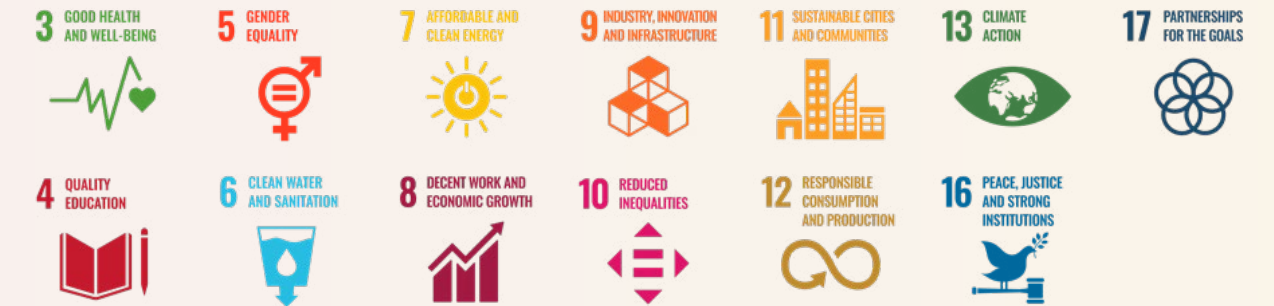
Our Material Topics

Our priorities are shaped by what matters most to our stakeholders and to the future.

Materiality Matrix

Materiality Grading	Material Topics
Major	S6: Safe and Supportive Workplaces
	G6: Secure and Responsible Digital Transformation
	G2: Board Leadership and Accountability
	S3: Holistic Student Wellbeing and Safety
	G5: Data Privacy
	G1: Ethical Governance and Financial Integrity
Significant	S1: Sustainable and Responsible Procurement
	E1: Climate Action and Carbon Neutrality
	S7: Global Safety Standards and Employee Wellbeing
	G3: Enterprise Risk and Whistleblower Protection
	E3: Climate Resilience and Disaster Preparedness
	S5: Inclusive and Multicultural Education
	G4: AI Ethics and Cybersecurity in Education
	S8: Sustainable Community and Stakeholder Engagement
	E2: Green Infrastructure and Resource Management
	S4: Fair and Equitable Workforce
	S2: Innovation and Inclusive Education
Moderate	G7: Parental and Stakeholder Engagement in ESG

Aligned UN SDGs



Major, significant, and moderate are all important priorities. The categories simply indicate different levels of urgency and impact as identified through a stakeholder survey.



Tracking Environmental Impact

Behind every metric lies a responsibility: to reduce harm, to restore balance, and to safeguard the Earth for generations to come.

Environment

‘Sustainability begins with responsible resource use.’

At Taaleem, sustainability is a principle embedded in how we operate and grow. This year, we advanced our environmental agenda through renewable energy projects, responsible waste management, and water conservation initiatives across our schools. As our network of campuses expands, we remain mindful of our environmental

footprint, ensuring that growth goes hand in hand with conservation.

Aligned with the UAE’s Net Zero 2050 Strategy, we continue to innovate in reducing emissions and resource use while fostering environmental awareness among students and staff.

129,767.5 MWh

Total Energy Consumed

54,849.3 tCO₂e

Total Carbon Footprint

681.8 MWh

Solar Power Generated

330,948.5 m³

Total Fresh Water Withdrawal

12.7%

School Buses Consume Biofuel for Operations

60.0%

Green Material Use in New Construction

Taaleem also offset 41 tonnes of CO₂ by trading in legacy devices and planting trees. Planned milestones include a network-wide climate risk framework and LEED-certified green buildings.

Environmental learning is embedded in the classroom: eco-clubs, sustainability projects,

and climate literacy training for teachers ensure students connect theory with practice.

Schools like DBS Jumeirah Park and Jebel Ali School have already won or been shortlisted for global sustainability awards, proving that Taaleem’s climate action is measurable and inspiring.



Adhering to People and Society

When businesses embrace social responsibility, they create more than value; they create trust, equity, and opportunities that ripple through generations.

Social and Community

'Education and community action go hand in hand.

Our schools are more than centres of learning; they are hubs of community impact. This year, Taaleem strengthened its social responsibility agenda through initiatives that promote wellbeing, inclusion, and active citizenship. Students played a leading role in sustainability projects, while staff and families extended their efforts into the wider community. Through

volunteering, partnerships, and student-led initiatives, we have created meaningful opportunities for engagement that inspire responsibility and prepare future leaders.

By placing student voice at the heart of our approach, we are nurturing a generation committed to positive social change.

446

Total New Hires

102

Employees in Operations and Central Office Trained on Fire Safety and First-Aid

100%

Staff with Access to Wellbeing Services

65%

Staff from Corporate Office and School Admin Team Trained in Cybersecurity

50+

Community Outreach Initiatives

5,000+

Volunteer Hours by Students and Staff Members

Partnerships with NGOs and educational associations aligned Taaleem with the UAE's Year of Sustainability, embedding service learning and community volunteering into the curriculum.

These initiatives transform empathy into action, showing students that social responsibility is part of everyday learning.





Strengthening Governance

Strong governance is achieved by aligning policies with values, creating a framework that safeguards progress while upholding integrity at every level.

Governance

‘Strong governance drives trust and resilience.’

Good governance is the foundation of Taaleem’s sustainable growth. Our governance framework ensures accountability, transparency, and ethical conduct at every level of the organisation. ESG remains firmly on the Board’s agenda, supported by policies and compliance frameworks that guide daily operations. This approach provides

assurance to our stakeholders and strengthens our ability to grow responsibly.

As we look forward, strong governance will remain central to our strategy, ensuring we maintain the trust placed in us by our students, families, partners, and the wider community.

3

ESG Performance Reviews Submitted to the Board

100%

Signed Code of Conduct at the Time of Orientation

ZERO

SCA fines or penalties

7

Departmental Risk Registers Completed

100%

Climate Risk Integration Planned by FY 2025–2026

4

Risk Reporting Updates to Board Annually

By joining the UNGC, Taaleem reinforced alignment with international standards on human rights, labour, environment, and anti-corruption.

This governance maturity shows that ethical leadership is not optional; it is the foundation for sustainable education.



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TAALEEM'S EXECUTIVE LEADERSHIP TEAM

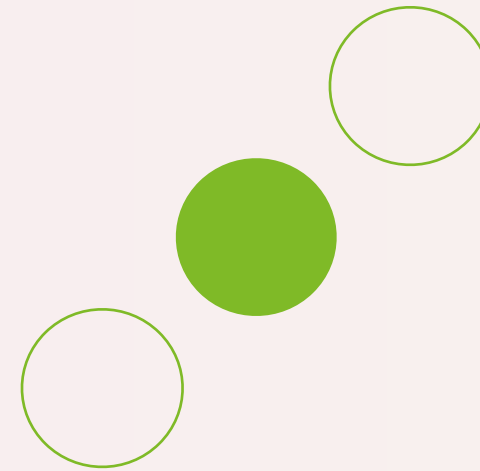


Alan Williamson
Chief Executive Officer (CEO)

Alan Williamson has served as Chief Executive Officer of Taaleem since 2019, overseeing the strategic direction of the Company. In 2022, he led Taaleem's successful transformation from a private company to a publicly listed entity on the Dubai Financial Market (DFM). Under his leadership, the number of Taaleem schools has expanded from 8 to 38, with student enrolment in the K-12 vertical increasing from 8,500 to over 41,000 students. His tenure also marked Taaleem's entry into Early Childhood Education through the acquisition of Kids First Group (KFG), adding 34 nurseries as the foundation for this new growth segment. Prior to joining Taaleem, he held prominent roles across several reputable educational institutions, including serving as the CEO of a premium school group in Dubai

and serving as the CEO of a large community trust in the UK.

Alan graduated from the University of Glasgow in 1992 with an honours degree in History and Russian Language before completing various courses and qualifications in the subsequent years. He completed a PGCE in Humanities and Languages at the University of Edinburgh Moray House College of Education in 1993 and a postgraduate qualification in Understanding Modern Society from the Open University in 2000. He also received a National Professional Qualification in Headship (SQH) from the University of Edinburgh Moray House College of Education in 2001, and in 2004, he earned a postgraduate qualification in School Leadership and Financial Management from Harvard Graduate School of Education.

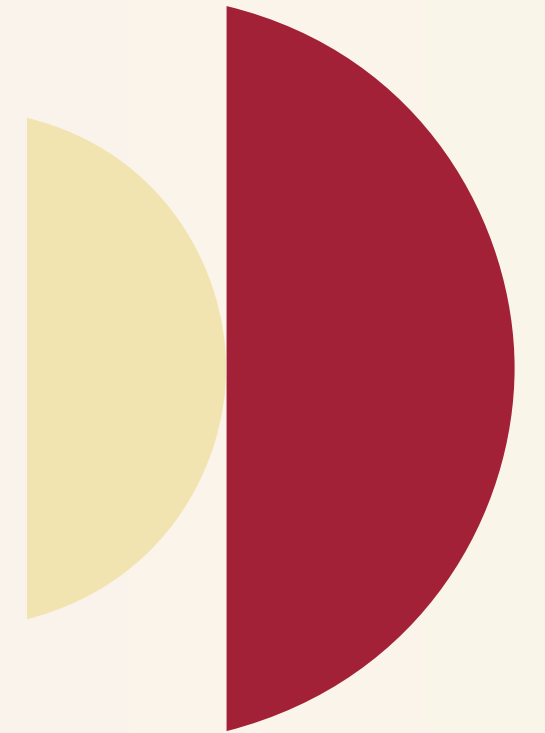


Arnaud Prudhomme
Chief Financial Officer (CFO)

Arnaud Prudhomme joined Taaleem in 2017 and currently serves as its CFO. Arnaud brings to the table over 27 years of leadership and international experience, having held various senior-level roles at industry leading companies. Prior to joining Taaleem, Arnaud served as CFO of the Emirates International Investment Company, the investment management arm of an Abu Dhabi-based private multi-billion-dollar diversified conglomerate, as well as the Global CFO of AXA Real Estate, one of Europe's largest real estate managers. Additionally,

he held the role of Chief of Staff at the European Bank for Reconstruction and Development, the largest provider of project finance in Eastern Europe, North Africa, and the Middle East.

Arnaud obtained a master's degree in history from La Sorbonne University in 1983. He went on to earn a graduate degree in Accounting and Finance from Sciences Po University in 1985, as well as a Graduate Diploma from École Nationale d'Administration in Accounting, Law, and Finance in 1989.





Sam Truman
Chief Operating Officer (COO)

Sam Truman holds the position of COO at Taaleem and is responsible for delivering operational excellence and efficiency across Taaleem’s portfolio of schools, driving growth and value creation initiatives, overseeing all marketing and admissions activities, and ensuring they align with Taaleem’s overarching strategy. Sam is an experienced industry executive with over 20 years of experience working in the international private school development sector.

Prior to joining Taaleem, Sam spent 10 years with one of the world’s largest educational suppliers, where he successfully developed their supply and distribution chains across the GCC, the Far East, and Central Asia. He was also recognised for

several key achievements, including the successful execution of multiple contracts awarded by the US Aid Department to deliver essential educational supplies across Iraq in support of government school reconstruction efforts. In addition, he secured a number of major contract awards from the Asian Development Bank for a range of educational projects.

Sam holds a Master of Science with Distinction in Commercial Management and Quantity Surveying, received from Heriot-Watt University in 2019. He also completed an Executive Leadership and Management course at Henley Business School in 2022 and is a member of the Royal Institute of Chartered Surveyors (RICS).

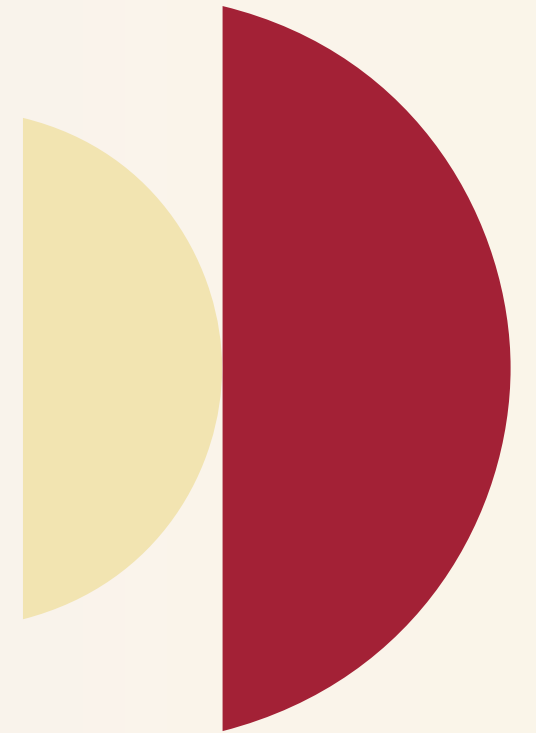


Rebecca Gray
Director of Education

Rebecca Gray joined the team in 2023 and currently serves as the company’s Chief Education Officer. She brings with her a wealth of experience in educational leadership across both the UK and the UAE. Before joining Taaleem, Rebecca held several senior roles, most recently at Kings’ Schools Group in Dubai, where she began as Principal of Kings’ School Al Barsha and was later promoted to Director of Education. Her career in the UK includes serving as Deputy Headteacher at a school in Huntingdon, Headteacher of a primary school in Northamptonshire, and Founding Principal of

a preparatory school. She also held the role of Director of Improvement and Cluster Lead at the David Ross Education Trust, where she oversaw strategic overhauls across eight schools, including primary, secondary, and special needs schools.

Rebecca graduated with a degree in Psychology in 2002 and went on to complete her PGCE at the University of North London. Rebecca has also completed her National Professional Qualification for Headship (NPQH).



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CORPORATE GOVERNANCE REPORT FOR THE YEAR 2024-2025

This report is prepared and issued by Taaleem Holdings PJSC (“Taaleem”) in compliance with the provisions of Article 77 of Resolution No. (3/R.M.) of 2020 issued by the Chairman of the Board of Directors of the Securities and Commodities Authority (“SCA”) concerning the Approval of the Public Joint Companies Governance Guide as updated in January 2024 (“**Governance Guide**”).

Introduction

1. Statement outlining the procedures taken to complete the corporate governance system during 2024-2025 and how these procedures will be applied.

During 2024-2025, Taaleem continued to enhance its corporate governance system to ensure transparency, accountability, and resilience across the Group. Our focus remained on embedding strong governance practices into day-to-day operations, guided by the Securities and Commodities Authority (SCA) Corporate Governance Regulations and other applicable regulatory frameworks and best practices.

Whistleblowing

In 2024-2025, Taaleem launched its enhanced whistleblowing framework, anchored by a single, independent hotline providing stakeholders with secure, anonymous access to raise concerns. The hotline is accessible via both the Company’s website and mobile application, with key policies and guides including the Whistleblowing Policy published on the Taaleem website to ensure transparency and ease of access.

As part of the rollout, internal training sessions were conducted for staff across the Group to reinforce awareness of reporting channels, confidentiality

protections, and the Company’s zero-tolerance stance on retaliation. The hotline is managed independently by our Compliance function to safeguard impartiality in case handling.

Whistleblowing reports and trend analyses are now submitted on a quarterly basis to the Audit Committee, ensuring sustained oversight at the highest governance level and enabling proactive monitoring of the organisation’s ethical culture.

Compliance Framework Refresh

Taaleem completed its annual refresh of the already established Compliance Framework to strengthen governance oversight and embed compliance priorities into the Group’s operational DNA. The updated framework revisited the compliance roadmap and set clear priorities for the year, with a focus on implementing the enhanced whistleblowing framework, strengthening third-party risk management, and advancing other key governance initiatives focussed on regulatory expectations and internal controls. All identified priorities were successfully delivered during the year, reflecting tangible progress in building a culture of accountability and ethical conduct.

A core achievement was the development of a comprehensive Compliance Obligations Register, mapping all regulatory requirements

applicable to the Taaleem’s operations across the UAE. The framework also formalises a clear process for evaluating the impact of new laws and regulations, with both relevant departments and the Compliance function jointly assessing operational and governance implications prior to implementation. This decentralised model assigns ownership for compliance obligations directly within the relevant operational areas, while the central Compliance team provides oversight, guidance, and monitoring. The annual refresh ensures the framework evolves in step with regulatory expectations, organisational priorities, and stakeholder needs.

Policies impacting Corporate Governance

During 2024-2025 Taaleem further strengthened its corporate governance framework through the introduction and enhancement of several key policies. This included the rollout of whistleblowing policies and updates to the Conflict-of-Interest Policy and the Code of Conduct as an example.

A new Service Provider Code of Conduct was also introduced, setting clear ethical, legal, and operational expectations for all external partners, suppliers, and contractors to ensure alignment with Taaleem’s values and compliance standards.

These updates reflect emerging trends, international best practices, and evolving regulatory expectations, including alignment with the latest requirements issued by the Abu Dhabi Department of Education and Knowledge (ADEK).

All policies were reviewed and approved by the relevant governance committees and apply across the entire organisation. To ensure accessibility and consistent application, the updated policies have also been published in the Company’s central policy repository.

Internal Controls and Internal Audit

During the year, Taaleem enhanced its internal control environment and audit oversight through several key initiatives.

A new Internal Audit Charter was developed and approved by the Board of Directors, clearly

defining the function’s mandate, independence, and reporting lines to the Audit Committee.

The Group also advanced its Internal Controls over Financial Reporting (ICFR) project in line with SCA requirements, ensuring the design, implementation, and testing of controls across critical financial and IT processes.

In parallel, Taaleem introduced its first Internal Controls Framework, structured around the globally recognised COSO Internal Control – Integrated Framework, as recommended by SCA. This framework sets out the principles, responsibilities, and governance structures for maintaining effective controls, integrating risk management, compliance, and operational efficiency. Together, these measures strengthen assurance to the Board, regulators, and stakeholders regarding the reliability of financial reporting and the robustness of the Company’s control environment.

These initiatives are discussed in further detail below in the report.

Data Protection and Cyber Security

Building on prior investments, Taaleem enhanced its cybersecurity and data governance measures across the Group. These included centralised device management, strengthened endpoint controls, data loss prevention mechanisms, and improved monitoring to safeguard sensitive academic and operational information.

Taaleem welcomed a new Information Security & Data Protection Manager, enhancing strategic oversight and regulatory alignment across academic and administrative functions. Customised cybersecurity awareness campaigns were delivered to different user groups contributing to a targeted 60% reduction in phishing simulation click rates.

The Group’s overall security posture remained strong and continued to improve, with independent external testing validating the effectiveness of implemented controls and safeguards.

Compliance readiness was further prioritised

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during the year, with tangible progress made on ISO 27001 implementation, audit traceability, and data classification aligned with UAE data protection frameworks. These efforts reflect Taaleem’s commitment to responsible data stewardship and proactive governance.

As Taaleem expands its digital ecosystem, the focus will shift to strengthening data privacy through data minimization, retention policies, Records of Processing Activities (ROPA), and Data Protection Impact Assessments (DPIAs) for high-risk initiatives.

We will aim to ensure that all future technologies undergo cybersecurity risk assessments prior to adoption to ensure secure-by-design principles and regulatory compliance. Taaleem will continue strengthening its encryption practices to ensure that all sensitive data transfers and storage remain secure and resilient across its evolving cloud infrastructure.

By embedding privacy and security into every layer of operations; from governance and procurement to system design and user behaviour; Taaleem is continuing to build a resilient, trusted, and future-ready academic environment.

ISO journey in progress:

Taaleem’s Central Office has begun its ISO journey with the implementation of an Integrated Management System (IMS), currently in progress, covering three Standards: ISO 9001 – Quality Management System (QMS), ISO 45001 – Occupational Health & Safety Management System (OHSMS) & ISO 14001 – Environmental Management System (EMS).

This initiative goes beyond certification by embedding consistent processes, a strong safety culture, and sustainability practices into everyday operations. It demonstrates Taaleem’s commitment to international best practices, strengthens governance maturity, and supports efficiency, resilience, and accountability across the Group. Building on this, Raha International

School’s Gardens and Khalifa City campuses have already achieved ISO 45001 certification, setting a benchmark for health and safety excellence within our network.

Risk Assessment including fraud risk

During 2024–2025, Taaleem further strengthened its corporate governance system by embedding a structured risk assessment processes within the Enterprise Risk Management (ERM) framework. A key milestone was the development and approval of the Group’s first-ever Risk Appetite Statement, which provides clear parameters for acceptable risk-taking across strategic, operational, financial, and compliance dimensions. This statement now serves as a reference point for management and the Board when evaluating risks and decision-making, ensuring alignment with the Group’s overall objectives and regulatory requirements.

To support this framework, comprehensive risk registers were established across business units and support functions. These registers capture a wide spectrum of risks, including strategic, operational, financial, compliance, and fraud-related threats. Each risk entry identifies key controls, ownership responsibilities, and alignment with the Risk Appetite Statement, thereby ensuring consistency and accountability. Risk registers are reviewed and updated on a periodic basis, with outcomes consolidated and reported to senior management and the Board on a quarterly basis to provide visibility over emerging and material risks.

Fraud risk is recognised as a critical element of the Group’s overall risk landscape and forms part of the risk registers. Fraud-related risks are captured, documented, and periodically reviewed within the ERM process, with corresponding controls evaluated by designated Risk Owners. Independent oversight and response procedures are in place to address potential incidents, ensuring that fraud risk remains an integral component of the Group’s broader governance and control environment.





2. Statement detailing the ownership and transactions of board members, their spouses, and their children in the company's securities during 2024-2025 according to the following table:

SR.	Name	Position/ Kinship	Owned Shares as on 31/08/2024	Owned Shares as on 31/08/2025	Total Sold	Total Purchased
1	Khalid Al Tayer	Chairman of the Board of Directors	625,365	625,365	0	0
2	Adel Al Zarouni	Vice Chairman of the Board of Directors	9,700,000	9,275,681	424,319	0
3	Eyad Mashal	Board Member	0	0	0	0
4	Dr. Ziad Azzam	Board Member	14,000,000	14,000,000	0	0
5	Ahmad Al Khayyat	Board Member	61,900,000	61,900,000	0	0
6	Rehab Lootah	Board Member	0	0	0	0
7	H.E. Abdulla Al Awar	Board Member	0	0	0	0
8	H.E. Helal Al Marri	Board Member	9,999,997	9,999,997	0	0
9	Mohammed Al Shaibani	Board Member	0	0	0	0
10	Abdul Rahman Al Shaibani ^[1]	Relative of a Board Member	125,073	125,073	0	0
11	Hind Al Zarouni ^[2]	Relative of a Board Member	50,000	50,000	0	0
12	Samia Baker ^[3]	Relative of a Board Member	262	262	0	0
13	Sara Al Zarouni ^[4]	Relative of a Board Member	83,333	83,333	0	0

¹ Mr. Abdul Rahman Al Shaibani is a relative of Mr. Mohammed Al Shaibani

² Hind Al Zarouni is a relative of Adel Al Zarouni

³ Samia Baker is a relative of Adel Al Zarouni

⁴ Sara Al Zarouni is a relative of Adel Al Zarouni

3. Formation of the Board of Directors:

3.1. Statement of the current Board Formation

Name	Position	Status	Appointment
Khalid Al Tayer	Chairman	Independent / Non-Executive	2005
Adel Al Zarouni	Vice Chairman	Independent / Non-Executive	2004
H.E. Helal Al Marri	Member	Independent / Non-Executive	2004
Rehab Lootah	Member	Independent / Non-Executive	2022
Ahmad Al Khayyat	Member	Independent / Non-Executive	2004
Eyad Mashal	Member	Independent / Non-Executive	2019
Dr. Ziad Azzam	Member	Non-Independent / Non-Executive	2023
H.E. Abdulla Al Awar	Member	Independent / Non-Executive	2022
Mohammed Al Shaibani	Member	Independent / Non-Executive	2021



Khalid Al Tayer

Mr. Al Tayer has been a director of Taaleem since 2005 and is the Chairman of the Board of Directors. He is also Managing Director at Al Tayer Insignia, the retail subdivision of Al Tayer Group, which is a multi-division conglomerate based in the UAE. Mr. Al Tayer previously worked at McKinsey & Co. and Emirates Financial Services, and he currently serves on the board of directors of the Dubai Chamber of Digital Economy.

Mr. Al Tayer holds a Bachelor of Science in Entrepreneurship, Corporate Finance, and Economics from Babson College, United States.



Adel Al Zarouni

Mr. Al Zarouni has been a director of Taaleem since its inception in 2004 and is one of its founders. He is also Taaleem's Vice Chairman and Chairman of its Executive Committee of the Group. Mr. Al Zarouni has extensive experience serving as a board member of several public and private joint stock companies within the Middle East region. In addition, Mr. Al Zarouni is the managing partner and founder of Rivoli Group, one of the largest Middle East luxury retailers in the UAE, Bahrain, Qatar, Kuwait, and Oman; the Vice Chairman of the National General Insurance Company, one of the largest insurance companies in the UAE; and the Vice Chairman of Emirates Golf Federation. Mr. Al Zarouni is also the secretary general of the Arab Golf Federation and a board member of the UAE National Olympic Committee.

Mr. Al Zarouni holds a Bachelor of Science in Finance from the University of Central Florida, United States.



H.E. Helal Al Marri

His Excellency has been a director of Taaleem since its inception in 2004. His Excellency Helal Saeed Al Marri also serves as the Director General of Dubai's Department of Economy and Tourism. He is a member of Dubai Council, The Executive Council of Dubai, a member of the Board of Directors of the Investment Corporation of Dubai, Director General of the Dubai World Trade Centre Authority (DWTCA). His Excellency is Chairman of Dubai Financial Market, member of The Higher Committee for Supervision of the Expo 2020 Dubai District, and a board member at the Dubai Chambers and Emirates Nature – WWF. His Excellency's responsibilities span enhancing Dubai's positioning as the preferred destination for investment, business, and leisure and developing and strengthening the Emirate's economy.

His Excellency holds a master of business administration (MBA) from the London Business School (LBS). Al Marri is a Chartered Accountant from the Institute of Chartered Accountants in England and Wales, and he previously worked at consulting firms McKinsey and KPMG.



Rehab Lootah

Ms. Lootah has been a director of Taaleem since 2022 and has over 20 years of experience in the financial industry and UAE government sector. She is the Group Deputy Chief Executive Officer at National Bonds Corporation, a multi-asset class investment with multiple geographical allocations. Ms. Lootah also serves on the executive board for several key entities in the UAE, including Noqodi, a UAE-based e-wallet that is dedicated towards e-payments for governmental and non-governmental services, and Dubai Quality Group, a non-profit organisation set up by the Dubai Economy. Ms. Lootah also spearheaded both the Tamaia Award and Entrepreneurs Forum, which shed light on the successes of the UAE's youth. Ms. Lootah has been the recipient of numerous prestigious awards, including the late His Highness Sheikh Khalifa Bin Zayed Award, and is also the world's first woman recipient of the CIMA certification in Islamic Finance.

Ms. Lootah holds a Bachelor of Science in Electrical Engineering from UAE University, UAE, and an MBA from Stratford University, United States.



Ahmad Al Khayyat

Mr. Al Khayyat has been a director of Taaleem since its inception in 2004 and was one of its founding members. Mr. Al Khayyat is the Managing Director of Al Khayyat Investments, a diversified family business based in Dubai. He also co-founded Transmak, a construction equipment leasing company, and continues to serve on its board of directors. Mr. Al Khayyat is President of Sun in Motion, a solar PV contracting, operations, and maintenance company he founded in 2017. He also set up four separate renewable energy investment platforms in Riyadh (KSA), Abu Dhabi Global Markets (UAE), Bahrain (Bahrain), and in the Dubai Multi Commodities Centre (UAE) under the name Three Eight Six, and he is a 50% owner of Realty Enterprises, which owns and leases commercial and retail spaces.

Mr. Al Khayyat holds a Bachelor of Science in Monetary Economics from the London School of Economics, United Kingdom, and a postgraduate degree in International and Development Economics from Yale University, United States.



Mohammed Al Shaibani

Mr. Al Shaibani has been a director of Taaleem since 2021 and heads the family office of Easa Saleh Al Gurg Group, a UAE-based conglomerate with 27 companies representing over 370 international brands. Mr. Al Shaibani serves as a board member of the Knowledge Fund Establishment and is a member of the investment committee of National Bonds Corporation. Mr. Al Shaibani previously worked at Investment Corporation of Dubai (ICD), the investment arm of the Government of Dubai, where he covered real estate investments in the UAE and globally, including the ICD-Brookfield joint venture, a partnership with Brookfield Asset Management.

Mr. Al Shaibani holds a Bachelor of Science in Finance from Bentley University, United States, and an MBA from the London Business School, United Kingdom.



H.E. Abdulla Al Awar

His Excellency has been a director of Taaleem since 2022. He also serves as Chief Executive Officer of the Dubai government's Knowledge Fund Establishment and is a board member of the Oversight Committee at Emirates NBD REIT. He previously served as the Chief Executive Officer of the Dubai International Financial Centre Authority and the Chief Executive Officer of the Dubai Islamic Economy Development Centre. He also previously served as a member of the board of other listed companies in the UAE, such as Emaar Development PJSC, and served on various boards, committees, and councils in Dubai, including the Economic Committee of the Executive Council of the Emirate of Dubai, the Dubai Free Zones Council, Borse Dubai, the Investment Committee of the ENBD REIT, and the Emirates International Accreditation Center.

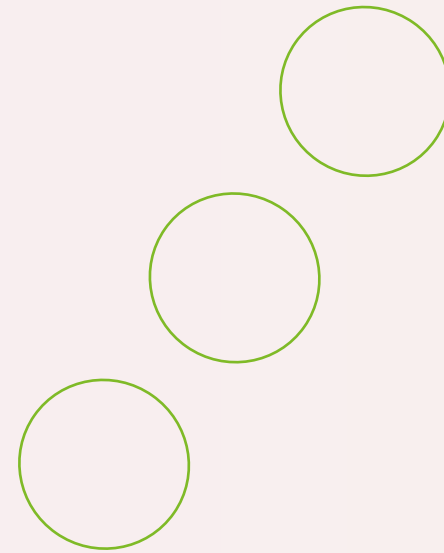
His Excellency holds a Bachelor of Science in Business Administration from the University of Colorado, United States. He is also a graduate of the Mohammed Bin Rashid Programme for Leadership Development, a Dubai government-run executive education programme for executives in the public and private sectors in Dubai.



Dr. Ziad Azzam

Dr. Azzam has been a director of Taaleem since 2023 and was one of its founding members. Dr. Azzam served as Taaleem's Chief Executive Officer for 10 years until 2013. Previously, he was the Head of an international school in Dubai and was a consultant at McKinsey & Company. Currently, Dr. Azzam sits on two boards in Taaleem and advises schools and colleges in the public sector.

Dr. Azzam holds two bachelor's degrees in Physics and Electrical Engineering and a master's degree in Theoretical Physics from the Massachusetts Institute of Technology (MIT), United States. Dr. Azzam also earned his Doctorate in Education from the University of Bath, United Kingdom.



Eyad Mashal

Mr. Mashal has been a director of Taaleem since 2019 and has 30 years of experience in the investment and finance fields. Mr. Mashal is the Investment Advisor for the Abu Dhabi Endowments and Minors Funds Authority (EMFA), where he is responsible for developing and executing the EMFA's strategy.

Previously, he was the Chief Investment Officer of National Bonds Corporation, where he transferred the Company into a global and multi-asset class investment house. Earlier, he was the Managing Director and Head of MENA investments at Al-

Rashed Group, one of the largest conglomerates in KSA; an Executive Director at Bank Julius Baer in Dubai; the Head of Asset Management at Atlas Investment Group in Jordan; and the Head of MENA Asset Management of the Arab Bank Group based in Dubai.

Mr. Mashal is a Chartered Financial Analyst and has been a member of the Chartered Financial Analyst Institute since 1999. Mr. Mashal holds an MBA and a Bachelor of Science with Honours in Accounting and Business Administration from the University of Jordan, Jordan.

The business address for each of the Board of Directors is Taaleem Holdings PJSC, Office No. 105, Jumeirah Beach Road, P.O. Box 76691, Century Plaza, Dubai, UAE.

3.3. Statement of the percentage of female representation on the Board of Directors for 2024-2025 Women's representation on the Board of Directors

In line with Article 9 of the Governance Code, which requires listed Public Joint Stock Companies to encourage diversity in the composition of the Board of Directors, including adequate representation of women, Taaleem has ensured compliance with these requirements.

Ms. Rehab Lootah has been a member of the Board of Directors since October 2022. She serves as Chairperson of the Audit Committee and is also a member of the Nominations and Remuneration Committee and the Education Sub-Committee. Through her active participation in these committees, Ms. Lootah has provided valuable contributions to the Board's oversight of governance, internal control frameworks, workforce matters, and Taaleem's core educational services.

Taaleem remains committed to promoting gender diversity not only at the Board level but across the organization. Women hold key leadership positions, including within Senior Executive Management, the Office of the Board Secretary, the Legal Department, and in various operational leadership roles. This reflects Taaleem's ongoing commitment to embedding the principles of diversity, inclusion, and equal opportunity within its governance and operational framework.

Board Composition by Gender

As at 31 August 2025, the composition of Taaleem's Board of Directors is as follows:

Gender	Number of Directors	Percentage of Total Board
Male	8	88.9%
Female	1 (Ms. Rehab Lootah)	11.1%
Total	9	100%

Note: The Company continues to ensure compliance with the Governance Code requirement that women represent at least one seat on the Board of Directors.

3.4. Statement of the bonuses, allowances, and fees received by members of the Board of Directors:

3.4.1 Total bonuses paid to board members for 2023–2024.

The Board of Directors did not receive any bonuses for 2023–2024.

3.4.2 Total proposed bonuses for board members for 2024–2025, which will be presented at the annual general assembly meeting for approval.

The Board of Directors will not present a proposed bonus for 2024–2025 for approval at the upcoming AGM.

3.4.3 Statement of details of allowances received for attending committee sessions of the Board of Directors for 2024–2025 according to the following table:

At Taaleem, Committee members receive a Committee fee for their contribution to Taaleem’s management and governance. The Committee fee is not calculated based on the Committee members’ attendance at meetings and/ or the number of meetings held, the Committee fee is driven by the achievement of the objectives set by the Board in line with the role of each Committee.

Committee Fees 2024–25

Committee Members		Executive Committee	Audit Committee	Nominations & Remuneration Committee	Education Committee	Total Committee Fees
Adel Al Zarouni (Chair: ExCom)	Executive committee	75,000				75,000
H.E. Helal Al Marri	Executive committee	75,000				75,000
Ahmad Al Khayyat	Executive committee	75,000				75,000
Mohammed Al Shaibani	Executive committee	75,000				75,000
Rehab Lootah (Chair: Audit)	Audit committee, Nomination & Rewards committee and Education committee		50,000	50,000	50,000	150,000
H.E. Abdulla Al Awar	Audit committee and Nomination & Rewards committee		50,000	50,000		100,000
Eyad Mashal (Chair: Nominations & Remuneration)	Nomination & Rewards committee			50,000		50,000
Dr. Ziad Azzam	Audit committee, Nomination & Rewards committee and Education committee		50,000		50,000	100,000
Total AED		300,000	150,000	150,000	100,000	700,000

3.5 Details of any additional allowances, salaries, or fees received by a member of the Board of Directors, other than committee attendance allowances, and their reasons.

No additional allowances, salaries or fees were paid to a member of the Board of Directors other than the committee fees stated above.

3.6 The number of Board of Directors meetings held during the fiscal year 2024–2025, indicating the dates of their holding, and the number of personal attendance times of all members, with a statement of the members attending by proxy (the names of the Board of Directors members must align with what is mentioned in Clause (3A)).

SR	Date of Meeting	Number of Attendees	Number of Attendees via proxy	Names of Absent Members	Resolution Passed (if any)
1	3 October 2024	9	0		1.Approved the Consolidated financial statements for the fiscal year ending 31 August 2024 and the Annual Integrated Report. 2.Following the discussion of the financial position of the Company, it has been proposed to raise a recommendation to the Annual General Assembly (“AGM”) to distribute cash dividends to Shareholders equivalent to of AED 120 million (being AED 0.12 per share representing 12% of the Company’s paid-up share capital). 3.Subject to the approval of SCA, the Board set the date of the AGM to be on 5 November 2024 in addition to setting the agenda of the AGM.
2	12 December 2024	8	0	Mr. Eyad Mashal	Approved the Interim Condensed Consolidated Financial Statement for the three-month period ending 30 November 2023.

SR	Date of Meeting	Number of Attendees	Number of Attendees via proxy	Names of Absent Members	Resolution Passed (if any)
3	9 January 2025	7		Mr. Adel Al Zarouni Ms. Rehab Lootah	Approved the Interim Condensed Consolidated Financial Statement for the 3-month period ending 30 November 2024
4	5 March 2025	9	0		
5	27 March 2025	9	0		Approved the Interim Condensed Consolidated Financial Statement for the 6-month period ending 28 February 2025
6	29 May 2025	9	0		
7	3 July 2025	8	0	Mr. Adel Al Zarouni	Approved the Interim Condensed Consolidated Financial Statement for the 9-month period ending 31 May 2025

3.7 Number of the Board resolutions by passing during the 2024/2025 fiscal year, along with its meeting convention dates.

The Board of Directors did not make any resolutions by passing during the fiscal year 2024/2025.

4 Committees of the Board of Directors

4.1 Audit Committee:

- A. *"The Audit Committee's Chairperson acknowledges her responsibility for the Committee system at Taaleem, review of its work mechanism and ensuring its effectiveness."*
- B. **Names of the members of the Audit Committee, and a statement of their powers and tasks.**
The members of the Audit Committee are as follows:

Name	Position
Rehab Lootah	Chair
H.E. Abdulla Al Awar	Member
Dr. Ziad Azzam	Member

The duties of the Audit Committee include assisting the Board of Directors in reviewing the Company's financial statements and reports and its controls, overseeing matters relating to the Company's external auditor, overseeing matters relating to the Company's internal audit, reviewing related party transactions and making appropriate recommendations to the Board of Directors in respect of any such matters. The ultimate responsibility for reviewing and approving the Company's annual report and financial statements remains with the Board of Directors. The Audit Committee shall be required to take appropriate steps to ensure that the Company's external auditors are independent of the Company.

- C. **Number of meetings held by the Audit Committee during 2024-2025 and their dates to discuss issues related to the financial statements and any other matters, and a statement of the number of personal attendance times of the members in the held meetings.**

SR	Date of meeting	Number of Attendees	Names of Absent Members
1	1 October 2024	3	
2	7 January 2025	3	
3	25 March 2025	3	
4	1 July 2025	2	Ms. Rehab Lootah



4.2 Nominations and Remuneration Committee:

A. *“The Nominations and Remuneration Committee’s Chairman acknowledges his responsibility for the Committee system at Taaleem, review of its work mechanism and ensuring its effectiveness.”*

B. Names of the members of the Nominations and Remuneration Committee, along with a statement of its powers and assigned tasks.

The members of the Nominations and Remuneration Committee formally appointed on 23 November 2022 are as follows:

Name	Position
Eyad Mashal	Chairman
Rehab Lootah	Member
H.E. Abdulla Al Awar	Member

The Nominations and Remuneration Committee’s responsibilities encompass assisting the Board of Directors in formulating a membership policy for the Board and senior management. This policy considers aspects such as gender diversity, regulatory compliance, and independence prerequisites. The Committee evaluates the independence of the Board members and oversees the remuneration and benefits of senior management. In addition, it reviews the Company’s human resource policies and recommends relevant adjustments to the Board of Directors as necessary.

Moreover, the Committee is responsible for evaluating the balance of skills, knowledge and experience and the size, structure and composition of the Board of Directors and Committees of the Board of Directors.

C. Number of meetings held by the Nominations and Remuneration Committee during 2024–2025 and their dates to discuss issues related to the financial statements and any other matters, and a statement of the number of personal attendance times of all the committee members.

SR	Date of meeting	Number of Attendees	Names of Absent Members
1	19 September 2024	3	
2	20 January 2025	3	
3	15 April 2025	3	
4	28 August 2025	2	

Other committees approved by the Board of Directors

4.3 Executive Committee

“The Executive Committee’s Chairman acknowledges his responsibility for the Committee system at Taaleem, review of its work mechanism and ensuring its effectiveness.”

Certain members of the Board of Directors and individuals retained on a consultancy basis constitute a Committee to oversee and monitor the implementation of the Company’s corporate strategy. The members of the Executive Committee formally appointed on 23 November 2022 are as follows:

Name	Position
Adel Al Zarouni	Chairman
H.E. Helal Al Marri	Member
Amer Makki	Member
Mohammed Al Shaibani	Member
Ahmad Al Khayyat	Member

The duties of the Executive Committee include overseeing and monitoring the implementation of the Company’s corporate strategy and providing recommendations on financial matters to the Board of Directors. The Executive Committee seeks to ensure that high standards of governance are observed by the Company and that the Company is meeting its goals and its responsibilities to its shareholders and stakeholders.

C. Number of meetings held by the Executive Committee during 2024-2025 and their dates to, and a statement of the number of personal attendance times of all the committee members.

SR	Date of meeting	Number of Attendees	Names of Absent Members
1	25 September 2024	5	
2	5 December 2024	5	
3	12 December 2024	5	
4	23 January 2025	5	
5	20 February 2025	3	Mr. Ahmad Al Khayyat H.E Helal Al Marri
6	20 March 2025	4	Mr. Amer Makki
7	22 May 2025	5	
8	30 June 2025	3	Mr. Adel Al Zarouni Mr. Ahmad Al Khayyat

4.4 Education Sub-Committee

"The Education Sub-Committee's Chairman acknowledges his responsibility for the Committee system at Taaleem, review of its work mechanism and ensuring its effectiveness."

Certain members of the Board of Directors and individuals retained on a consultancy basis constitute a sub-Committee to review and oversee the performance of the Company's schools. The Education Sub-Committee is a sub-Committee of the Executive Committee. The members of the Education Sub-Committee formally appointed on 23 November 2022 are as follows:

Name	Position
Dr. Ziad Azzam	Chairman
Amer Makki	Member
Rehab Lootah	Member

The duties of the Education Sub-Committee include setting targets with the Executive Committee, monitoring the academic performance of schools, reporting findings, offering recommendations, reviewing the five-year strategic plan, and monitoring developments to the relevant strategic plans.

C. Number of meetings held by the Education Sub- Committee during 2024-2025 and their dates to, and a statement of the number of personal attendance times of all the committee members.

SR	Date of meeting	Number of Attendees	Names of Absent Members
1	17 September 2024	3	
2	28 November 2024	3	
3	31 January 2025	3	
4	18 February 2025	3	
5	18 March 2025	3	
6	21 May 2025	3	

4.5 Statement of the tasks and powers of the Board of Directors carried out by a member of the Board or the Executive Management during 2024-2025 based on a delegation from the Board, specifying the duration and validity of the delegation according to the following table:

The Delegation of Authority (DOA) policy has been implemented at Taaleem which clearly defines the levels of authority and decision-making responsibilities and rights at different levels within the organization. This policy outlines specific powers delegated by the Board to executive management members, ensuring clarity in roles and decision-making at various levels. The DOA establishes a structured framework for granting authority, specifying the duration and validity of each delegation, thereby ensuring transparency and accountability in the execution of Board-authorized actions.

No delegation or assignment falling outside the scope DOA was instructed to any executive or Board member in 2024/2025.



4.6 Statement of details of transactions with relevant parties (stakeholders) during 2024-2025, including the following:

No.	Statement of the Relevant Party	Explanation of the Nature of the Relationship	Transaction Type	Transaction Volume 31 Aug 25
1	National Bonds Corporation ("NBC")	Shareholder	Investment in Sukuk deposit	177,786,362
2	National Bonds Corporation ("NBC")	Shareholder	Dividend payment	26,887,379
3	Knowledge Fund ("KF")	Shareholder	Lease payments	3,575,357
4	Knowledge Fund ("KF")	Shareholder	Dividend payment	16,364,816
5	Kids First Group Limited ("KFG")	Joint Venture	Share of loss of Joint Venture	9,293,217
6	Kids First Group Limited ("KFG")	Joint Venture	Rental Income	1,241,646

5. Assessment of the Board of Directors:

In line with Taaleem Holdings PJSC's commitment to high standards of corporate governance and SCA requirements, the Board and its Committees completed their annual performance evaluation for FY 2024-2025. The evaluation reinforces Taaleem's dedication to accountability, strategic oversight, and continuous improvement.

5.1 Methodology of the Evaluations conducted (Board and Committees)

The assessments were conducted through anonymous self-assessment questionnaires designed by the Board Secretary in consultation with the Chairman of the Board. The questionnaires combined quantitative ratings and qualitative feedback across critical areas including Board composition, leadership, decision-making quality, communication effectiveness, and strategic oversight. Responses were independently compiled, analyzed, and presented to the Chairman to identify strengths, improvement opportunities, and targeted actions.

5.2 Key Highlights and Positive Outcomes of the Evaluation of the Board of Directors

- **Strong Strategic and Financial Oversight:** The Board achieved its highest ratings for active involvement in strategy formulation, performance monitoring, risk management, and financial oversight, demonstrating robust governance and alignment with corporate objectives.
- **Effective Meetings and Engagement:** Board meetings were rated highly for productive discussions, focused agendas, inclusive participation, and the timely distribution of Board materials, ensuring well-informed decision-making.
- **Ethical and Transparent Governance:** Declarations of conflicts of interest and related-party transactions scored very high, underscoring the Board's commitment to transparency, integrity, and regulatory compliance.
- **Market and Regulatory Awareness:** Members demonstrated strong understanding of market trends and regulatory changes, ensuring decisions remain forward-looking and responsive to external developments.

5.3 Evaluation of the Committees:

5.3.1 Nominations and Remuneration Committee

The evaluation confirmed the Nominations and Remuneration Committee's strong contribution to Board effectiveness, governance compliance, and strategic oversight.

Key Strengths

- **Outstanding Leadership:** The Chair of the Nominations and Remuneration Committee achieved the highest possible rating (5.0), reflecting inclusive leadership, balanced judgment, and effective facilitation of Committee discussions.
- **Board Qualifications & Governance Oversight:** The Nominations and Remuneration Committee plays a pivotal role in reviewing and ensuring that Board members' skills, experience, and independence align with Taaleem's strategic objectives and governance standards. The Committee's ongoing oversight of Board composition reinforces a well-qualified and balanced Board.
- **Robust Remuneration Oversight:** The Committee demonstrates excellence in evaluating senior management remuneration, ensuring transparency, fairness, and alignment with performance objectives. Meeting documentation is thorough, and materials are consistently provided in advance.



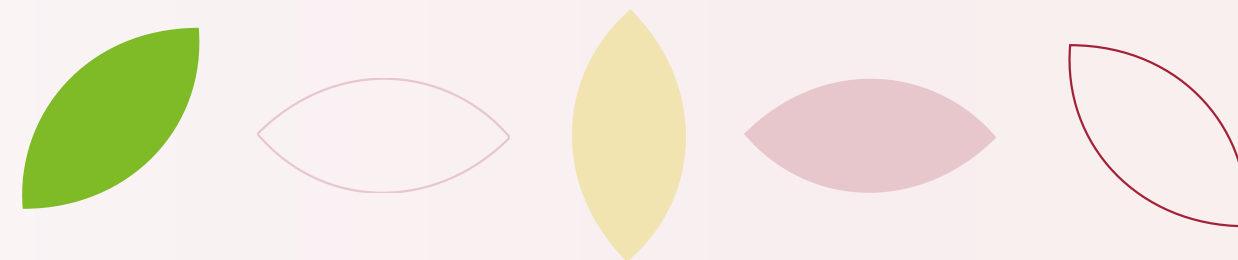
- **Effective Collaboration:** Nominations and Remuneration Committee discussions actively incorporate input from across the Board and Committees, ensuring that decisions are well-informed and reflect diverse perspectives.
- **Strong Governance Framework:** The Committee's Terms of Reference are clear, well-understood, and regularly reviewed, ensuring alignment with governance best practices.

5.3.2 Audit Committee

The evaluation confirmed the Audit Committee's strong oversight role and its contribution to financial integrity, risk management, and accountability.

Key Strengths

- **Robust Financial Oversight:** The Audit Committee received top scores for approving and monitoring the internal audit plan, reviewing audit reports, following up on high-risk issues, and safeguarding the integrity of financial statements.
- **Effective External Audit Oversight:** Members were praised for informed selection of audit providers, active discussion of audit results, and strong leadership by the Audit Committee's Chair.
- **Strong Governance and Skillset:** The Audit Committee was recognized for its diverse expertise, access to appropriate resources, and clear understanding of its role, enabling effective supervision of management and regulatory compliance.

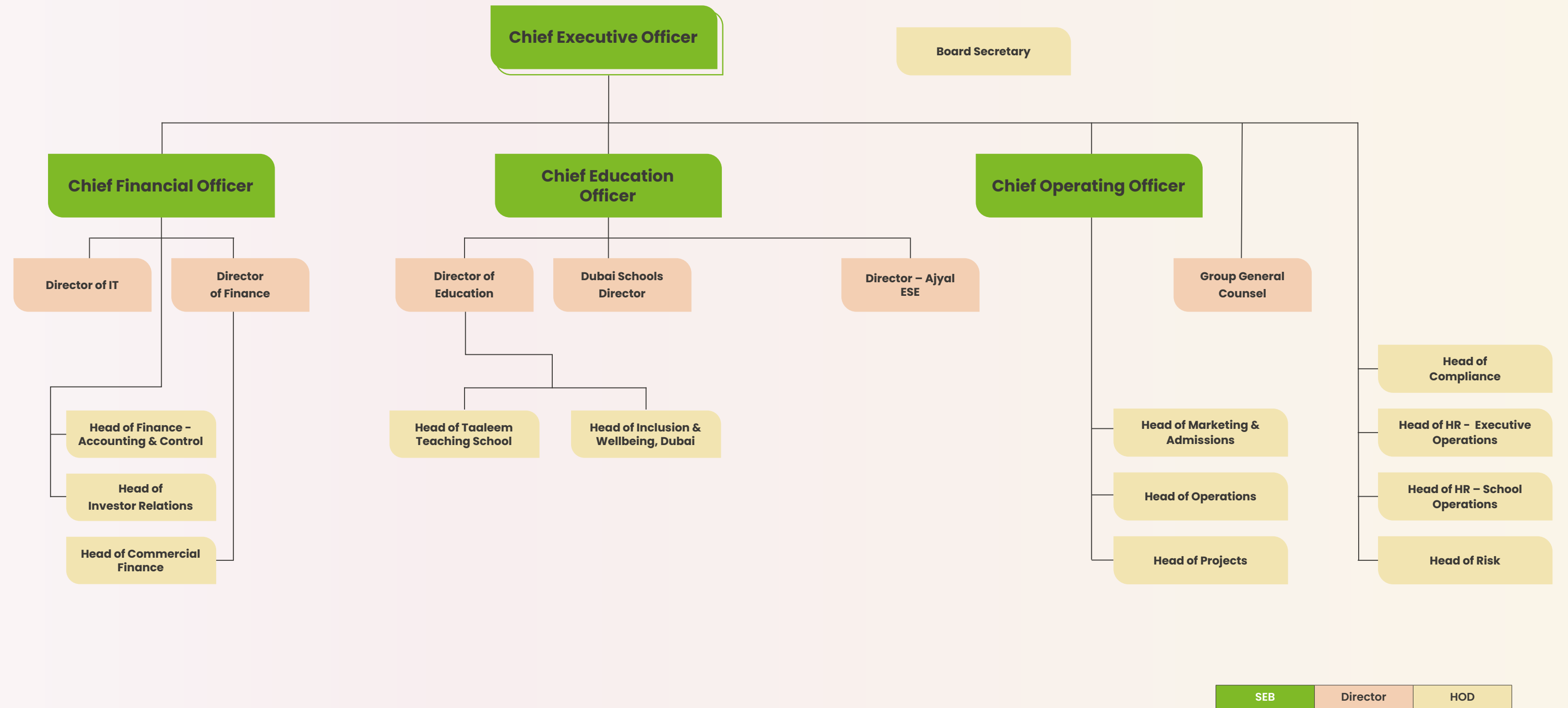




6. Organizational Structure and Executive Management

6.1. Taaleem's Organisational Chart

TAALEEM HOLDING PJSC ORGANISATIONAL STRUCTURE





6.2. A detailed statement of the senior executive employees in the first and second ranks according to what is stated in the company's organizational structure (according to 3-D), their jobs, dates of appointment, and total salaries and bonuses paid, according to the following table:

Name	Position	Appointment Date	Total Salaries and Allowances Paid for 2024-2025 (in AED)	Bonuses for 2024-2025 or Due in the Future ¹
Alan Williamson	Chief Executive Officer	1/7/2019	2,327,672.50	571,995.00
Arnaud Prudhomme	Chief Financial Officer	18/12/2017	1,632,532.00	379,734.00
Sam Truman	Chief Operations Officer	1/1/2008	1,426,308.50	264,347.00
Rebecca Gray	Chief Education Officer	1/8/2023	1,339,372.50	290,700.00
Faizan Zafrullah	Director of Finance and Strategy	1/4/2024	1,068,157.00	179,550.00
Nicola Williams	Director Of Education	7/4/2025	1,096,384.00	195,225.00
Marine Aoudi	Group General Counsel and Board Secretary	1/9/2024	1,035,244.00	171,000.00
Wael Omar	Director of Information Technology	1/9/2024	1,025,175.00	171,000.00

¹ At the time of drafting the report, the Bonuses for 2024/2025 were still subject to final determination and approval. The figures included in the report are indicative figures assuming that the referenced senior executive has achieved 95% of their set KPIs for 2024/2025.



7. External Auditor:

A. Providing an overview of the company’s auditor to shareholders.

Ernst & Young (“EY”) is a global leader in the realm of professional services, offering unparalleled expertise across four integrated service lines: Assurance, Consulting, Strategy and Transactions, and Tax. Their dedication to integrity, transparency, and sustainable progress aligns seamlessly with our Corporate Governance ethos, providing us with the strategic insights and robust frameworks needed to navigate risk, enhance operational efficiency, and drive long-term value creation.

B. Statement of fees and costs incurred for the audit or services provided by the external auditor, according to the following table:

Name of the audit firm	Ernst & Young Middle East – Dubai Branch	
Name of the partner auditor	Signing partner – Anthony O’Sullivan Engagement Partner – Janardhan R	
Number of years spent as the company’s external auditor	3 year	
Number of years the partner auditor spent auditing the company’s accounts	3 year	
Total value of audit fees for 2024-2025 (in AED)	1,596,025	
Details and nature of other services provided by the company’s auditor (if any). In the event that there are no other services, this shall be stated explicitly.	Services Amount	Amount (AED)
	Advisory Services	785,838
	Tax and Internal Audit	1,077,035
	Valuation Services	211,269
	Total	2,074,141
The value of fees and costs incurred for other special services other than auditing the financial statements for 2024-2025 (in AED), if any. In the event that there are no other fees, this shall be stated explicitly.	No other Services were provide.	
Statement of other services that an external auditor other than the company auditor provided during 2024-2025 (if any). In the event that there are no services provided by another external auditor, this shall be stated explicitly.	Auditor name: Not Applicable Details of provided services: Not Applicable	

8. Internal Control System:

A. Acknowledgment by the Board of its responsibility for the company’s internal control system and for reviewing its operations and ensuring its effectiveness.

The Board of Directors of Taaleem Holdings P.J.S.C. acknowledge its overall responsibility for establishing and maintaining an effective internal control system that supports sound governance, reliable financial reporting, risk management, and regulatory compliance. While day-to-day oversight is delegated to the Audit Committee, the Board retains ultimate accountability for ensuring the system’s adequacy and effectiveness.

Taaleem’s internal control system is structured around the globally recognised COSO Internal Control – Integrated Framework, which outlines five interrelated components: Control Environment, Risk Assessment, Control Activities, Information & Communication, and Monitoring.

The framework is tailored to Taaleem’s operating context by embedding controls across both corporate and school operations, aligning risk assessment processes with a listed entity in the education sector’s unique regulatory environment, integrating compliance and safeguarding into control activities, and ensuring that communication channels reach stakeholders at all levels. It will be reviewed annually going forward to ensure continued alignment with the company’s strategy, risk appetite, and regulatory obligations.

In FY24-25, Taaleem formalised and approved its first comprehensive Internal Controls Framework (ICF) which was approved by the Audit Committee and the Board of Directors in July 2025 and represents a significant milestone in the company’s governance maturity.

The Internal Controls Framework:

- Defines entity-level, operational, financial reporting, and compliance controls;
- Integrates internal control principles with enterprise risk management (ERM);
- Outlines the three lines of defence model and assigns roles and responsibilities across the Board, Senior Management, Compliance, Risk, Internal Audit, and operational leadership;
- Aligns with regulatory requirements issued by the Securities and Commodities Authority (SCA), including Chairman’s Decision No. 02/R.M for 2024;
- Establishes a foundation for Taaleem’s ICFR (Internal Controls over Financial Reporting) readiness for the following year, including plans for eventual independent assurance.

To monitor effectiveness, the Audit Committee receives quarterly updates from the Head of Compliance on:

- The implementation status of ICFR-related controls;
- Identified deficiencies and their risk classification;
- Remediation progress and validation plans;

The Board’s endorsement of the Internal Controls Framework, coupled with ongoing oversight through the Audit Committee, reinforces Taaleem’s commitment to high standards of governance, transparency, and continuous improvement in its internal control environment.

B. The name, qualifications, and date of appointment of the department director.

Taaleem’s internal audit function is outsourced to an independent third-party provider, KPMG Lower Gulf Limited (“KPMG”), who were appointed in March 2024. KPMG is responsible for delivering Taaleem’s risk-based internal audit plan and acts as the Company’s third line of defence by providing independent assurance on internal controls, risk management, and governance processes.

Oversight of internal controls, including the coordination of internal audit activities, is led internally by the Head of Compliance, who works closely with KPMG and relevant departments to ensure effective planning, reporting, and follow-up.

In addition to internal audit execution, KPMG also supports Taaleem’s ongoing Internal Controls over Financial Reporting (ICFR) readiness programme, which includes the development of process flowcharts, Risk and Control Matrices (RCMs), and testing design and effectiveness of key financial reporting controls. These efforts are part of a broader initiative to strengthen Taaleem’s internal control environment in alignment with regulatory expectations.

C. The name, qualifications, and date of appointment of the compliance officer.

The Compliance function at Taaleem is led by Ms. Natasha Pardasani, who was appointed by the Board of Directors on June 6, 2023.

Ms. Pardasani brings over 15 years of experience in governance, risk, compliance, and internal audit, with a proven track record across regulated industries, including education, logistics, and professional services. She has worked extensively with listed and regulated entities in the UAE and internationally, supporting the design and implementation of control frameworks, compliance programmes, and governance reforms.

She holds a Bachelor’s degree in Business Administration (Finance & Accounting) from the American University in Dubai and is a qualified:

- Chartered Accountant (ACCA)
- Certified Compliance & Ethics Professional – International (CCEP-I) – Society of Corporate Compliance and Ethics
- Certified Internal Auditor (CIA) – Institute of Internal Auditors

Key Responsibilities and Contributions in FY2024–2025:

As Taaleem’s Head of Compliance, Ms. Pardasani is responsible for:

- Developing and overseeing the Group-wide compliance framework;
- Identifying, assessing, and managing compliance risks across corporate and school operations;
- Establishing internal governance policies and procedures in line with legal and regulatory obligations;
- Facilitating internal audits and ICFR readiness activities in coordination with external advisors;
- Providing assurance to the Audit Committee through structured reporting and issue escalation;
- Driving compliance culture and ethical conduct through communication, training, and employee engagement.
- During FY24–25, the Compliance function achieved the following:
- Rolled out and governed Taaleem’s independent whistleblowing hotline, including communication, training, and awareness campaigns to ensure accessibility and confidentiality;
- Refined, updated and embedded the Group-wide compliance framework, aligned with local regulations and international best practices;
- Maintained and strengthened the policy governance process, under which over 60 corporate policies

were introduced or revised across multiple areas such as corporate governance, risk management, internal audit, finance, operations, education etc;

- Built a detailed Compliance Obligations Register, consolidating all key regulatory requirements across the Group and assigning ownership to business units for ongoing monitoring and accountability;
- Led the development and approval of Taaleem’s Internal Controls Framework, aligned with the COSO model and SCA ICFR guidance;
- Coordinated the Group’s ICFR readiness programme in partnership with KPMG, including documentation of process flowcharts, Risk and Control Matrices (RCMs), and oversight of remediation actions;
- Delivered quarterly updates to the Audit Committee covering compliance status, ICFR progress, and emerging themes and regulations;
- Promoted a culture of compliance and accountability across both corporate and operational levels through structured awareness initiatives and leadership engagement.

The Head of Compliance reports functionally independently to the Audit Committee and plays a central role in maintaining and strengthening Taaleem’s compliance and internal control environment.

D. How the Internal Control Department deals with any major company issues or those disclosed in the annual reports and accounts. (If no major problems have occurred, this should also be stated).

During the financial year, no material issues or significant deficiencies in internal controls were identified that would have a critical impact on the Company’s financial reporting, operations, or regulatory compliance.

E. Number of reports issued by the Internal Control Department to the Board of Directors.

Taaleem’s internal audit function serves as a key component of the Group’s third line of defence, providing independent assurance over the design and effectiveness of internal controls, risk mitigation processes, and governance systems.

The internal audit function is fully outsourced to KPMG, who were appointed as Taaleem’s internal audit provider in March 2024 and are responsible for executing the three-year risk-based internal audit plan. During the year 9 reports have been submitted by the internal audit function.

10 reports were delivered during the year as described below.

Internal Audit Activities in FY2024–2025:

- Quarterly Audits: Four (4) new audits were completed during the year, focused on critical themes such as health and safety, safeguarding, regulatory contract compliance, and compensation and benefits. Each audit report included detailed findings, management responses, and agreed action plans.
- Follow-up Audits: In addition to new audits, four (4) follow-up audits were conducted each quarter to assess the status of previously identified issues and validate the closure of agreed action plans.
- Pilot School-Based Audit: A new school-based audit was introduced as a pilot initiative, focused on enhancing local-level controls and operational processes beyond regulatory compliance. This advisory-focused engagement is part of a broader commitment to strengthening governance at the school level and incorporate leading best practices from each school across the Group.
- ICFR Oversight: In addition to standard audits, KPMG supported Taaleem’s internal controls over financial reporting (ICFR) readiness programme. The first formal ICFR readiness report was issued at year-end, covering process walkthroughs, RCMs, control testing outcomes, and remediation actions.



These efforts have contributed to improved process visibility, more structured issue resolution, and greater alignment between internal audit activities and Taaleem’s risk profile.

Internal Controls Framework Implementation:

In parallel, Taaleem formalised and approved its first comprehensive Internal Controls Framework (ICF) during FY2024–2025. Aligned with the COSO framework and SCA’s regulatory expectations, the ICF outlines Taaleem’s approach to control governance across the five COSO components, with clear roles defined across the three lines of defence.

It also applies the Three Lines of Defence model, where:

- First line – Management owns and manages risks and implements controls.
- Second line – Oversight functions, including Compliance and Risk, monitor, support, and challenge management.
- Third line – Internal Audit provides independent assurance to the Board and Audit Committee on the effectiveness of governance, risk management, and control processes.

Key developments in internal control maturity during the year included:

- ICFR Diagnostic and Documentation: ICFR documentation was completed across critical business processes that impact financial reporting (including but not limited to entity level controls, technology controls, revenue, financial closing etc) through the development of process flowcharts and Risk and Control Matrices (RCMs), forming the basis for ongoing control testing and evaluation.
- Remediation and Testing: Design and operating effectiveness gaps identified through the ICFR process were addressed through structured remediation efforts, supported by Compliance and validated by KPMG.
- Quarterly Reporting: Progress on ICFR readiness was shared with the Audit Committee on a quarterly basis, enabling consistent visibility and oversight throughout the year.
- Governance Alignment: The approved ICF integrates internal audit, compliance, and risk management into a unified framework, ensuring that all control activities are embedded, monitored, and continuously improved.

These initiatives have laid the groundwork for future ICFR assurance and positioned Taaleem to meet evolving regulatory expectations while enhancing the overall integrity and reliability of its internal control systems.

9. Details of the violations committed during 2024–2025 and an explanation of their causes, and how to address them and avoid their recurrence in the future.

Taaleem did not commit significant violations of the Governance Guide during 2024–2025.

10. Statement of the cash and in-kind contributions made by the company during 2024–2025 to support local community development and environmental preservation. (If no contributions were made, this should be explicitly stated).

Taaleem’s Social contribution and related expenses for 2024–2025 are AED 521,123

11 General information:

A. Statement of the company’s share price in the market (closing price, highest price, and lowest price) at the end of each month during the fiscal year 2024–2025.

SN	Date	Price	High	Low
1	08/29/2025	4.74	5	4.15
2	07/30/2025	4.2	4.3	3.95
3	06/30/2025	4.16	4.25	3.52
4	05/30/2025	3.65	3.79	3.52
5	04/30/2025	3.64	3.7	3.38
6	03/31/2025	3.61	3.94	3.35
7	02/28/2025	3.82	4.23	3.6
8	01/30/2025	4.23	4.25	3.84
9	12/31/2024	3.95	4.06	3.81
10	11/29/2024	3.95	4.21	3.85
11	10/31/2024	4.15	4.15	3.6
12	09/30/2024	3.73	3.75	3.47



B. A comparative performance statement of the company's share relative to the general market index and the sector index to which the company belongs during 2024-2025.

SN	Change %	General market index	Sector index	Lowest Price
1	08/29/2025	12.86%	-1.55%	-1.26%
2	07/30/2025	0.96%	7.95%	-4.23%
3	06/30/2025	13.97%	4.11%	-2.45%
4	05/30/2025	0.27%	3.27%	3.75%
5	04/30/2025	0.83%	4.14%	-0.37%
6	03/31/2025	-5.50%	-4.16%	-7.31%
7	02/28/2025	-9.69%	2.65%	4.05%
8	01/30/2025	7.09%	0.42%	2.75%
9	12/31/2024	0.00%	6.42%	-1.53%
10	11/29/2024	-4.82%	5.58%	-4.82%
11	10/31/2024	11.26%	1.94%	11.26%
12	09/30/2024	2.47%	4.12%	2.47%

C. Statement of the distribution of shareholder ownership as of 31/12/2024-2025 (individuals, companies, governments) classified as follows: local, Arab, and foreign

Ser.	Shareholders classification	Percentage of Owned Shares			
		Individuals	Companies	Government	Total
1	Local	17.41	46.82	1.26	65.49
2	Arab	1.74	15.62		17.35
3	Foreign	0.68	16.48		17.16
	Total	19.83	78.92	1.26	100.00

D. Statement of shareholders who own 5% or more of the company's capital as of 31/08/2025 according to the following table:

Ser.	Name	Number of Owned Shares	Percentage of Owned Shares of the Company's Capital
1	National Bonds Corporation Sole Proprietorship LLC	223,635,135	22.36
2	Knowledge Fund Est.	136,373,465	13.64
3	ITG Family Office Limited	72,494,720	7.25
4	Ahmed Al Khayyat	61,920,000	6.19
5	Norges Bank	49,999,996	5.00

E. Statement of shareholder distribution according to the volume of ownership as of 31/08/2025 according to the following table:

Ser.	Ownership of Shares (share)	Number of Shareholders	Number of Shares Owned	Percentage of Shares Owned from Capital
1	Less than 50,000	4,052	10,045,438	1.08
2	From 50,000 to less than 500,000	153	27,502,253	2.75
3	From 500,000 to less than 5,000,000	81	122,990,735	12.30
4	More than 5,000,000	32	839,461,574	83.95

F. Statement detailing the procedures undertaken regarding investor relation controls, indicating the following:

Taaleem implements robust Investor Relations controls to ensure full compliance with SCA and DFM regulations, while promoting transparency and equal access to information.

All disclosures, earnings releases, and market announcements undergo a strict internal review and approval process by Finance, Legal, and Executive Management.

Communications are issued simultaneously in Arabic and English, supported by structured engagement through earnings calls, presentations, and investor conferences. Insider-list monitoring, blackout periods, and fair-disclosure protocols, are all closely monitored thereby safeguarding market integrity and reinforcing investor confidence.





Name of the Investor Relations Officer.	Nora Ghannam
Contact information for the Investor Relations Officer (email, phone, mobile, fax).	Email : nghannam@taaleem.ae
Mobile	+971501142365
The electronic link to the Investor Relations webpage on the company's website.	https://www.taaleem.ae/investor-relations/

G. Statement of the special decisions presented at the General Assembly held during 2024–2025 and the actions taken in relation thereto.

No special decisions were presented at the General Assembly of 2023/2024 and the General Assembly for the FY 2024/2025 is yet to be held.

H. Name of the rapporteur of the Board of Directors meetings and the date of his appointment.

Mrs. Marine Aoudi was appointed as the Secretary to the Board of Directors of Taaleem in November 2022.

I. Detailed statement of the fundamental events and important disclosures that the company encountered during 2024–2025.

- On 31 October 2024 : Taaleem Holdings PJSC announced the Acquisition of Prime Land and Property Assets to Expand Dubai British School – Emirates Hills (DBSEH).
- On 19 November 2024: Taaleem Holdings PJSC disclosed its Acquisition of Lycee Libanais Francophone Privé Meydan.
- On 19 June 2025 : Taaleem Holdings PJSC Announced the Acquisition of Kids First Group Limited (“KFG”), a Leading GCC Early-Learning Education Provider.

J. Statement of the deals made by the company with related parties during 2024–2025 that equate to 5% or more of the company's capital.

Please refer to section 4.6 above.

K. Statement of the percentage of nationalization in the company by the end of 2022, 2023, and 2024–2025 (excluding workers for companies operating in the contracting field).

- Taaleem’s Emiratisation rate for the fiscal year 2022–2023 is 5.6%.
- Taaleem’s Emiratisation rate for the fiscal year 2023–2024 is 7.5%.
- Taaleem’s Emiratisation rate for the fiscal year 2024–2025 is 9%.

L. Statement of the innovative projects and initiatives that the company has undertaken or is currently developing during 2024–2025.

During the 2024–2025 financial year, Taaleem advanced a portfolio of innovative projects that reinforced its leadership in education, sustainability, and governance. The company expanded its environmental initiatives through the installation of solar panels across multiple schools, the introduction of hydroponic farming systems, and the integration of biofuels into school transport, contributing to measurable reductions in resource use and emissions. Waste management practices were strengthened through large-scale recycling programmes and circular economy initiatives that diverted significant volumes of material from landfill.

In the academic sphere, Taaleem pioneered new approaches to experiential learning, with students participating in flagship projects such as the design and racing of electric cars under the Greenpower UAE programme, and the development of sustainability passports and eco-leadership roles that embed global goals into everyday learning. Several schools were shortlisted for international recognition, including the Zayed Sustainability Award and the 7-stars award in the International Best Practice Competition for sustainability, underscoring the global relevance of these initiatives.

On the governance side, Taaleem introduced enhanced digital safety and cybersecurity in education, ensuring robust oversight of emerging technologies, alongside comprehensive staff training programmes that embed accountability and integrity across the organisation.



Innovation highlights FY 2024–25 (School initiatives only)

STEM & Innovation – Electric cars

Dubai British School Emirates Hills (DBSEH) students designed and raced electric cars in the Greenpower UAE Challenge, securing top national placements.

STEM & Innovation – Sustainable airplane & airport models

Dubai British School Jumeirah Park (DBSJP) students engineered sustainable airport and airplane models, integrating renewable energy concepts and eco-design thinking into real-world simulations.

Sustainable Fashion

Jumeira Baccalaureate School (JBS) hosted a Sustainable Fashion Show, with students creating garments from recycled materials to highlight the environmental impact of fast fashion.

Global recognition

Jebel Ali School (JAS) has been honoured with the 7 Star International Best Practices Award, recognising its outstanding success in “connecting a whole school community with nature.” This accolade highlights JAS’s visionary approach to integrating the natural environment into its educational culture and community life, and multiple Taaleem schools were shortlisted for the Zayed Sustainability Prize.

Renewable energy

Greenfield International School (GIS) installed solar panels, generating 334 MWh of clean energy, while Dubai British School Jumeirah Park (DBSJP) achieved a 30% reduction in energy use through awareness and efficiency programmes.

Sustainable Food Systems

Raha International School and Al Watan Charter School introduced hydroponic towers and greenhouse farming, saving 19,500 liters of water per month.

Green transport

Greenfield International School transitioned its school buses to biofuels, pioneering greener school mobility.

Circular waste solutions

Jumeira Baccalaureate School (JBS) diverted over 200 kg of paper and plastic through recycling partnerships, while Al Wafaa Charter School collected more than 170 kg of plastic for reuse.

Student leadership

Across Dubai British School Jumeirah Park (DBSJP), Dubai British School Jumeira (DBSJ), and Uptown International School (UIS), more than 100 student-led initiatives such as SDG Passports, eco-fairs, and eco-leadership roles embedded sustainability into everyday school life.



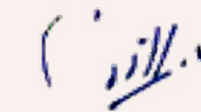
Chairman of the Board of Directors



Chairperson of the Audit Committee



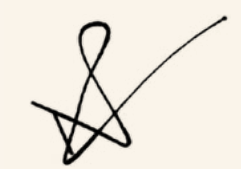
Chairman of the Nomination and Remuneration Committee



Chairman of the Executive Committee



Chairman of the Education Sub-Committee



Head of Compliance

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AUDIT COMMITTEE REPORT

This report is prepared and issued by Taaleem Holdings PJSC (“Taaleem”) in compliance with the provisions of Article 61 bis. of 2024 issued by the Chairman of the Board of Directors of the Securities and Commodities Authority (“SCA”) concerning the Approval of the Public Joint Companies Governance Guide (“**Governance Guide**”).

Introduction

This Annual Audit Committee Report of Taaleem Holdings PJSC summarises the Committee’s oversight activities during FY2024–2025 in line with the Securities and Commodities Authority’s Governance Guide. It covers the Committee’s comprehensive review of financial statements, including revenue recognition, business combinations, impairment testing, corporate taxation, and the adoption of new accounting standards, while ensuring the independence and effectiveness of the external audit process. The report also outlines measures taken to strengthen internal controls and risk management, maintain oversight of internal audit findings, and govern related party transactions, underscoring Taaleem’s commitment to transparency, accountability, and robust financial stewardship at the highest levels.

1. Significant matters considered by the committee in relation to the financial statements

Throughout the year, the Audit Committee has diligently reviewed and addressed several significant matters related to the consolidated financial statements.

As guided by management and the external auditors, key areas of focus for this year included:

A. Revenue Recognition

The Committee carefully evaluated the company’s revenue recognition practices to ensure full compliance with accounting standards, including questioning any significant contracts and transactions to confirm that revenue was appropriately recorded. Discrepancies identified by external auditors were promptly resolved, ensuring the accuracy of our financial reporting.

B. Business combinations

The Committee rigorously reviewed all business combination transactions during the year to ensure compliance with IFRS 3 and related accounting standards. This included evaluating the purchase price allocation, identification and fair valuation of acquired assets and liabilities, and recognition of goodwill or bargain purchase gains. The Committee examined the methodologies, key assumptions, and independent valuations used in determining fair values, as well as the treatment of any contingent consideration. All disclosures were assessed to confirm that they provided transparent and comprehensive information to stakeholders.

C. Impairment of Assets

The Committee thoroughly assessed the potential impairment of goodwill, analysing the methodologies and assumptions used in the impairment tests, including cash flow projections and discount rates. Adjustments were made as necessary to align with realistic and conservative estimates.

D. Corporate Taxation

Taaleem’s corporate tax positions, including deferred tax liabilities, were closely reviewed to ensure accurate representation in the consolidated financial statements. The Committee paid particular attention to the assumptions and judgments underlying tax provisions, identifying any potential exposures.

E. Compliance with New Accounting Standards

The Audit Committee reviewed the impact of new and amended accounting standards and interpretations to ensure their seamless integration into Taaleem’s financial processes. The Committee worked closely with management and the external auditors to identify and address any challenges, thereby ensuring continued compliance.

The following new standards, interpretations, and amendments, which became effective as on 1 January 2024:

- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements

By addressing these critical matters with diligence and rigour, the Audit Committee has ensured that the consolidated financial statements provide a fair and accurate representation of Taaleem’s financial

performance and position. The valuable insights from our external auditors have enhanced the reliability and credibility of our financial reporting.

2. Independence and effectiveness of the external audit process, including approach taken for appointing the external auditor

The independence and effectiveness of the external audit process is critical to ensuring the accuracy and integrity of our financial reporting. Each year, management conducts a thorough evaluation of the external auditor’s performance, which is presented to the Audit Committee. This evaluation assesses the auditor’s independence by considering factors that include tenure, the nature and scope of any non-audit services provided, and potential conflicts of interest. The effectiveness of the audit process is also reviewed, focusing on the quality of the audit work, the auditor’s understanding of our business, and their ability to provide timely, constructive feedback.

The process for appointing or reappointing the external auditor follows a rigorous and transparent procedure. This involves a detailed review of the auditor’s qualifications, relevant industry experience, and past performance, ensuring that the appointed firm possesses both the independence and expertise required to deliver a high-quality audit.

Since its listing in 2022, Taaleem has appointed Ernst & Young (EY) Middle East as its external auditor. EY was initially appointed by shareholders at the Annual General Meeting (AGM) in October 2022, coinciding with Taaleem’s listing, marking the commencement of their audit engagement. They were subsequently reappointed at the AGMs held in October 2023 and November 2024, representing their second and third years of service, respectively. Throughout this period, EY has consistently demonstrated a high level of competence and professionalism, thereby enhancing the reliability and robustness of the Group’s financial reporting.

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In line with corporate governance practices and to ensure continued transparency, management initiated a Request for Proposal (RFP) process in Q3 of FY2024–2025 for the appointment of external auditors for the financial year ending 31 August 2026. The RFP was extended to select Big 4 firms, excluding those with a conflict of interest. Accordingly, Ernst & Young, Deloitte & Touche, and PricewaterhouseCoopers (PwC) were considered, while KPMG was excluded given their existing role as Internal Auditors, in adherence to independence requirements. Proposals were received from two of the three vendors and evaluated against detailed criteria, including organisational experience, technical expertise of the engagement team, prior audit experience, client references, and commercial terms. The pricing submissions were rigorously analysed and subject to negotiations to ensure fairness and competitiveness.

Following this robust evaluation, the Audit Committee has completed its assessment of proposals received and submitted its recommendation to the Board of Directors. The final appointment of the external auditor for FY2025–2026 remains subject to shareholder approval at the upcoming AGM. This process reflects the Group’s commitment to transparency, independence, and governance best practice in auditor selection

3. Committee’s recommendation regarding the appointment, reappointment or dismissal of the external auditors

For 2024–2025, the Audit Committee had recommended, and the Board had accepted, the reappointment of EY Middle East as the company’s external auditor, which was approved during the AGM held in November 2024. This recommendation was based on EY’s consistent quality of service, strong understanding of the company’s business operations, and strict adherence to relevant regulatory standards.

For 2025–2026, the Audit Committee has submitted its recommendation on the external auditor for the upcoming financial year, based on a rigorous RFP process and assessment of technical expertise, independence, service quality, and commercial terms. In line with governance requirements, the Board of Directors has endorsed the recommendation for submission to the shareholders, with the final appointment to be confirmed at the AGM.

This reflects the Board’s commitment to maintaining rigorous financial oversight and stability.

4. Independence of the external auditor if non-audit services are provided

We ensure the independence of the external auditor by adhering to strict internal procedures that regulate the approval of any non-audit services. Currently, our external auditors do not provide Taaleem with any non-audit services. Should such services be required in the future, the Audit Committee will establish clear guidelines to maintain auditor independence. In accordance with these procedures, the Audit Committee delegates authority to the Group’s Chief Financial Officer (CFO) to approve non-audit services. This approval is based on a thorough review of the service proposal, supported by documentation provided by the auditor, including an independence analysis. For certain cases, depending on the nature or amount of fees, the Audit Committee may request further explanation from the CFO.

The assessment process involves evaluating potential threats to independence and identifying appropriate safeguards. The Audit Committee also receives a written confirmation from EY Middle East regarding their independence annually.

For the 2024–2025 financial year, the Committee has reviewed and approved

the audit fees, ensuring that the total fee amount did not compromise the auditor’s independence or objectivity.

5. Actions taken to address internal control or risk management deficiencies or weaknesses

The Audit Committee continues to play an active role in overseeing Taaleem’s internal control and risk management framework. Building on the structured approach established in previous years, the Committee has further reinforced its monitoring mechanisms, enhanced accountability, and ensured that management actions remain timely, practical, and effective. A key development during FY2024–2025 was the issuance of the Securities and Commodities Authority (SCA) circular on internal controls and risk management, which introduced additional regulatory expectations and heightened the Committee’s oversight responsibilities.

In FY2024–2025, the Committee worked closely with the Head of Compliance and Taaleem’s external consultants (Internal Audit and Internal Controls over Financial Reporting) to sustain and strengthen the following key practices:

A. Consistent High-Frequency Reporting

Monthly updates on open high-risk audit points have continued, ensuring that material deficiencies remain visible to the Committee. These updates include progress notes, revised timelines (if applicable), and management explanations where delays are encountered.

B. Clear Accountability and Timely Action

The Committee has sustained its focus on ensuring that management, as the first line of defence, addresses identified weaknesses within defined timelines. Where delays occur, the Committee challenges management to justify extensions and prioritise resolution of open risks.

C. Root Cause Analysis and Thematic Tracking

Over the course of the year, the Audit Committee has placed greater emphasis on understanding whether deficiencies are isolated or symptomatic of broader control design issues. Functional clusters of repeat findings have been highlighted to management for systemic resolution.

D. Robust Closure Validation

Closure of high- and medium-risk findings requires evidence of completed remediation, with validation by Compliance and Internal Audit. This ensures that issues are not marked ‘closed’ without proper follow-through.

E. Linkage to Governance Enhancements

Where appropriate, findings have informed updates to internal policies, procedures, and the Delegation of Authority framework. Several new and updated policies rolled out this year had improvements that stemmed directly from Internal Audit recommendations, reinforcing alignment between audit outcomes and continuous improvement.

F. Oversight of ICFR Readiness Activities

In parallel, the Committee has overseen the Group’s progress on strengthening its Internal Controls over Financial Reporting (ICFR). As part of a separate, dedicated engagement with a third-party advisor, Taaleem completed the documentation of process flowcharts and Risk and Control Matrices, identified and addressed design and operating effectiveness deficiencies, and laid the foundation for long-term control maturity. While this programme is detailed in a separate section of the report, the Audit Committee has maintained active oversight to ensure integration of these efforts into the wider control environment.



G. Active Audit Committee Engagement

The Committee continues to play an active role not just in reviewing internal audit reports but in probing the practicality, design, and sustainability of corrective actions. Recurring or long-standing deficiencies receive particular attention, and follow-ups are tracked across meetings until satisfactorily closed.

Through these measures, the Audit Committee has demonstrated continued focus on embedding a culture of ownership and discipline around internal controls. The Committee’s approach remains both proactive and practical, seeking not only timely remediation of issues but long-term strengthening of the Group’s control environment.

6. Committee’s review of reports issued by internal audit

The Audit Committee continues to ensure rigorous oversight of all internal audit activity, with particular focus on medium- and high-risk findings. Each report issued by the independent Internal Audit provider is subject to structured review and discussion, regardless of overall report rating, reflecting the Committee’s commitment to both issue-level resolution and broader internal control maturity.

Key practices maintained and strengthened during FY2024–2025 include:

A. Comprehensive and Structured Review

All internal audit reports are shared with and reviewed by the Committee. These reviews include consideration of the findings, management responses, contextual factors, and Internal Audit’s recommendations for remediation. The Committee ensures that each report is assessed not just at face value but in the broader context of Taaleem’s risk and control environment.

B. Focused Oversight on Medium and High-Risk Issues

High- and medium-risk findings are discussed in detail during quarterly Committee meetings. These discussions cover newly issued reports as well as the status of previously identified open points. Recurring themes, delays in remediation, or repeat findings across functions are highlighted for deeper management engagement.

C. Root Cause Analysis and Escalation

The Committee, together with the Internal Audit provider and relevant members of management including the Head of Compliance and C-Suite, evaluate whether identified issues reflect operational gaps, control design weaknesses, or policy-level misalignment. Where needed, the Committee escalates systemic concerns for cross-functional or executive-level resolution.

D. Follow-Up and Closure Monitoring

The Audit Committee continues to track remediation progress on all high- and medium-risk items, with clear expectations on closure timelines, supporting evidence, and validation. This ensures accountability and prevents superficial or procedural closure of significant findings.

E. Alignment with ICFR Readiness Programme

In addition to regular internal audit reviews, the Committee received quarterly updates from the Head of Compliance on the progress of Taaleem’s ICFR readiness programme. These updates included coverage of areas reviewed, status of documentation, key deficiencies identified, and remediation efforts underway. The Committee monitored the alignment between ICFR findings and internal audit themes to ensure a cohesive and consistent approach to strengthening the Group’s overall control framework.

By maintaining this depth of review and connection across Internal Audit and ICFR initiatives, the Audit Committee ensures that material risks and control deficiencies are identified, escalated, and addressed in a timely and structured manner. This integrated approach supports continuous enhancement of Taaleem’s internal control systems and reinforces the Committee’s oversight responsibility.

7. Corrective action plans in the event of fundamental deficiencies in the areas of risk management and internal control systems

While no fundamental deficiencies were identified during FY2024–2025 that would materially impact the financial position or reputation of the organisation, the Audit Committee remained vigilant in overseeing the Group’s preparedness and responsiveness to any significant internal control or risk management gaps. The Committee continues to implement a structured corrective action framework designed to ensure prompt, effective, and sustainable remediation, should substantial deficiencies arise.

A. Immediate Action and Increased Oversight

Upon the identification of significant deficiencies, the Audit Committee mandates that management take immediate corrective actions. The frequency of reporting on open high-risk issues is increased, with the Committee closely monitoring progress to ensure timely resolution.

B. Ongoing Facilitation of the Internal Audit Process

The Head of Compliance continues to play a central role in enabling the internal audit process by ensuring timely coordination with the external Internal Audit provider, robust issue tracking, and follow-up. This collaboration has supported the effective identification and closure of multiple medium- and high-risk audit points during the year.

C. Quarterly Audit Cycle and Updates

As part of the established audit rhythm, four new internal audits were conducted during FY2024–2025, each followed by a formal report and an update on status of open or follow-up actions. In addition to corporate-level audits, the Committee also oversaw the launch of a new school-based advisory pilot programme. This initiative was introduced to go beyond regulatory compliance expectations and focus on value-adding recommendations tailored to school operations. These engagements are designed to drive process improvements, enhance ownership at the ground level, and strengthen operational governance across the Group’s premium school network.

D. In-Depth Review of High- and Medium-Risk Issues

The Committee continues to review all high- and medium-risk findings in detail, discussing both the remediation strategy and its execution during regular Committee meetings. This includes both newly identified issues and tracking of previously open items.

E. Rigorous Accountability and Timely Closure

The Committee challenges any delays in remediation timelines and requires clear, documented justification from management where closure deadlines are extended. This level of scrutiny ensures a balance between operational feasibility and timely risk mitigation.

F. Process and Policy Improvements

Audit and risk insights are consistently used to inform updates to internal policies and procedures across the organisation. During the year, over 60 new or revised policies were developed and rolled out, spanning a wide range of functions, including education, governance, compliance, operations, finance, human resources, and risk management. These



policies were created through a structured policy governance process, ensuring alignment with regulatory requirements, internal audit recommendations, and evolving operational needs. Several of the policies were reviewed and approved by the Audit Committee and Board of Directors, where applicable, particularly those related to compliance, corporate governance, financial controls, and risk management.

G. Integration with the ICFR Framework

Corrective actions arising from Taaleem’s ICFR readiness programme were reviewed alongside internal audit findings to ensure consistency and efficiency in remediation. Design and operating effectiveness issues identified through the ICFR initiative were addressed with the same rigour applied to internal audit findings, reinforcing a unified approach to control enhancement.

H. Cross-Functional Ownership and Collaboration

The Committee, via the Head of Compliance, has encouraged and observed increased cross-functional participation in corrective action planning. Control deficiencies, particularly those requiring systemic changes, are now addressed through collaboration across the first and second line of defence. This ensures remediation efforts that not only fix the immediate issue but also tackle root causes embedded in process ownership, awareness, and behavioural norms.

8. Documentation demonstrating that the Committee has audited all transactions made with related parties, the observations or results thereof, and the extent of compliance with applicable laws in this regard.

In accordance with SCA’s definition of related parties, the Committee ensures that all transactions with key related parties, including National Bonds Corporation, Knowledge Fund Establishment, board members and their relatives, executive management and their relatives, and employees of Taaleem, are managed in compliance with applicable regulations. Transactions with these related parties include lease payments, investments in sukuk deposits, compensation and tuition fee discounts provided.

To ensure compliance, all related party transactions follow the established Delegation of Authority (DOA) process. This framework guarantees that transactions are reviewed and approved through the appropriate channels, maintaining adherence to internal controls and regulatory standards. The Audit Committee has reviewed the company’s DOA to ensure its effectiveness. Additionally, the impact of these transactions is detailed in related party disclosures within the consolidated financial statements, which are reviewed and approved by the Audit Committee before being presented to the Board.

This comprehensive approach ensures that related party transactions are transparent and compliant with legal and regulatory standards, supporting effective governance.



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DIRECTORS' REPORT

The Board of Directors have the pleasure of presenting the annual report and audited consolidated financial statements of Taaleem Holdings P.J.S.C. (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 August 2025. The Company operates under the trade name Taaleem Holdings P.J.S.C. (Public Joint Stock Company) as per the trade license no. 591478 issued by the Department of Economic Development.

Management's responsibilities

The UAE Federal Law No. (32) of 2021 on the Commercial Companies and its amendments requires the management to prepare the consolidated financial statements which present fairly the state of affairs of the Group and the consolidated performance for the financial year.

The accompanying consolidated financial statements are prepared in conformity with the statutory requirements and IFRS Accounting Standards, including the underlying accounting policies, estimates and judgments. All relevant accounting records and information were considered to prepare these consolidated financial statements.

Principal activities

The Group has been licensed to provide and invest in educational services.

Financial results

The Group has recorded a net profit attributable to equity holders of the Company of AED 164.5 million for the year ended 31 August 2025, compared with AED 138 million in the prior year.

In accordance with the Articles of Association of the Company and applicable UAE Federal Law, the transfer to statutory reserve from the distributable profit has been suspended as the reserve has reached more than 50% of the paid-up share capital following the proceeds received from the IPO on 29 November 2022 through the issuance and classification of new shares.

Dividends

The Board of Directors of the Company has proposed a cash dividend of AED 150 million payout (AED 0.15 per share or 91.2% of profit for the year ended 31 August 2025 attributable to equity holders), which is subject to the approval of the shareholders at the forthcoming Annual General Assembly of the Company.

Total equity attributable to the owners of the Company for the year ended 31 August 2025 amounts to AED 1,780 million prior to proposed dividend.

Going concern basis

The Board of Directors has reasonable expectation that the Group has adequate resources and support to continue its operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the consolidated financial statements for the year ended 31 August 2025.





Transactions with related parties

The consolidated financial statements disclose significant related party transactions and balances in note 22. All transactions are carried out in compliance with applicable laws and regulations.

Statement of disclosure to auditors

The Directors of Taaleem Holdings P.J.S.C. confirm that, to the best of their knowledge, there is no pertinent audit information that the Group’s auditor remains unaware of. They have diligently undertaken all necessary steps, as Directors, to stay informed about any pertinent audit information and to ensure that the Group’s auditor is fully informed.

Subsequent events

Other than as disclosed in Note 34, there were no other significant events subsequent to the year-end that requires either adjustments or disclosures in the consolidated financial statements.

Directors

Mr. Khalid Al Tayer	Chairman
Mr. Adel Al Zarouni	Vice - Chairman
H.E. Helal Al Marri	Board Director
Mr. Ahmad Al Khayyat	Board Director
Mr. Eyad Mashal	Board Director
Mr. Mohammed Al Shaibani	Board Director
H.E. Abdulla Al Awar	Board Director
Ms. Rehab Lootah	Board Director
Dr. Ziad Azzam	Board Director

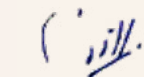
Auditors

Ernst and Young Middle East (Dubai Branch) (“EY”) were appointed as external auditors for the Group for the year ended 31 August 2025. EY have expressed their willingness to continue in the office. A resolution for the appointment of the auditors for the subsequent financial year will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board



Khalid Al Tayer
Chairman



Adel Al Zarouni
Vice Chairman

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TAALEEM HOLDINGS P.J.S.C.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Taaleem Holdings P.J.S.C. (the "Company") and its subsidiaries (together referred as the "Group"), which comprise the consolidated statement of financial position as at 31 August 2025, and the consolidated statement of profit or loss, consolidated statement of other 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 August 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' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 year. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition - Tuition fees	
Revenue (i.e. tuition fees) is an important determinant of the Group's performance and profitability, and is considered amongst others for determination of key management personnel incentives.	We performed the following procedures in relation to revenue recognition:
Tuition fees are earned from a high number of students across the portfolio of schools operated by the Group. This gives rise to the inherent risk whereby revenue may not be recognised appropriately over each term of the School's academic year and in accordance with the requirements of IFRS Accounting Standards.	<ul style="list-style-type: none"> Read the Group's revenue recognition accounting policy in relation to tuition fees and assessed whether it is in accordance with the requirements of IFRS Accounting Standards. Obtained the Group's processes and underlying controls to recognise tuition fees revenue, and performed walkthrough over the design of the key controls. Performed analytical review procedures on the School's tuition fees revenue by assessing and examining the movements of tuition fees revenue during the year by School.
Given its magnitude and the underlying inherent risk, we consider recognition of revenue in the appropriate period to be a key audit matter.	<ul style="list-style-type: none"> On a sample basis, tested whether the tuition fees revenue recognised were recorded in the correct school term by tracing the amounts to the underlying student contracts registered with Knowledge and Human Development Authority (KHDA), fee invoices, bank statements and other supporting documents, and assessed whether the revenue recognised was in accordance with the terms agreed and the requirements of IFRS Accounting Standards. On a sample basis, tested whether the underlying calculation for discounts given to students are in accordance with the contractual arrangements and are duly approved. Assessed the adequacy of the disclosures in the consolidated financial statements in accordance with the requirements of IFRS Accounting Standards.
Refer Note 3.1 for the revenue recognition policy and Note 17.1 for the disclosures on revenue recognised during the year ended 31 August 2025.	





Investments in Lycée Libanais Francophone Privé MEYDAN L.L.C-FZ (LLFPM) and Kids First Group Limited (KFG)

During the year ended 31 August 2025, the Group acquired controlling interest in LLFPM and obtained joint control in KFG, as disclosed in Note 6(a) and 9 to the consolidated financial statements (together “the acquisitions”).

Given the size of the acquisitions, including the consideration thereof, and the significant judgment involved in accounting, including estimating the fair value of the assets acquired and liabilities assumed, this has been identified as a key audit matter.

Whilst the Group has finalized the purchase price allocations in relation to the acquisition of LLFPM, the acquisition of KFG has been disclosed on a provisional fair value basis considering it has been completed closer to the year end.

The Group’s management had engaged independent external valuation experts (a) to estimate the fair value of assets acquired, including the identification and valuation of the identified intangible assets, and liabilities assumed; and (b) for the purchase price allocation exercise.

As part of our audit procedures in respect of the acquisitions, we:

- Read the Group’s accounting policy in relation to business combination and investment in a joint venture and assessed whether it is in accordance with the requirements of relevant IFRS Accounting Standards.
- Obtained the Group management’s process and controls over the accounting for acquisitions of investments, specifically relating to business combination and investments in a joint venture, and performed a walkthrough over the design of the key controls.
- Obtained and read the share purchase agreement for each of the acquisitions.
- Obtained and reviewed the Group’s management assessment of control over the acquisitions in accordance with the requirements of the relevant IFRS Accounting Standards.
- Obtained an understanding of the approach and valuation methodology adopted by the Group’s management, with the support of their external valuation experts, for the identification and fair valuation of acquired assets, including intangible assets, and liabilities assumed as part of the acquisitions.
- Read the valuation reports prepared by the Group’s management, with the support of their external valuation experts, for the purchase price allocation and fair valuation exercise thereof.
- We involved our internal valuation experts to evaluate the valuation methodology and the assumptions used in estimating the fair values

Investments in Lycée Libanais Francophone Privé MEYDAN L.L.C-FZ (LLFPM) and Kids First Group Limited (KFG) continued

Specifically, we:

- assessed the completeness and accuracy of the assets acquired, including the identified intangible assets, and liabilities assumed in the purchase price allocation;
- assessed, with the involvement of our internal experts, the fair values for a sample of the assets acquired and liabilities;
- analysed the provisional fair value adjustments recognized for KFG and assessed whether the adjustments made were in accordance with the requirements of relevant IFRS Accounting Standards;
- assessed the appropriateness of the provisional goodwill recognised for KFG and evaluated whether it was accounted for in accordance with the requirements of relevant IFRS Accounting Standards; and
- assessed the appropriateness of the bargain gain recognised for LLFPM, and evaluated whether the Group’s management has reassessed all the components of the bargain gain computation based on relevant and available information as at the acquisition date and it was accounted for in accordance with the requirements of relevant IFRS Accounting Standards.
- Assessed the independence, objectivity, qualification and expertise of external valuation experts engaged by the Group’s management and read the terms of their engagement to confirm our assessment.
- Assessed the adequacy of the disclosures in the consolidated financial statements in accordance with the requirements of IFRS Accounting Standards.

Other Information included in the Group’s 2025 Directors Report

Other information consists of the information included in the Directors Report, other than the consolidated financial statements and our auditor’s report thereon. Management is responsible for the other information.

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

In connection with our audit of the 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, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors 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 and in compliance with the applicable provisions of the Company’s Articles of Association and the UAE Federal Law No. 32 of 2021, 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.

The Board of Directors are responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements (continued)
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 management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- 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 consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year 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, we report that for the year ended 31 August 2025:

- i) the Company has maintained proper books of account;
- ii) we have obtained all the information we considered necessary for the purposes of our audit;
- iii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Company’s Articles of Association and the UAE Federal Law No. 32 of 2021;
- iv) the financial information included in the Board of Directors’ report is consistent with the books of account of the Company;
- v) investment in shares and stocks during the year ended 31 August 2025, if any, are disclosed in note 1 to the consolidated financial statements;
- vi) note 22 reflects material related party transactions and the terms under which they were conducted;
- vii) 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 August 2025 any of the applicable provisions of the UAE Federal Law No. 32 of 2021 or of its Articles of Association which would have a material impact on its activities or its consolidated financial position; and
- viii) note 19 reflects the social contributions made during the year.

Ernst & Young Middle East (Dubai Branch)



Anthony O’Sullivan
Registration No. 687

9 October 2025

Dubai, United Arab Emirates





Consolidated statement of financial position

As at 31 August 2025

(All amounts in United Arab Emirates Dirham (AED), unless otherwise stated)

	Notes	2025 AED	2024 AED
Assets			
Non-current assets			
Property and equipment	8 (i)	2,040,247,788	1,360,755,792
Investment property	8 (ii)	10,080,750	10,297,647
Intangible assets	7	74,520,613	35,770,918
Goodwill	6	239,997,759	239,997,759
Right-of-use assets	29(i)	252,737,809	260,256,095
Net investment in finance lease	29(i)	3,071,823	3,260,205
Investment in a joint venture	9	915,770,733	-
Capital advances	8(i)(h)	43,395,636	19,254,670
Derivative asset	9	9,800,000	-
		3,589,622,911	1,929,593,086
Current assets			
Fees and other receivables	10	94,283,773	78,371,135
Wakala and short-term deposits	11	134,779,476	360,046,500
Cash and cash equivalents	12	396,653,456	373,965,479
		625,716,705	812,383,114
Total assets		4,215,339,616	2,741,976,200
Equity and liabilities			
Equity			
Share capital	25	1,000,000,000	1,000,000,000
Statutory reserve	27	542,459,941	542,459,941
Own shares	26	(239,676)	(5,935,113)
Own shares reserve	26	(6,695,169)	(23,005,781)
Retained earnings		244,484,900	199,963,447
Total equity		1,780,009,996	1,713,482,494
Liabilities			
Non-current liabilities			
Interest bearing loans and borrowings	13	1,142,532,053	139,000,000
Lease liabilities	29(ii)	283,986,087	275,408,040
Deferred income on government grant	15	40,273,332	42,606,665
Debentures payable	16	5,324,917	10,884,100
Retentions payable	16	7,174,365	835,129
Provision for employees' end of service benefits	14	55,631,845	39,014,933
Deferred tax liabilities	33	41,366,715	27,338,083
		1,576,289,314	535,086,950

	Notes	2025 AED	2024 AED
Current liabilities			
Trade and other payables	16	233,749,407	127,893,373
Fees received in advance	17.2	399,589,525	328,281,594
Interest bearing loans and borrowings	13	184,654,226	1,178,508
Lease liabilities	29(ii)	15,483,567	17,013,944
Deferred income on government grant	15	2,333,333	2,333,333
Income tax provision	33	17,030,248	16,706,004
Derivative liability	9	6,200,000	-
		859,040,306	493,406,756
Total liabilities		2,435,329,620	1,028,493,706
Total equity and liabilities		4,215,339,616	2,741,976,200

These consolidated financial statements were approved by the Board of Directors on 9 October 2025 and signed on their behalf by:

DocuSigned by:
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Khalid Al Tayer
Chairman

Adel Al Zarouni
Vice Chairman

The attached notes 1 to 34 form part of these consolidated financial statements.



Consolidated statement of profit or loss

For the year ended 31 August 2025

(All amounts in United Arab Emirates Dirham (AED), unless otherwise stated)

	Notes	2025 AED	2024 AED
Revenue	17.1	1,135,515,827	945,243,349
Finance and other income			
Rental income	8(i),8(ii)	3,286,985	1,631,784
Income from deferred government grant	15	2,333,333	2,333,333
Finance income	23	25,543,141	30,698,650
Gain on bargain purchase	6(a)	10,290,264	-
Share of loss of a joint venture	9	(9,293,217)	-
Other income	21.2	16,793,288	7,159,563
Total finance and other income		48,953,794	41,823,330
Expenses			
Operating costs	18	(692,179,557)	(552,816,719)
General and administrative expenses	19	(158,116,973)	(132,799,718)
Amortisation of intangible assets	7	(6,441,012)	(2,674,408)
Depreciation on property and equipment	8(i)	(83,995,006)	(79,779,556)
Depreciation on investment property	8(ii)	(216,897)	(570,476)
Amortisation of right-of-use assets	29(i)	(18,369,818)	(17,357,486)
Finance costs	24	(44,538,506)	(19,022,247)
Total expenses		(1,003,857,769)	(805,020,610)
Profit for the year before tax		180,611,852	182,046,069
Current income tax expense	33	(16,823,184)	(16,706,004)
Deferred income tax	33	724,493	(27,338,083)
Profit for the year		164,513,161	138,001,982
Earnings per share			
Basic and diluted, profit for the year attributable to Ordinary equity holders of the company (in aed per share)	32	0.16	0.14

The attached notes 1 to 34 form part of these consolidated financial statements.

Consolidated statement of comprehensive income

For the year ended 31 August 2025

(All amounts in United Arab Emirates Dirham (AED), unless otherwise stated)

	2025 AED	2024 AED
Profit for the year	164,513,161	138,001,982
Other comprehensive income	-	-
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year, net of tax	164,513,161	138,001,982

The attached notes 1 to 34 form part of these consolidated financial statements.

Consolidated statement of changes in equity

For the year ended 31 August 2025

(All amounts in United Arab Emirates Dirham (AED), unless otherwise stated)

	Share capital	Statutory reserve	Own Shares	Own shares reserve	Retained earnings	Total
	AED	AED	AED	AED	AED	AED
As at 1 September 2023	1,000,000,000	542,459,941	(10,511,347)	(31,057,144)	170,512,734	1,671,404,184
Total comprehensive income for the year	-	-	-	-	138,001,982	138,001,982
Own shares (Note 26)	-	-	4,576,234	8,051,363	-	12,627,597
Dividends (Note 28)	-	-	-	-	(110,000,000)	(110,000,000)
Dividends from own shares (Note 26)	-	-	-	-	1,448,731	1,448,731
As at 31 August 2024	1,000,000,000	542,459,941	(5,935,113)	(23,005,781)	199,963,447	1,713,482,494
As at 1 September 2024	1,000,000,000	542,459,941	(5,935,113)	(23,005,781)	199,963,447	1,713,482,494
Total comprehensive income for the year	-	-	-	-	164,513,161	164,513,161
Own shares (Note 26)	-	-	5,695,437	16,310,612	-	22,006,049
Dividends (Note 28)	-	-	-	-	(120,000,000)	(120,000,000)
Dividends from own shares (Note 26)	-	-	-	-	8,292	8,292
As at 31 August 2025	1,000,000,000	542,459,941	(239,676)	(6,695,169)	244,484,900	1,780,009,996

The attached notes 1 to 34 form part of these consolidated financial statements.

Consolidated statement of cash flows

For the year ended 31 August 2025

(All amounts in United Arab Emirates Dirham (AED), unless otherwise stated)

	Notes	2025 AED	2024 AED
Operating activities			
Profit for the year before tax		180,611,852	182,046,069
Adjustments for:			
Depreciation on property and equipment	8(i)	83,995,006	79,779,556
Depreciation on investment property	8(ii)	216,897	570,476
Amortisation of right-of-use assets	29(i)	18,369,818	17,357,486
Amortisation of intangible assets	7	6,441,012	2,674,408
Provision for employees' end of service benefits	14	17,129,654	13,996,814
Allowance for impairment on fees and other receivables	10	2,559,114	3,256,739
Gain on disposal of property and equipment	21.2	(31,238)	(131,433)
Impact of lease modification	29(i)(ii)	2,035,966	-
Finance income	23	(25,543,141)	(30,698,650)
Finance costs	24	44,538,506	19,022,247
Income from deferred government grant	15	(2,333,333)	(2,333,333)
Income from unwinding of debentures payable	21.1	(666,600)	(688,736)
Share of loss of a joint venture	9	9,293,217	-
Gain on bargain purchase	6(a)	(10,290,264)	-
Net loss on derivative instruments at fair value through profit or loss	19	1,500,000	-
Other non-cash items		18,776	4,605
Operating cash flows before changes in working capital		327,845,242	284,856,248
Changes in working capital:			
Change in fees and other receivables		(10,841,335)	(31,888,203)
Changes in restricted cash		(32,632,754)	(6,242,374)
Change in fees received in advance		58,317,533	35,968,505
Change in trade and other payables		98,486,591	11,454,026
Cash flows generated from operations		441,175,277	294,148,202
Payment of employees' end of service benefits	14	(8,590,227)	(7,951,253)
Income tax paid	33	(17,374,898)	-
Net cash flows from operating activities		415,210,152	286,196,949
Investing activities			
Additions to property and equipment, net of retentions payable	8(i)	(444,086,294)	(269,047,001)
Additions to right of use asset for lease registration charges	29(i)	(323,282)	-
Capital advances		(24,140,966)	(360,121)
Proceeds from disposal of property and equipment		31,238	179,398
Receipts from sub-lessor		369,386	554,079
Changes in wakala and short-term deposits, net		225,396,013	115,101,417
Acquisition of subsidiary, net of cash acquired	6(a)	(308,714,802)	-
Acquisition of a joint venture including acquisition cost, net		(927,490,597)	-
Interest received		25,233,148	30,384,841
Net cash flows used in investing activities		(1,453,726,156)	(123,187,387)
Financing activities			
Sale of own shares through liquidity provider, net		22,006,049	12,627,597
Proceeds from bank borrowings	13	1,332,032,053	112,000,000
Repayment of bank borrowings	13	(147,500,000)	-
Interest on bank borrowings paid	13	(25,719,105)	(4,232,716)
Payments of principal portion of lease liabilities and lease direct cost	29(ii)	(24,873,941)	(24,285,072)
Other finance costs paid	24	(530,230)	-
Dividends paid	28	(120,000,000)	(110,000,000)
Repayment of debentures		(6,843,599)	(8,940,678)
Net cash flows from / (used in) financing activities		1,028,571,227	(22,830,869)
Net (decrease) / increase in cash and cash equivalents		(9,944,777)	140,178,693
Cash and cash equivalents at the beginning of the year		340,445,295	200,266,602
Cash and cash equivalents at the end of the year	12	330,500,518	340,445,295

The attached notes 1 to 34 form part of these consolidated financial statements.

INTRODUCTION

STRATEGIC REPORT

SUSTAINABILITY

OUR LEADERSHIP

CORPORATE GOVERNANCE REPORT

AUDIT COMMITTEE REPORT

FINANCIAL STATEMENTS



Notes to the consolidated financial statements

As at and for the year ended 31 August 2024

(All amounts in United Arab Emirates Dirham (AED), unless otherwise stated)

1. Status and principal activities

Taaleem Holdings Private Joint Stock Company (the "Parent Company" or the "Company") was incorporated on 5 February 2007 and registered under trade license no. 591478 issued by the Department of Economic Development, Dubai, United Arab Emirates (UAE) dated 14 February 2007 as a Private Joint Stock Company in accordance with the requirements of UAE Federal Decree Law No. (32) of 2021. The registered address of the Parent Company is P.O Box 76691, Dubai, UAE.

On 29 November 2022, the Company's shares became listed in the Dubai Financial Markets ("DFM") Stock Exchange, UAE. Pursuantly, the Company's status changed from "Private Joint Stock Company" to "Public Joint Stock Company".

The Company's subsidiaries (collectively referred to as the "Group") and their principal activities are as follows:

Name	Percentage of equity interest	Country of incorporation	Principal Activities
Taaleem LLC	100%	United Arab Emirates	Involved in setting up several schools.
Taaleem Management LLC***	100%	United Arab Emirates	Involved in providing licensing, administrative and technical services for structuring, developing, managing and operating schools.
Taaleem SPV Limited*	100%	United Arab Emirates	Involved in providing and investing in educational services.
Taaleem Holdings Sole Proprietorship LLC**	100%	United Arab Emirates	Investment and management of educational and commercial enterprises.
Madaares Operations Limited	100%	United Arab Emirates	General trading activities
Madaares Management Limited	100%	United Arab Emirates	General trading activities
Lycée Libanais Francophone Privé Meydan L.L.C-FZ ("LLFPM")****	100%	United Arab Emirates	Involved in providing educational services
Taaleem Limited*****	100%	Cayman Island	Holding Company

*100% Owned by two shareholders of the Company for its beneficial interest. Based on contractual arrangements between the Company and other shareholders, the Company has power to direct the relevant activities of these subsidiaries and derive full economic benefits (bear losses) from the operations of these subsidiaries. Hence, the Group considers that it controls certain subsidiaries.

** 100% owned by Taaleem SPV Limited.

***Taaleem Management LLC includes operation of the Branch of Taaleem Management LLC (Branch).

****On 6 November 2024, the Group acquired a 100% equity interest in LLFPM through a Share Purchase Agreement ("SPA") dated 6 November 2024 (Note 6(a)).

***** On 19 June 2025, the Group incorporated a private limited company under the laws of the Cayman Islands (Note 9).

The principal activities of the Group are providing for and investing in educational services.

School operations

The Group is involved in management and operations of the following schools:

- (a) Dubai British School ("DBS")
- (b) American Academy for Girls ("AAG")
- (c) Raha International School – Sole Proprietorship LLC ("RIS")
- (d) Greenfield International School ("GIS")
- (e) Jumeira Baccalaureate School ("JBS")
- (f) Uptown International School ("UIS")
- (g) Dubai British Jumeirah Park Foundation ("DBF")
- (h) Dubai British School Jumeirah Park ("DBS-JP")
- (i) Raha International School Khalifa-A – Sole Proprietorship LLC ("RIS-KA")
- (j) Jebel Ali School ("JAS")
- (k) Dubai British School Jumeira ("DBS-J")
- (l) Dubai British School Mira ("DBS-M")
- (m) Dubai British School Jumeirah Island ("DBS-JI")
- (n) Harrow International School – LLC – O.P.C ("HSAD")*
- (o) Harrow International School – LLC ("HSD")*

*During the year, the Group has obtained a trade license from the Department of Economic Development to operate Harrow International School – LLC – O.P.C ("HSAD") in Abu Dhabi and Harrow International School LLC ("HSD") in Dubai.

The trade licenses of the Schools are legally held by Taaleem Management LLC and Taaleem Holdings Sole Proprietorship LLC.

Managed School operations

The Group has also entered into management and operation agreements to manage and operate certain other schools as follows:

a. With the Abu Dhabi Department of Education and Knowledge ("ADEK")

- During 2018-19, to manage and operate four charter schools in Abu Dhabi, UAE commencing from academic year 2019-20.
- During 2020-21, to manage and operate two additional charter schools in Abu Dhabi, UAE commencing from the academic year 2021-22.
- During 2022-23, the Group entered into an operating and management agreement dated 31 May 2022 with ADEK, (which superseded the original agreement) to manage and operate
 - a total of nine schools including the original six plus an additional three new schools commencing from the academic year 2022-23.
 - an additional school in Abu Dhabi, UAE commencing from the academic year 2023-24.
- During 2023-24, to manage and operate
 - an additional school in Abu Dhabi, UAE commencing 1 January 2024.
 - four nurseries commencing 1 September 2023.
- The above-mentioned management and operation agreements are all currently valid and have an option for renewals for periods between 2 to 5 years upon expiry of the initial term of the contractual agreement. The Group's contractual arrangements continue to be in force as per the underlying terms.
- The Group recognises the management fees as an agent in relation to the arrangements with ADEK.

b. With The Executive Council (“TEC”) and Knowledge Fund Establishment (KFE)

- During 2020–21, to manage and operate two schools of TEC in the Emirate of Dubai, Dubai Schools Al Barsha (“DSB”) and Dubai Schools Mirdif (“DSM”), commencing from the academic year 2021–22 for an initial period of 7 years, renewable on the same terms for two additional periods of 7 years each.
- The land and the buildings on which school is constructed is leased by TEC and not recharged to the Group. The Group will be responsible for maintenance required during the agreement period.
- Pursuant to the novation agreements entered into between the Group, TEC and Knowledge Fund Establishment (KFE) during 2021–22, all rights and obligations of TEC under the original agreement were novated to KFE.
- Further, KFE mandated the Group to manage and operate the ‘Dubai Schools’ Nad Al Sheba vide agreement dated 20 June 2022, commencing from the academic year 2022–23 for an initial period of 7 years.
- During 2023–24, the Group obtained a trade license for DSAK (Br of Taaleem Management LLC), to manage and operate “Dubai School – Al Khawaneej” as part of the arrangement with KFE. The Group has transferred operations of Dubai Schools Mirdif (“DSM”) to Dubai School – Al Khawaneej, starting from the academic year 2024–25.
- The Group acts as a principal in relation to operation of the above schools as it derives full economic benefits and has control over the strategic and day to day operations of the schools.

c. With Emirates School Establishment (“ESE”)

- During 2021–22, to manage and operate four schools in connection with the Ajyal (Generations) School (“Ajyal Schools”) initiative by the Federal Ministry of Education, namely Al Maktoum School (Dubai), Al Qarayen School (Sharjah), Al Mataf School (Ras Al-Khaimah) and Al Furqan School (Eastern Sharjah) for an initial period of 3 years commencing from academic year 2022–23 with an option for further extension by another 2 years. The agreement to manage and operate the schools have expired as at 31 August 2025.
- During 2022–23, to manage and operate four schools in connection with the Ajyal (Generations) School (“Ajyal Schools”) initiative by the Federal Ministry of Education, namely LBHS School (Fujairah), WAHS School (Eastern Sharjah), OBAS School (Ajman) and SMGS School (Sharjah) for an initial period of 1 year commencing from academic year 2023–24 with an option for further extension by another 2 years. The agreement is extended for a period of 2 years for academic years 2024–25 and 2025–26.
- The Group recognises the management fees as an agent in relation to the arrangement with ESE.

The above schools are collectively referred to as the “Schools”

The Group has not purchased or invested in any shares or stocks during the year ended 31 August 2025 (2024: Nil).

2. Basis of preparation

2.1. Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting standards, as issued by the International Accounting Standards Board (IASB), and the applicable provisions of the Company’s Articles of Association and UAE Federal Law No. (32) of 2021.

These consolidated financial statements are prepared under the historical cost basis, except otherwise stated.

The consolidated financial statements are presented in the United Arab Emirates Dirham (AED), which is the Company’s functional currency, unless otherwise stated.

2.2. Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. 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, and
- The ability to use its power over the investee to affect its returns.

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 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 statement of profit or loss from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of 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.

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 the consolidated statement of profit or loss. Any investment retained is recognised at fair value.



3. New standards, interpretations and amendments thereof, adopted by the group

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 31 August 2024, except as follows:

(a) New and amended standards and interpretations

The following new standards, interpretations and amendments, which became effective as on 1 January 2024 (unless otherwise stated), have been adopted in these consolidated financial statements:

- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

The adoption of new and amended standards and interpretations as mentioned above did not have material impact on the consolidated financial statements of the Group.

(b) Standards issued but not effective

The new and amended standards and interpretations that are issued, but not yet effective, as at year end are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective:

- Lack of exchangeability – Amendments to IAS 21
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28
- Annual Improvements to IFRS Accounting Standards—Volume 11

For IFRS 18 Presentation and Disclosure in Financial Statements, the Group is currently assessing the implications if any that the amendment will have on the consolidated financial statements.

Except above, management does not expect the adoption of the above new standards, amendments and interpretations to have a material impact on the consolidated financial statements of the Group as and when they are adopted.

(c) Investment in a Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining joint control is similar to those necessary to determine control over subsidiaries. The Group's investment in its joint venture is accounted for using the equity method. The direct cost incurred to acquire the investment in a joint venture is capitalised with the cost of such investment.

Under the equity method, the investment in a joint venture 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 joint venture since the acquisition date. Goodwill relating to the joint venture 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 loss of a joint venture' in the consolidated statement of profit or loss.

The consolidated statement of profit or loss reflects the Group's share of the results of operations of the joint venture. 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 joint venture, 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 joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the consolidated statement of profit or loss and represents profit or loss after tax and non-controlling interests in the subsidiaries of the joint venture.

The consolidated financial information of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

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

When Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in consolidated statement of profit or loss.

Pursuant to the shareholders' agreement ("SHA"), there is call and put option vested with the Group and the other joint venture shareholder over their respective shareholding interest (Note 9). The Group recognised derivative asset for call option and derivative liability for put option. In accordance with IFRS 9, both the put and call options are classified as derivative financial instruments and are measured at fair value through profit or loss (FVTPL), with changes in fair value recognized in the consolidated statement of profit or loss. The fair value of these derivative financial instruments are determined using Monte Carlo Simulation valuation model.

(d) Asset Acquisition

The acquisition of an asset or a group of assets is not within the scope of IFRS 3. In an asset acquisition, the Group identifies and recognizes individual identifiable assets acquired (including intangible assets) and liabilities assumed based on the underlying asset sale-purchase contractual arrangements. The cost of such acquisition is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of the acquisition. These transactions or events do not give rise to goodwill.

The cost of the acquisition is measured as the sum of all consideration given and any non-controlling interest recognised. If the non-controlling interest has a present ownership interest and is entitled to a proportionate share of net assets upon liquidation, the acquirer has a choice to recognise the non-controlling interest at its proportionate share of net assets or its proportionate share of the consolidated book values of the net assets including or excluding transaction costs or its fair value. In all other cases, the non-controlling interest is recognised at fair value, unless another measurement basis is required in accordance with IFRS Accounting Standards.

Directly attributable acquisition-related costs are generally capitalised as part of the cost of the asset in an asset acquisition. No deferred tax implications arise in an asset acquisition.

3.1. MATERIAL ACCOUNTING POLICIES

Revenue from contracts with customers

The Group is in the business of providing educational and educational support services. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services after excluding discounts, if any. The Group has generally concluded that it is the principal in its revenue arrangements, except for the agency services and management fees from ADEK and ESE below, because it typically controls the goods or services before transferring them to the customer.

The revenue from different contracts with customers is recognised as follows:

- Tuition, fees are recognised over the period of time the services are rendered.
- Re-registration and admission fees for existing students are recognised over the period of time the services are rendered.
- Application fees is recognised at point in time.
- Management fees from ADEK and ESE are recognised over the period of time the underlying management services are rendered.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

Agency services income

When another party is involved in providing goods or services to its customer, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Group’s role is only to arrange for another entity to provide the goods or services, then the Group is an agent and will need to record revenue at the net amount that it retains for its agency services.

Agency services income includes income from sports activity, commission income from transportation services, sale of uniform and canteen sales and conferences. Such income is recognised as the underlying sales /or services are delivered /or rendered.

Significant financing component

Generally, the Group receives short-term advances from its customers (fee received in advance). Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Contract balances

Fees receivables

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (usually students) (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received from a customer (usually students) before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

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 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.

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:

- Plots of land and buildings (including office) 10 to 50 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.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section Impairment of non-financial assets for details.



(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 a 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 expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if 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 in-substance fixed lease payments or a change in the assessment 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 building (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 of 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. The short-term leases includes leases for corporate office and staff accommodation.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset 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.

If sub-lease is for major part of the right-of-use assets, then it is classified as finance lease. The right-of-use assets relating to the portion of the head lease that is sublet is derecognised and net investment in the sub-lease is recognised (using the IBR considered for recognition of the head lease). Any difference between the carrying amount of right-of-use assets and the net investment in sub-lease is recorded in the consolidated statement of profit or loss, and the Group continues to recognise the lease liability relating to the head lease. Interest income on sub-lease is recognised in the consolidated statement of profit or loss.

Property and equipment

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Property and equipment are stated at cost less accumulated depreciation and any impairment in value. Such cost includes the cost of replacing part of the property and equipment. When significant parts of property and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognised in the consolidated statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Plots of land and capital work-in-progress are not depreciated.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. Estimated useful lives of the assets as follows:

	Years
Buildings	50 (31 August 2024: 30 years)
Leasehold improvements and outdoor equipment	10-20
Furniture and fixtures	4-5
Books, office, classroom and IT equipment	3-5
Motor vehicles	4

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss in the year the asset is derecognised.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

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

The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted prospectively if appropriate, at each financial period end.

Investment property

Property held for rental or capital appreciation purposes is classified as investment property. Investment property is measured at cost less any accumulated depreciation and any accumulated impairment loss.

Depreciation on asset is calculated using the straight-line method to allocate the cost to its residual value over the estimated useful life of 50 years (31 August 2024: 30 years) (Note 5).

The useful life, depreciation method and residual value method is reviewed periodically to ensure that the method and period of depreciation is consistent with the expected pattern of economic benefits from the asset.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.



The Group determines at each reporting date whether there is any objective evidence that the investment property is impaired. Whenever the carrying amount of an investment property exceeds their recoverable amount, an impairment loss is recognised in the consolidated statement of profit or loss. The recoverable amount is higher of investment property's fair value less cost to sell and the value in use.

Reversal of impairment losses recognised previously is recorded when there is an indication that the impairment losses recognised for the investment property no longer exist or have reduced.

When the development of investment property commences, it is classified under capital work-in-progress until development is complete, at which time it is transferred to the respective category and depreciated in accordance with the Group's policy.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the consolidated statement of profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss.

Estimated useful lives of intangibles are as follows:

	Years
Brand and curriculum	5
Student relationships	10 -14
Below market leases	17 -49

Financial Instruments

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as those 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. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, 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. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies of Revenue from contracts with customers.

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. Financial assets with cashflows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

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. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

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 the consolidated statement of profit or loss when the asset is derecognised, modified or impaired.



Financial assets at fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the consolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group has no debt instruments classified as fair value through OCI as at the reporting date.

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 other 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.

The Group has no equity instruments classified as fair value through OCI as at the reporting date.

Financial assets at fair value through profit or loss

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. This category includes derivative asset (refer accounting policy on investment in a joint venture).

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the consolidated statement profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group’s consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

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 or OCI. 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).

The Group seeks to limit its credit risk with respect to student’s fees by regularly monitoring outstanding fees receivable. An established impairment analysis is performed at each reporting date using an expected credit loss rate based on days past due for such receivables (e.g. by student) and taking into consideration the reasonable and supportable information that is available at the reporting date about past events, prevailing and forecasts of future economic conditions.

The Group considers a financial asset in default when contractual payments are past due the credit period as per the invoice. 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 taking into account 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.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.



Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has derivative liability designated as financial liabilities classified as fair value through profit or loss as at the reporting date (refer accounting policy on investment in a joint venture).

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Offsetting of financial instruments

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

Fair value of financial instruments

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:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Group.

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 categorised 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 at a fair value 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.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, of quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.



For assets excluding goodwill, an assessment is made at each reporting date as to determine whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 August and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods. When the Group disposes of an operation within a cash-generating unit to which goodwill is allocated. The goodwill associated with the operation disposed shall be included in the carrying amount of the operation when determining the gain or loss on disposal and measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

Business combinations 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, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in 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.

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 profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in the consolidated statement of profit or loss.

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

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 ("CGU") 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 forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Own shares

Own equity instruments that are reacquired (own shares) are recognised at cost and deducted from equity. No gain or loss is recognised in consolidated statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium. Such own shares may be acquired and held by the entity or by the other members of the consolidated group. Consideration paid or received shall be recognised directly in equity.



Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Employees' benefits

The Group's obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed at each reporting period by a qualified actuary using the projected unit credit method. Re-measurements of the defined benefit liability, which comprise actuarial gains and losses are recognised immediately in consolidated statement of comprehensive income. The Group determines the net interest expense on the obligation at the beginning of the annual period to the then defined benefit liability, taking into account any changes in the defined benefit liability during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in consolidated statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the consolidated statement of profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the consolidated financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside consolidated statement of profit or loss is recognised outside the consolidated statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.





Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in the consolidated statement of profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Value-added Tax (VAT)

Expenses, and assets are recognised net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and/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.

Contingencies

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

Foreign currency translation

The Group’s consolidated financial statements are presented in AED, which is the Company’s functional currency. For each entity, the Group determines its own functional currency based on the main currency used in the component’s business.

i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit or loss with the exception of monetary items that are designated as part of the hedge of the Group’s net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to consolidated statement profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into AED at the rate of exchange prevailing at the reporting date and their income statements are translated at average month end exchange rate. The exchange differences arising on the translation are taken directly to a separate component of equity. On disposal of a foreign operation, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the consolidated statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value and released to consolidated statement of profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Dividend

The Group recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Group. A corresponding amount is recognised directly in equity.

Employees’ benefit (incentive plan)

The Group has created an incentive scheme for certain key management personnel of the Group. The incentive scheme is based on achievement of certain key performance indicators (such as EBITDA, revenue and other non-financial factors such as enrollment, staff retainment etc.) on an annual basis and settled in cash (cash-settled transactions). Participants are enrolled in the scheme by duly signing off the incentive policy which also indicates the key performance indicators to be achieved to be eligible for the award as per the scheme. A provision for the Group’s obligation under the scheme is accrued on a periodic basis at an amount equivalent to the benefits attributable to the participants with a corresponding expense in the consolidated statement of profit or loss.

Cash and cash equivalents

Cash and short-term deposits in the consolidated statement of financial position comprise cash at banks and in hand and highly liquid deposits, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of restricted cash as they are considered an integral part of the Group’s cash management



4. Financial risk management objectives and policies

The executive management has overall responsibility for the Group and oversight of the Group's risk management framework and for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's principal financial liabilities comprise of trade and other payables, interest bearing loans and borrowings, derivative liability, debentures payable and lease liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's financial assets are fees and other receivables, wakala deposits, sukuk deposits, derivative asset and bank balances that derived directly from its operations.

The main risks arising from the Group's financial instruments are price risk, interest rate risk, credit risk, currency risk and liquidity risk.

The Group's management reviews and agrees policies for managing each of these risks which are summarised below.

Price risk

The Group has exposure to price risk arising from derivative financial instruments in the form of call and put option (Note 9). The fair value of these instruments is determined using Monte Carlo Simulation valuation model using, equity value and EBITDA as a basis to determine the value of the joint venture interest held by each shareholder thereof. Consequently, the carrying amount of the options are sensitive to changes in the equity value and EBITDA of the joint venture.

If the equity value and EBITDA of the joint venture is increased/decreased by 1%, with all other variable held constant, the fair value of the options would have increased/decreased by AED 0.6 million, with the corresponding impact recognised in the consolidated statement of profit or loss.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk in relation to its interest bearing loans and borrowings which bear interest at variable rates and exposes the Group to cash flow interest rate risk.

The sensitivity analysis below has been determined based on the exposure to interest rates for borrowings at the reporting date. The analysis is prepared assuming that these amounts outstanding at the reporting date were outstanding throughout the year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of a reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables held constant, the Group's profit for the year end 31 August 2025 would decrease / increase by AED 3 million (31 August 2024: profit for the year will decrease / increase by AED 701 thousand). There is no direct impact on the Group's equity other than the impact resulting from the effect on the profit for the year.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is primarily exposed to credit risk on its fees and other receivables, wakala deposits, cash at bank and sukuk deposits as follows:

	2025 AED	2024 AED
Fees and other receivables		
(excluding prepayments and VAT receivables) (Note 10)	49,779,334	44,588,388
Wakala and short-term deposits (Note 11 and 12)	276,004,979	396,051,150
Cash at banks and sukuk deposits (Note 12)	255,366,837	337,914,476
	581,151,150	778,554,014

The Group seeks to limit its credit risk with respect to student's fees by regularly monitoring outstanding fees receivable. An established impairment analysis is performed at each reporting date using an expected credit loss rate based on days past due for such receivables (e.g. by student) and taking into consideration the reasonable and supportable information that is available at the reporting date about past events, prevailing and forecasts of future economic conditions.

The Group limits its credit risk with regard to cash at bank, wakala and sukuk deposits by only dealing with reputable banks. These bank balances and deposits are callable on demand. Credit risk is limited to the carrying values of financial assets in the consolidated statement of financial position.

With respect to credit risk arising from the other financial assets of the Group, including deposits and other receivables, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Currency risk

Currency risk is the risk that the fair value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group's transactions are predominantly undertaken in AED or United States Dollars (USD) to which AED is currently pegged. As at the reporting date, there were no significant foreign currency denominated monetary assets and liabilities.

Liquidity risk

The Group limits its liquidity risk by ensuring bank facilities are available. The terms of admission of students of the educational entities require fees to be paid either in advance or within the academic term. Trade payables are settled on the basis of credit terms agreed with the respective suppliers.

The Group's terms of invoices generally require amounts to be paid within 30 to 90 days of the date of invoice.

The table below summarises the maturities of the Group's undiscounted financial liabilities at 31 August, based on contractual payment dates and current market interest rates.

At 31 August 2025

At 31 August 2025	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
	AED	AED	AED	AED	AED
Interest bearing loans and borrowings; including interest	18,898,106	223,292,908	1,295,799,920	-	1,537,990,934
Debentures payable	1,045,749	3,137,245	5,313,225	11,692	9,507,911
Lease liabilities	5,302,931	23,100,308	126,073,993	484,382,456	638,859,688
Trade and other payables	-	220,563,153	-	-	220,563,153
Derivative liability	-	6,200,000	-	-	6,200,000
Total	25,246,786	476,293,614	1,427,187,138	484,394,148	2,413,121,686

At 31 August 2024	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
	AED	AED	AED	AED	AED
Interest bearing loans and borrowings; including interest	2,347,244	6,320,593	146,874,879	-	155,542,716
Debentures payable	1,394,454	4,183,362	10,866,058	18,042	16,461,916
Lease liabilities	4,651,536	19,651,791	117,083,979	494,603,166	635,990,472
Trade and other payables	-	105,582,299	-	-	105,582,299
Total	8,393,234	135,738,045	274,824,916	494,621,208	913,577,403

Changes in liabilities arising from financing activities

2024-25	1 September 2024	Cash flows	Others	31 August 2025
	AED	AED	AED	AED
Interest bearing loans and borrowings, net	140,178,508	1,158,812,948	28,194,823	1,327,186,279
Lease liabilities	292,421,984	(24,873,941)	31,921,611	299,469,654
Debentures payable	16,461,916	(6,843,599)	(110,406)	9,507,911
Total	449,062,408	1,127,095,408	60,006,028	1,636,163,844

2023-24	1 September 2023	Cash flows	Others	31 August 2024
	AED	AED	AED	AED
Interest bearing loans and borrowings, net	27,219,909	107,767,284	5,191,315	140,178,508
Lease liabilities	234,165,992	(24,285,072)	82,541,064	292,421,984
Debentures payable	24,810,720	(8,940,678)	591,874	16,461,916
Total	286,196,621	74,541,534	88,324,253	449,062,408

Capital management

The primary objective of the Group's capital management is to ensure that it has adequate capital in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the year ended 31 August 2025 and 31 August 2024. Capital comprises the share capital, statutory reserve, own shares, own shares reserve and retained earnings, and is measured at AED 1,780,009,996 as at 31 August 2025 (31 August 2024: AED 1,713,482,494).

Fair value estimation

Financial instruments comprise financial assets and financial liabilities.

Financial assets mainly consist of fees and other receivables, wakala and short term deposits, bank balance, derivative asset and sukuk deposits. Financial liabilities mainly consist of interest-bearing loans and borrowings, debentures payable, lease liabilities, derivative liability and trade and other payables.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of interest-bearing loans and borrowings bear commercial rate of interest which gets re-priced at regular intervals and approximates its carrying amount. For debentures payable, the Group's management assessed the fair value using the discounted cash flow analysis and reflected such value as at the reporting date. For derivative asset and liability, the Group's management appointed an external specialist to assess the fair value using relevant valuation techniques. The fair value of the other financial assets and liabilities approximate their carrying values at the end of the reporting period largely due to the short-term maturities of these instruments.



5. Significant judgments, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that may affect the reported amount of assets and liabilities, revenues, expenses, disclosure of contingent liabilities and the resultant provisions and fair values. Such estimates are necessarily based on assumptions about several factors and actual results may differ from reported amounts.

Judgments

In the process of applying the Group’s accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Significant judgment in determining the lease term of contracts with renewal options – Group as lessee

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 the option, under some of its leases to extend the lease term by an additional five to fifty years. The Group applies judgment in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. 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 (e.g., a change in business strategy) or terminate.

Property lease classification – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

Joint control over Kids First Group Limited (“KFG”)

For assessing joint control, the Group has considered the contractual agreement of sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. For the purpose of assessing whether a joint arrangement is a joint venture or joint operation, the Group has considered whether it has joint control on the rights to the net assets of the arrangements, in which case these are treated as joint ventures, or rights to the assets and obligations for the liabilities relating to the arrangement, in which case these are treated as joint operations.

Based on the contractual agreement between the Group and other shareholder (together “the shareholders”) for KFG business and operations, the Group’s management has assessed and concluded that they have joint control over the investments in KFG taking into consideration amongst others the following salient aspects a) the Board of Directors’ and Shareholders’ reserved matters requires unanimous consent amongst the shareholders; b) Call option with the Group can be exercised during the Financial Year which ends in 2030 and does not vest the Group with present ownership and control rights (Note 9); and c) the shareholders have rights to the net assets of KFG based on their underlying shareholding interests.

Going concern

The Group’s management has made an assessment of the Group’s ability to continue as a going concern and is satisfied that the Group has adequate financial resources, to continue in business for the foreseeable future. Furthermore, the Board of Directors are not aware of any material uncertainties that may cast significant doubt upon the Group’s ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on a going concern basis.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

Identifying whether an acquisition is a business or an asset

For acquisitions, the Group makes significant judgements to assess whether the assets acquired, and liabilities assumed constitutes a business and whether it has acquired control of one or more assets. Where such an acquisition does not constitute a business, the acquisition is accounted for as an asset acquisition. In making the assessment, the Group applies the definition of business under IFRS 3 which requires that, to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

Significant judgment in determining the term of contracts with renewal options entered with KFE

The Group determines the contract term as the non-cancellable term of the contract, together with any anticipated extension of the contract to operate and manage three schools in Emirates of Dubai (i.e. DSB, DSM and DSN – Refer Note 1). The initial period of the contract is 7 years, renewable automatically on the same terms for a similar period for up to two additional period of 7 years (“extension term”).

The Group applies judgment in evaluating whether it is reasonably certain to exercise the option to renew as per the terms and conditions as specified in the contract to determine the expected benefits under the contract. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal unless otherwise.

Estimates and assumptions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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:



Impairment of non-financial assets other than investment in a joint venture

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to property and equipment, investment property and intangible assets recognised by the Group.

Impairment of investment in joint venture

In testing for impairment, the Group evaluates the specific investee's profitability, liquidity, solvency and ability to generate operating cash flows for the foreseeable future. Any shortfall between the estimated recoverable amount and the carrying value of investment is recognised as an expense in the consolidated statement of profit or loss.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

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 (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Provision for expected credit losses of fees and other receivables

The Group seeks to limit its credit risk with respect to student's fees by regularly monitoring outstanding fees receivable. An established impairment analysis is performed at each reporting date using an expected credit loss rate based on days past due for such receivables (e.g. by student) and taking into consideration the reasonable and supportable information that is available at the reporting date about past events, prevailing and forecasts of future economic conditions.

Useful lives of property and equipment, investment property and intangible assets

The Group's management determine the estimated useful lives of its property and equipment, investment property and intangible assets for calculating depreciation and amortisation respectively. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management review the residual value and useful lives annually and future depreciation charge and amortisation expense would be adjusted where the management believes the useful lives differ from previous estimates.

During the year, management has involved an external specialist to re-assess useful lives of property and equipment and investment property. Based on assessment performed, the useful life of buildings is revised to 50 years (31 August 2024: 30 years). This change in estimate has been applied prospectively from 1 September 2024 and the impact of such revision had a favourable impact on the consolidated statement of profit or loss for the year ended 31 August 2025 amounted to AED 20.9 million.

Fair value of assets acquired, and liabilities assumed under business combination

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 valuation methodology, cash flow projections, useful life, growth rates and discount rates. The Group's management uses all available information as at the relevant date to make the fair value determinations.

6. Goodwill and business combination

	2025 AED	2024 AED
Acquisition through business combination:		
- Taaleem LLC and Taaleem Management LLC (referred together as "Taaleem acquisition") [Note (b) below]	204,932,063	204,932,063
- Jebel Ali School [Note (c) below]	35,065,696	35,065,696
	239,997,759	239,997,759

(a) Acquisition of LLFPM in 2024-25

On 6 November 2024, the Group had entered into a Share Purchase Agreement ("SPA") with the Shareholders of LLFPM, a limited liability company incorporated in Dubai, United Arab Emirates to acquire 100% equity interest of LLFPM.

The total consideration for the acquisition was AED 340 million, which was settled during the year ended 31 August 2025. In addition, the Group paid AED 6.17 million to the shareholders of LLFPM for their share of net assets as at 6 November 2024 during the year ended 31 August 2025. There were no non-controlling interests arising on this acquisition and no contingent considerations. The main activity of LLFPM is to provide for the educational needs of the children of the Lebanese and Francophone community. Currently, LLFPM offers classes from pre-primary up to twelfth grade.



Fair value of assets acquired and liabilities

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

	AED
Assets	
Land (Note 8(a))	107,560,000
Building (Note 8(a))	205,634,795
Other property & equipment -net (Note 8(a))	3,515,315
Fees and other receivables, net	7,622,125
Cash and cash equivalents	31,285,198
Total Assets (A)	355,617,433
Liabilities	
Other non-current financial liabilities	(4,688,000)
Provision for employees' end of service benefits (Note 14)	(8,077,485)
Trade and other payables	(15,949,019)
Income tax provision (Note 33)	(876,464)
Deferred tax liabilities	(14,753,125)
Total Liabilities (B)	(44,344,093)
Total identifiable net assets at fair value (C = A+B)	311,273,340
AED	
Purchase consideration	340,000,000
Consideration towards net assets (Note (i))	6,173,783
Total consideration (D)	346,173,783
Student relationships recognised on acquisition to be amortised over a period of 10 years (E)	45,190,707
Gain on bargain purchase recognised on acquisition (F = C+E-D) (Note (ii))	10,290,264

From the date of acquisition, LLFPM contributed AED 54,398,129 of revenue and AED 1,614,328 of profit after tax to the Group. If the acquisition had taken place at the beginning of the year, the Group's revenue would have been AED 1,150,086,194 and the profit after tax would have been AED 166,025,189.

Cash outflows on acquisition

	AED
Net cash acquired (included in cash flows from investing activities)	(31,285,198)
Cash paid (included in cash flows from investing activities)	340,000,000
Net cash outflows on acquisition	308,714,802

Transaction costs of AED 699,604 were expensed and is included in the consolidated statement of profit or loss.

- i) The former shareholders of LLFPM had entered discussions with the Group to sell off their shareholding stake as an off-market transaction considering certain business-related requirements including repayment of loans availed earlier from a financial institution for LLFPMs operations.

As at the acquisition date, the fair value of the identifiable net assets of AED 356.5 million exceeded the purchase consideration of AED 346.2 million. The Group's management had reviewed the procedures used to identify such net assets, including the measurement of the fair value thereof by engaging independent consultants, and determined that such procedures were appropriate and resulted in a bargain gain of AED 10.3 million relating to the acquisition.

(b) Taaleem acquisition:

On 1 September 2007, the Group entered into a sale and purchase agreement with Taaleem LLC and Taaleem Management LLC, whereby, all the shares of Taaleem LLC and Taaleem Management LLC were acquired by the Company. The acquisition was a contemporaneous transaction and structured in a manner to manage and operate the acquirees' together, as it was prior to the acquisition. Pursuant to this Agreement, Taaleem LLC and Taaleem Management LLC became wholly owned subsidiaries of the Company

While the CGU is defined as the individual school, the Group's management monitors the goodwill for internal management purpose at the operating segment level i.e. the group of Schools (or, group of CGUs) together as they believe that represents the synergies that were anticipated upon the acquisition and accordingly undertakes the test of impairment of goodwill as at each reporting date.

(c) JAS acquisition:

On 26 May 2022, the Group had entered into the following agreements:

- a) agreement with the Board of Trustees of Jebel Ali School for transfer of the school operations (on an "as-is" basis).
- b) a tripartite agreement with the Board of Trustees of Jebel Ali School and Emirates REIT for
 - settlement of the outstanding rental payments as of the date of acquisition towards the land and school building, and acquisition of the underlying land and the school building, and
 - acquisition of the underlying land and the school building.

The total consideration for the acquisition was AED 233.5 million which was settled in earlier years. There were no non-controlling interests arising on this acquisition and no contingent considerations.

The fair value of net assets acquired amounted to AED 166,734,304. The excess of the fair value of the purchase consideration was recognised as follows as on the date of acquisition:

	AED
- Student relationships	30,100,000
- Goodwill	35,065,696
	65,165,696





Annual impairment testing and key assumptions used in value in use calculations and sensitivity to changes in assumptions:

For the purpose of testing impairment of goodwill, the recoverable amounts for cash generating units have been determined on the basis of value-in-use calculations using cash flow forecasts approved by the Board of Directors for the year 2025-26 and estimated thereafter for an additional four year period in conjunction with the five year strategic plan finalised by the Group’s management. Cash flows beyond the five-year period have been extrapolated using the terminal growth rates stated below. The key assumptions used in the value-in-use calculations include a risk adjusted discount rate (Weighted Average Cost of Capital, i.e. WACC), Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) margins consistent with historical trends adjusted for expected efficiency, and fee improvements (considering student enrolment and regulatory approvals on fees). The growth rate does not exceed the long-term average growth rate for the market in which the cash generating units operate. The key assumptions used in the value-in-use calculations are as follows:

	2025		2024	
	Discount rate (WACC)	Growth rate	Discount rate (WACC)	Growth rate
Taaleem acquisition	12%	2%	12%	2%
JAS acquisition	12%	2%	12%	2%

As at the reporting date, the recoverable amount of the group of CGUs tested for impairment of Taaleem acquisition was assessed to be AED 1,140.2 million (31 August 2024: AED 1,166.5 million) and JAS acquisition was assessed to be AED 363.4 million (31 August 2024: AED 357.3 million). There were no impairment identified on the carrying amount of goodwill as at reporting date.

Sensitivity to changes in assumptions

With regard to the assessment of value in use of the above cash-generating units, management believes that no reasonable possible change in any of the above key assumptions will cause the carrying value of the CGU to materially exceed its recoverable amount.

7. Intangible assets

	Brand and curriculum AED	Student relationships AED	Below market leases AED	Total AED
Cost:				
At 1 September 2023	18,611,546	40,874,162	41,514,292	101,000,000
As at 31 August 2024	18,611,546	40,874,162	41,514,292	101,000,000
Acquisition during the year [Note 6(a)]	-	45,190,707	-	45,190,707
As at 31 August 2025	18,611,546	86,064,869	41,514,292	146,190,707
Accumulated amortisation:				
At 1 September 2023	18,611,546	13,461,654	30,481,474	62,554,674
Amortisation for the year	-	2,149,992	524,416	2,674,408
At 31 August 2024	18,611,546	15,611,646	31,005,890	65,229,082
Amortisation for the year	-	5,915,885	525,127	6,441,012
At 31 August 2025	18,611,546	21,527,531	31,531,017	71,670,094
Net carrying value:				
At 31 August 2025	-	64,537,338	9,983,275	74,520,613
At 31 August 2024	-	25,262,516	10,508,402	35,770,918

The intangible assets recognised on acquisition of Taaleem , JAS and LLFPM were as follows:

- a. Brand and curriculum: The individual schools managed and operated by Taaleem, though not registered for trademark, are protected by the rules of the school licensing authority, the Ministry of Education and the respective trade licensing authority in the UAE, which does not permit any third party to establish a school with the same name. As such this proved to be a deemed legal form of protection, and therefore the brand and curriculum satisfied the recognition criteria for intangible asset. Such brand and curriculum have been fully amortised as at 31 August 2025 and 2024.
- b. Student relationships: During the year, the Group has recognised student relationships amounting to AED 45,190,707 on acquisition of LLFPM (Note 6(a)) and the net carrying value as at 31 August 2025 is AED 41,424,815.

In earlier years, the Group has recognised student relationships amounting to AED 30,100,000 on acquisition of JAS (Note 6(c)) and the net carrying value as at 31 August 2025 is AED 23,112,523 (31 August 2024: AED 25,262,516).

Taaleem had established relationships with its existing students. These relationships were valuable to the extent that these students remain enrolled in the school and continue to pay tuition fee until the completion of their respective academic programme. Such student relations have been fully amortised.

- c. Below market leases: Taaleem had recorded school land and buildings which are taken on long term leases. The lease agreements were entered into at rates which were significantly below the equivalent market rates existing as of the acquisition date. Accordingly, below market leases had been recognised as an intangible asset in respect of these lease agreements. As at 31 August 2025, the net carrying value is AED 9,983,275 (31 August 2024: AED 10,508,402).

8.(I) property and equipment

	Plots of land		Buildings		Leasehold improvements and outdoor equipment		Furniture and fixtures		Books, office classroom and IT equipment		Motor vehicles		Capital work-in-progress		Total	
	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED	AED
Cost:																
At 1 September 2023	201,298,121	1,159,426,266	87,529,821	85,303,675	135,433,666	1,625,498	37,294,451	1,707,911,498								
Additions	-	322,500	17,298,224	48,127,614	24,620,706	957,887	180,383,418	271,710,349								
Transfers	-	163,159,266	7,377,823	1,339,658	3,263,615	-	(175,140,362)	-								
Disposals and write offs	-	-	-	-	(1,799)	(452,855)	-	(454,654)								
At 31 August 2024	201,298,121	1,322,908,032	112,205,868	134,770,947	163,316,188	2,130,530	42,537,507	1,979,167,193								
Additions	50,836,774	66,053,468	30,549,790	17,467,297	25,169,381	730,130	255,988,828	446,795,668								
Acquisition of a subsidiary (Note 6(a))	107,560,000	205,634,795	-	1,516,475	1,852,229	146,611	-	316,710,110								
Transfers (Note (f))	-	175,337,723	13,063,005	3,832,719	3,340,034	-	(195,573,481)	-								
Disposals and write offs*	-	-	(21,000)	(8,993,000)	(38,906)	(105,083)	-	(9,157,989)								
At 31 August 2025	359,694,895	1,769,934,018	155,797,663	148,594,438	193,638,926	2,902,188	102,952,854	2,733,514,982								
Accumulated depreciation:																
At 1 September 2023	-	338,824,431	32,158,806	59,314,698	107,526,117	1,214,482	-	539,038,534								
Charge for the year	-	41,297,945	7,851,252	13,345,934	16,966,928	317,497	-	79,779,556								
Disposals and write offs	-	-	-	-	(1,799)	(404,890)	-	(406,689)								
At 31 August 2024	-	380,122,376	40,010,058	72,660,632	124,491,246	1,127,089	-	618,411,401								
Charge for the year	-	28,319,803	10,389,752	22,476,257	22,359,875	449,319	-	83,995,006								
Acquisition of a subsidiary (Note 6(a))	-	-	(2,224)	(8,993,000)	(38,906)	(105,083)	-	(9,139,213)								
Disposals and write offs*	-	-	(2,224)	(8,993,000)	(38,906)	(105,083)	-	(9,139,213)								
At 31 August 2025	-	408,442,179	50,397,586	86,143,889	146,812,215	1,471,325	-	693,267,194								
Net carrying value:																
At 31 August 2025	359,694,895	1,361,491,839	105,400,077	62,450,549	46,826,711	1,430,863	102,952,854	2,040,247,788								
At 31 August 2024	201,298,121	942,785,656	72,195,810	62,110,315	38,824,942	1,003,441	42,537,507	1,360,755,792								

(a) On 4 October 2024, the Group (“Purchaser”) has signed Property sale and purchase agreement with Ritnand Balved Education Foundation (Dubai Branch) (“Seller”) to acquire a property (plot of land and building) which was used by Seller to operate an education institution known as Amity Early Learning Center (“Amity”).

The consideration paid for such acquisition amounted to AED 84.4 million including registration charges of AED 2.4 million. The Group had appointed external specialist to perform fair valuation of land and building which amounted to AED 34 million and AED 26 million respectively. The additional consideration of AED 24.4 million over and above fair value is capitalized based on the respective fair value of land and building. Accordingly, the Group has capitalised land at AED 47.8 million and building at AED 36.6 million.

Further, the Group’s management signed a short-term lease agreement with Amity and earned a rental income of AED 1,523,809 from leasing the land and building. The lease agreement expired on 26 June 2025.

(b) Land comprises of a granted land in Mirdif, Dubai in addition to seven freehold plots of land which are located in Al Thanayah Fourth, Al Thanayah Fifth, Al Hebiah Third, Wadi Al Safa and Dubai Studio City respectively. All these plots of land (except Dubai Studio City, Al Hebiah Third and Wadi Al Safa) are legally held in the name of Taaleem Management LLC for the beneficial interest of Taaleem LLC. Land in Dubai Studio City is legally held by Taaleem LLC. Land in Al Hebiah Third and Wadi Al Safa are legally held by Taaleem Holdings PJSC.

(c) Buildings mainly include the costs of construction, extension and refurbishment of seven school buildings namely AAG, RIS, GIS, JBS, RIS-KA, DBS-J and DBS-M, which are constructed on leasehold land. School buildings of UIS (phases 1, 2 and 3) are constructed on granted land. DBS school building, DBF school building, DBS-JP school building, DBS-JI school building, Dubai Studio City staff residential and LLFPM school building are on freehold land. JBS building is leased. All these land leases except for RIS are in the name of Taaleem Management LLC held on behalf of Taaleem LLC. The Group’s management is of the opinion that these leases will be renewed for the foreseeable future.

(d) On 9 May 2011, Taaleem LLC received a grant in the form of a parcel of land from the Government of Dubai for construction of a school (“UIS”). The grant was conditional and stated that Taaleem LLC had to start construction of a kindergarten section within one year from the receipt of the granted land and start construction of primary, intermediary and secondary schools within three years of the receipt date of the granted land. At 31 August 2012, Taaleem LLC had completed construction of a kindergarten section (“UIS phase 1”), which became operational from September 2012. Further at 31 August 2012, the Board of Directors had reasonable assurance that other conditions attached to the granted land would be met and therefore recognised the fair value of the granted land as deferred income. The valuation of this granted land was obtained from an independent firm of surveyors and property consultants who valued it in accordance with Royal Institute of Chartered Surveyors (“RICS”) appraisal and valuation manual. As per the independent valuer’s report, the market value of the land amounted to AED 100 million. The independent valuer further stated in their report that in accordance with the property laws, the transfer of granted land to private title (to obtain a title deed with freehold status for the plot of land) can attract a fee of 30% of the market value of the land. Considering the title to the land was granted and taking into consideration the then prevailing laws in UAE, the Board of Directors had resolved to record the granted land at 70% of its market value in that year reflective of the price at which the granted land would have been transacted at market rates between a willing buyer and seller.

On 31 August 2014, the construction of UIS phase 3 that includes remaining parts of the intermediary and secondary section was completed which became operational in September 2014. Thereby, all conditions attached to conditional grant of the land have been met (Note 15).





(e) During 2013-14, Taaleem LLC acquired a freehold plot of land in Dubai Studio City, in the Emirate of Dubai for AED 24.2 million, the consideration of which was settled by one-time payment. The sale purchase agreement (“SPA”) was signed between Taaleem LLC and seller on 14 August 2014, however the title deed was received post year-end on 22 September 2014. Following the completion of design, Taaleem LLC, commenced construction of a residential tower for staff accommodation on this freehold plot. The construction of the residential tower was completed in 2016 and is now being used as staff accommodation. During 2024-25, the Group’s management has earned a rental income of AED 521,530 (31 August 2024: AED 390,138) from leasing a few retail outlets which are part of the building used for staff accommodation.

(f) Capital work-in-progress (CWIP) represents cost primarily incurred towards construction and expansion of schools in UAE. The movement for the year is as follows:

- the Group has completed construction activities of the school building and premises of DBS-M and accordingly CWIP amounting to AED 166,996,758 has been capitalized. Further, the Group has capitalised borrowing cost amounting to AED 2,461,262 (31 August 2024: AED 169,391), incurred on the borrowings availed towards the construction of the Dubai British School Mira for the year ended 31 August 2025 (Note 13).
- the Group has completed expansion activities of the school building and premises of Greenfield International School (“GIS”) and accordingly CWIP amounting to AED 23,603,396 has been capitalized.
- The Group has completed expansion activities of the school building and premises of DBS-JI and accordingly CWIP amounting to AED 2,342,674 has been capitalized.

(g) During the year, the Group started the construction activities of the school building and premises of HSAD and HSD. Further, the Group has capitalised borrowing cost towards the construction of HSAD and HSD amounting to AED 38,153 and AED 1,600,721, respectively (Note 13).

(h) Capital Advances

a) During 2022-23, the Group had paid advances of AED 21,862,950 towards the construction and development of the school building and premises for DBS-J.

Of this, an amount of AED 131,144 has been transferred to capital work-in-progress during the year ended 31 August 2025 (31 August 2024: AED 21,731,806). As at 31 August 2025, there is no capital advances outstanding (31 August 2024: AED 131,144). The school construction and development is completed during the year 2024-25.

b) During 2023-24, the Group has paid advance of AED 4,375,943 towards the construction of additional classrooms in GIS. Of this, an amount of AED 1,015,726 has been transferred to capital work-in-progress during the year ended 31 August 2025 (31 August 2024: 3,360,217). As at 31 August 2025, there is no capital advances outstanding (31 August 2024: AED 1,015,726). The development activities is completed during the year 2024-25.

c) During 2023-24, the Group has paid advances of AED 19,360,493 towards the construction and development of the school building and premises for DBS-M. Of this, an amount of AED 18,107,800 has been transferred to capital work-in-progress during the year ended 31 August 2025 (31 August 2024: 1,252,693). As at 31 August 2025, there is no capital advances outstanding (31 August 2024: 18,107,800). The school construction and development activities is completed during the year 2024-25.

d) During the year ended 31 August 2025, the Group has paid advance of AED 25,300,000 towards the construction and development of the school building and premises for Harrow International School – LLC (“HSD”).

Of this, an amount of AED 3,980,107 has been transferred to capital work-in-progress during the year ended 31 August 2025. As at 31 August 2025, capital advances amounted to AED 21,319,893 (31 August 2024: Nil). The construction and development activities are expected to be completed during the year 2025-26.

e) During the year ended 31 August 2025, the Group has paid advance of AED 25,270,000 towards the construction and development of the school building and premises for Harrow International School – LLC – O.P.C. (“HSAD”).

Of this, an amount of AED 3,194,257 has been transferred to capital work-in-progress during the year ended 31 August 2025. As at 31 August 2025, capital advances amounted to AED 22,075,743 (31 August 2024: Nil). The construction and development activities are expected to be completed during the year 2026-27.

(i) Impairment testing of property and equipment – at CGU level

The CGU is defined as the individual school managed and operated by the Group.

Management identifies indicators of impairment at CGU level based on the following key parameters:

- School profitability and Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA);
- School maturity; and
- Cash flow forecast at each school level.

Where indicators existed, the recoverable amount of the CGU is determined using cash flow projections based on the valuations performed by an independent external specialists using RICS Valuation Professional Standards (as per the International Valuation Council (IVSC)).

As at the reporting date, the recoverable amount of one of the CGU tested for impairment was assessed to be AED 19.3 million based on the fair value less cost of disposal which is the higher than the carrying value of AED 15.6 million. The fair value is determined based on level 3 inputs.

Key assumptions used in the recoverable amount calculations are as follows:

Management believes that the calculation of the recoverable amount for the cash-generating unit that was subject to the test of impairment is most sensitive to the following assumptions:

- Discount rate;
- Net yield rate of 10.5%;
- Growth in revenue; and
- Direct costs.

Discount rate

It represents the current assessment of risks specific to the Group taking into consideration the time value of money. A single discount rate is used on the basis that risks specific to the cash-generating unit is reflected in determining the cash flows. Management uses a discount rate of 12.5%.

Revenue

The growth rate is based on management’s best estimate with regard to industry and market growth rates. This considers the historical performance of the school, its maturity of operations and regulator rating of the school. This includes two components (a) student enrollment forecasted a decline of 5% in FY 2025-26 based on actual enrollments in previous year and constant 2% growth year on year until academic year 2029-30; and (b) growth in tuition fees in range of 2.35% to 2.5% until academic year 2029-30 (based on historical rating of the school as approved by the regulator), and constant thereafter.

Direct costs

Direct costs primarily include salary costs and other administrative expenses directly related to the CGUs operations. The recoverable amount calculation takes into account such costs based on historic trends, contractual agreements and the estimated inflation to be incurred during the forecasted period.

Sensitivity to changes in assumptions

With regard to the assessment of value in use of the above CGU, management believes that no reasonable possible change in any of the above key assumptions will cause the carrying value of the CGU to materially exceed its recoverable amount.

8. (ii) investment property

During earlier year, the Group has sub-leased a school building for a period of 15 years (Note 22).

	2025	2024
	AED	AED
Cost:		
At 1 September	17,102,971	17,102,971
Addition during the year	-	-
As at end of the year	17,102,971	17,102,971
Accumulated depreciation:		
At 1 September	6,805,324	6,234,848
Charge for the year	216,897	570,476
As at end of the year	7,022,221	6,805,324
Net carrying value:		
At 31 August	10,080,750	10,297,647

Following items are recognised in the consolidated statement of profit or loss relating to investment property:

	2025	2024
	AED	AED
Rental income (Note 22)	1,241,646	1,241,646

Rental income and depreciation charge on the investment property are included as separate line items in the consolidated statement of profit or loss.

The Group has no significant restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

9. Investment in a joint venture

On 19 June 2025 (the “acquisition date”), the Group, through its wholly owned subsidiary Taaleem Limited, had entered into a Share Purchase Agreement (“SPA”) with the former shareholders of KFG, a company incorporated under the laws of Jebel Ali Free Zone, Dubai, United Arab Emirates to acquire 95% shareholding (equity) interest in KFG. The total consideration for the acquisition was AED 921.33 million, which was settled during the year ended 31 August 2025. The principal activity of KFG is to provide facilities in nursery and pre-school education. KFG’s operations are subject to moderate seasonal fluctuations during the last quarter of the Group’s financial year mainly attributable to the lower enrolments during the summers in UAE.

The Group’s investment has been classified as a joint venture and is accounted for using the equity method in the consolidated financial statements (Note 5).

The Group’s carrying amount of investment as at the acquisition date is disclosed on a provisional fair value considering the acquisition has been completed closer to the year end.

Summarised consolidated statement of financial position (Unaudited) of KFG as at the acquisition date:

	19 June 2025
	AED
Current assets	46,735,846
Non-current assets	279,621,084
Current liabilities	(90,646,236)
Non-current liabilities	(136,767,432)
Equity	98,943,262
Group’s share in equity – 95%	93,996,099
Goodwill	827,334,387
Transaction costs	8,833,464
Derivative asset (Note 9(c))	(10,700,000)
Derivative liability (Note 9(c))	5,600,000
Group’s carrying amount of the investment	925,063,950

Movement in investment in a joint venture for the year ended 31 August 2025 is set out below:

	2025
	AED
Addition during the year	925,063,950
Share of loss of a joint venture	(9,293,217)
Closing balance as at 31 August 2025	915,770,733

The following tables illustrates the summarised financial information (Unaudited) of the joint venture, and reconciliation with the carrying amount of the investment in the Group’s consolidated financial statements as at and for the year ended 31 August 2025 are set out below:



Summarised statement of consolidated financial position of KFG:

	2025 AED
Current assets	62,082,996
Non-current assets	294,146,768
Current liabilities	(125,171,512)
Non-current liabilities	(141,897,324)
Equity	89,160,928
Group's share in equity – 95%*	84,702,882
Goodwill	827,334,387
Transaction costs	8,833,464
Derivative asset (Note 9(c))	(10,700,000)
Derivative liability (Note 9(c))	5,600,000
Group's carrying amount of the investment	915,770,733

Summarised statement of consolidated profit or loss of KFG (from acquisition date to 31 August 2025):

	2025 AED
Revenue	26,020,380
Operating costs	(20,502,754)
Depreciation and amortization	(6,966,433)
General and administrative expenses	(6,605,456)
Finance costs	(2,669,642)
Loss for the year before tax	(10,723,905)
Income tax benefits	941,571
Loss for the year	(9,782,334)
Total comprehensive loss for the year	(9,782,334)
Group's share of loss for the year – 95%	(9,293,217)

*the movement in Group's share of equity from the acquisition date to 31 August 2025 is on account of share of loss of a joint venture amounted to AED 9,293,217.

The Group incurred AED 8.8 million in transaction costs directly attributable to the acquisition of its investment in the joint venture. These transaction costs have been capitalised as part of the initial cost of the investment.

The joint venture had no significant contingent liabilities or commitments as at 31 August 2025, for which the Group has a corresponding commitment. KFG cannot distribute its profits without the consent from its shareholders.

Goodwill

During the year ended 31 August 2025, the Group performed its impairment assessment of goodwill using a multiple EBITDA and taking into consideration the future cash flows. The Group has assessed that the recoverable amounts of the cash generating unit exceed their carrying value and accordingly, concluded there is no impairment against goodwill as at reporting date.

Call and Put Option

Pursuant to the shareholders' agreement ("SHA"), there is call and put option vested with the Group and the other joint venture shareholder over their respective shareholding interest and the terms thereof are as follows:

- the Group has a call option to acquire the shareholding interest held by the other joint venture shareholder, which may be exercised during financial year which ends in 2030 and during each subsequent financial year
- the other joint venture shareholder holds a put option to sell his shareholding interest to the Group which may be exercised upon any of the following:
 - automatically under certain pre-conditions (i.e. amongst others attributable to performance measures).
 - at any time during the period commencing on the later of: (a) the first anniversary of the closing date (i.e. the date of settlement of purchase consideration); and (b) the date on which the audited accounts for financial year that ends in 2026 are approved, and thereafter, at any time during each subsequent financial year.

The Group recognised derivative asset for call option and derivative liability for put option. The option pricing mechanism ("option price") is calculated based on the formula set out in the SHA which is "Y x (M x EBITDA)" wherein, "Y" represents other joint venture shareholder's equity proportion, "M" represents EBITDA multiple as per option exercise window and "EBITDA" represents joint venture's (i.e. KFG) EBITDA which is calculated based on the sum of revenue minus: (i) operating expenses; (ii) administrative expenses; and (iii) cash lease payments, in each case, excluding interest, Tax, depreciation, and amortization. This option price applies to both call and put option. The fair value of these derivative financial instruments are determined using Monte Carlo Simulation valuation model.

* x in the paragraph above denotes multiplied / multiply.

Set out below is the movement of derivative asset and liability for the year ended 31 August 2025:

	Derivative Asset AED	Derivative Liability AED
At acquisition date – adjusted with carrying amount of investment in joint venture	10,700,000	(5,600,000)
Adjustment: fair value loss on derivatives, net (Note 19)	(900,000)	(600,000)
At 31 August 2025	9,800,000	(6,200,000)



10. Fees and other receivables

	2025	2024
	AED	AED
Fees receivable	6,377,475	4,656,226
Less: allowance for impairment of fees receivable	(5,483,873)	(4,036,487)
Net fees receivable (a)	893,602	619,739
Other receivables	6,847,602	5,090,437
Less: allowance for impairment of other receivables	(772,736)	(4,453,068)
Net other receivables (b)	6,074,866	637,369
Net fees and other receivables (a + b)	6,968,468	1,257,108
Prepayments*	22,335,372	15,611,910
VAT receivables	22,169,067	18,170,837
Deposits and advances**	42,810,866	43,331,280
	94,283,773	78,371,135

As at 31 August 2025, fees and other receivables with a nominal value of AED 6,256,609 (31 August 2024: AED 8,489,555) were impaired. Movements in the allowance for impairment of fees and other receivables were as follows:

	2025	2024
	AED	AED
Balance at the beginning of the year	8,489,555	7,073,147
Charge for the year (Note 19)	2,559,114	3,256,739
Recovery (Note 21.2)	(3,269,839)	(1,579,913)
Written off	(1,522,221)	(260,418)
Balance at the end of the year	6,256,609	8,489,555

Set out below is the information about the credit risk exposure on the Group's fees and other receivables using a provision matrix:

31 August 2025	Current	0-365 Days	>365 Days	Total
Expected credit loss rate	-	20%	100%	47%
Estimated total gross carrying	-	8,679,541	4,545,536	13,225,077
Expected credit loss	-	1,711,073	4,545,536	6,256,609
Net fees and other receivables	-	6,968,468	-	6,968,468

31 August 2024	Current	0-365 Days	>365 Days	Total
Expected credit loss rate	-	78%	100%	87%
Estimated total gross carrying	-	5,643,807	4,102,856	9,746,663
Expected credit loss	-	4,386,699	4,102,856	8,489,555
Net fees and other receivables	-	1,257,108	-	1,257,108

*Prepayments include AED 16.8 million (31 August 2024: AED 10.5 million) paid towards staff accommodation including advance house rent allowance.

** As per the agreement in earlier year, the Group had provided advance of AED 30 million (31 August 2024: AED 45 million) to the licensed Liquidity Provider to buy and sell its own shares. This advance gets adjusted based on the transactions entered by the Liquidity Provider. As at 31 August 2025, the advance held by Liquidity Provider amounts to AED 24.5 million (31 August 2024: AED 17.5 million) (Note 26).

11. Wakala and short-term deposits

(a) Wakala deposits

	2025	2024
	AED	AED
Wakala deposits	207,046,994	396,051,150
Less: Wakala deposits – original maturity less than 3 months (Note 12)	(105,024,383)	(36,004,650)
	102,022,611	360,046,500

Wakala deposits are placed with a local bank carrying profit mark-up rates ranging 3.70% to 4.70% (31 August 2024: 4.00% to 5.50% per annum).

Wakala deposits were placed with a financial institution in UAE with an original maturity period between 1-12 months and bearing interest at commercial rates. During the year ended 31 August 2025, the Group has earned an interest income amounting to AED 14,102,634 from the Wakala deposits (31 August 2024: AED 21,531,369) (Note 23).

(b) Short-term deposits

	2025	2024
	AED	AED
Short-term deposits	68,957,985	-
Less: Short-term deposits – original maturity less than 3 months (Note 12)	(36,201,120)	-
	32,756,865	-

Short-term deposits are placed with a local bank carrying profit mark-up rates ranging from 4.20% to 4.75% (31 August 2024: Nil).

During the year ended 31 August 2025, the Group has earned an interest income amounting to AED 1,589,407 from short term deposits (31 August 2024: Nil) (Note 23).

12. Cash and cash equivalents

	2025	2024
	AED	AED
Cash in hand	61,116	46,353
Cash at banks	87,150,570	81,926,811
Sukuk deposits (Note 22)	168,216,267	255,987,665
Wakala and short-term deposits (Note 11)	141,225,503	36,004,650
	396,653,456	373,965,479
(Less): Restricted cash*	(66,152,938)	(33,520,184)
Cash and cash equivalents for the purpose of consolidated statement of cash flows	330,500,518	340,445,295

Sukuk deposits were placed with a financial institution in UAE which are callable on demand with an initial lock-in period of 30 days and bears interest at commercial rates. These deposits are classified as cash and cash equivalents as they are redeemable at any time after 30 days from deposit date and thus highly liquid in nature i.e. readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The Group has earned an interest income amounting to AED 9,570,095 from the Sukuk deposits (31 August 2024: AED 8,853,472) (Note 22 and 23).

*The cash and cash equivalents disclosed above and in the consolidated statement of cash flows include AED 66,152,938 (31 August 2024: AED 33,520,184) which are held by the subsidiaries of the Company (i.e. Taaleem Sole Proprietorship LLC and Taaleem Management LLC). These bank balances are held for the restricted purpose of managing the operations of the ADEK charter schools and ESE Ajyal schools and therefore not available for use by the Group.

13. Interest bearing loans and borrowings

	2025	2024
	AED	AED
As at beginning of the year	140,178,508	27,219,909
Add: finance costs charged for the year (Note 24)	24,094,687	1,384,162
Add: Borrowing cost capitalized during the year (Note 8(i)(f) and 8(i)(g))	4,100,136	3,807,153
Add: loans drawn down (refer below)	1,332,032,053	112,000,000
Less: finance costs paid for the year	(25,719,105)	(4,232,716)
Less: loans repaid during the year	(147,500,000)	-
As at the end of the year	1,327,186,279	140,178,508
Less: Current portion	(184,654,226)	(1,178,508)
Non-current portion	1,142,532,053	139,000,000

- (i) During the year, the Group had drawn down an additional borrowing of AED 21,000,000 from the existing Ijarah facility for the purpose of construction activities of school building and premises of DBS-J. The loan is due and fully repayable in April 2026. As of 31 August 2025, the Group has fully utilized this facility, amounting to AED 140,000,000 (31 August 2024: AED 119,000,000).
- (ii) During the year, the Group obtained a short-term liquidity murabaha facility of AED 341,999,972 to fund the acquisition of LLFPM (Note 6(a)) which was repayable in January 2025. Of this short-term liquidity murabaha facility,
 - AED 271,999,972 has been converted into a long-term liquidity Murabaha facility on 30 January 2025, which is repayable on 30 January 2028 and,
 - AED 70,000,000 has been converted to a Islamic Covered Drawing (ICD) facility on 30 January 2025, which is repayable on 30 January 2026. During the year, the Group had drawn down an additional borrowing of AED 38,000,000. During the year, the Group has repaid AED 67,000,000. The outstanding balance as at 31 August 2025 amounts to AED 41,000,000.
- (iii) During the year, the Group obtained a long-term liquidity murabaha facility amounting to AED 729,999,935 for the purpose of acquisition of KFG (Note 9). The loan is due and fully repayable in August 2030.
- (iv) During the year, the Group obtained a long term Ijarah facility amounting to AED 238,000,000 for the purpose of construction activities of school building and premises of HSAD. The loan is due and fully repayable in August 2028. As of 31 August 2025, AED 30,032,211 was utilized from this facility.
- (v) During 2023-24, the Group obtained a Islamic Covered Drawing (ICD) facility amounting to AED 130,000,000 for the purpose of construction activities of school building and premises of DBS-M and other business operations. The loan is due and fully repayable in July 2027.

During the year, the Group had in multiple tranches drawn down AED 170,999,935 from the above facility and in aggregate repaid AED 80,500,000 of borrowings (31 August 2024: Nil). As of 31 August 2025, AED 110,499,935 is utilized from this facility (31 August 2024: 20,000,000).

All loans and borrowings are obtained in AED.

The borrowings carry a profit at the rate of 1-3 months Emirates Inter Bank Offer Rate (EIBOR) plus a profit mark-up per annum (31 August 2024: 1-3 months EIBOR plus a profit mark-up per annum), which is payable on monthly and quarterly basis.

Borrowing costs amounting to AED 4,100,136 (31 August 2024: AED 3,807,153) have been capitalised as a part of qualifying assets during the year (Note 8(i)(f) and 8(i)(g)). The weighted average rate used to capitalise such borrowing costs was 1-3 months EIBOR plus a profit mark-up per annum.

The above loans and borrowings are secured by:

- (a) First rank legal mortgage over following properties (amended in existing mortgage with mortgage validity 2 year beyond facilities tenor end date) covering Taaleem Holdings P.J.S.C., Taaleem LLC and Taaleem Management LLC
 - Plot No. 91, Al Hebah Second, Dubai (Dubai Studio City building) for AED 88.2 million in favor of the bank.
 - Plot No. 3923 (676-2451), Al Hebah Third, Dubai (Jebel Ali School) for AED 205.7 million in favor of the bank.
 - Plot no. 6648 (394-4046) located at Al Thanayah fourth, Dubai (Dubai British School, Dubai) for AED 40 million in favor of the bank.
 - Plot no. 1009 (645-3286) located at Wadi Al Safa 3, Dubai (LLFPM, Dubai) for AED 209 million in favor of the bank.
- (b) Assignment of comprehensive property all risk insurance over the mortgaged properties (with Emirates Islamic Bank PJSC being the first loss payee), covering in a minimum the mortgage amounts.
- (c) Assignment of receivables from Customer and M/s Taaleem Holding P.J.S.C. group entities, in respect of assignment and routing of all receivables, cash flows, school fees from the following bank approved schools under DBS, AAG, GIS, JBS, UIS, JAS, DBS-J, DBS-M, LLFPM, HSAD and all UAE nurseries under KFG.
- (d) Assignment, in respect of Point of Sale (POS) receivables from Dubai British School at Plot No. 3430443, Al Wasl, Dubai and Dubai British School at plot no. 9216993, 9216487 & 9216993.1, Mira – Al Aryam, Al Yalayis 1, Dubai, duly signed and acknowledged by the assignment notice counterparty (upon completion of construction).
- (e) Assignment, in respect of Point of Sale (POS) assignment over all LLFPM receivables, duly signed and acknowledged by the assignment notice counterparty.
- (f) Assignment of comprehensive all risk insurance in respect of all nurseries under KFG Nurseries, with the bank named as the loss payee.
- (g) Agreement to pledge existing bank accounts held by the Group.

The Group is required under the above facilities to comply with the following financial covenants:

- a) To maintain minimum DSCR of 1.2x at all times;
- b) Maximum net debt / EBITDA of 4x; and
- c) Maintain gearing ratio maximum of 1.5x at all times.

14. Provision for employees' end of service benefits

	2025 AED	2024 AED
As at beginning of the year	39,014,933	32,969,372
Acquisition during the year (Note 6(a))	8,077,485	-
Add: provision for the year (Note 20)	17,129,654	13,996,814
Less: payments made during the year	(8,590,227)	(7,951,253)
As at the end of the year	55,631,845	39,014,933

The Group provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

15. Deferred income on government grant

	2025 AED	2024 AED
At beginning of the year	44,939,998	47,273,331
Less: transferred to profit or loss	(2,333,333)	(2,333,333)
As at the end of the year	42,606,665	44,939,998
Less: Current portion of deferred income on government grant	(2,333,333)	(2,333,333)
Non-current portion of deferred income on government grant	40,273,332	42,606,665

The allocated amount of deferred income pertaining to granted land for UIS phases 1, 2 and 3 has been computed based on student capacity of UIS (phases 1, 2 and 3). This allocated amount is amortised over useful life of the building constructed for UIS (Note 8 (i)(d)).

16. Trade and other payables

	2025 AED	2024 AED
Trade payables	74,857,609	44,599,017
Accruals and other payables	145,660,544	60,938,282
Debentures payable	9,507,911	16,461,916
Retentions payable	16,177,625	17,568,387
Dividends payable (Note 28)	45,000	45,000
	246,248,689	139,612,602
Less:		
Long-term retentions payable	(7,174,365)	(835,129)
Long-term debentures payable	(5,324,917)	(10,884,100)
	233,749,407	127,893,373

Trade payables are non-interest bearing and are normally settled on 30 to 90 days terms.

Debentures payable:

Debentures payable include the following:

- a. Debentures payable relates to proceeds on issuance of priority student seats offered at all the Taaleem Schools (other than Jebel Ali School) for third party corporates, whereby, each debenture is amortised over 15 years. As at 31 August 2025, the debentures payable amounted to AED 2.2 million (31 August 2024: AED 2.9 million).
- b. In 2021-22, the Group acquired non-interest-bearing debentures as part of acquisition of Jebel Ali School of AED 43.3 million. The fair value on the date of acquisition was determined to be AED 39 million which is payable to the debenture holders (i.e. students and corporates) over the period of 5 years. As at 31 August 2025, the debentures payable pertaining to Jebel Ali School amounted to AED 7.3 million (31 August 2024: AED 13.6 million).



17.1. Revenue

	2025	2024
	AED	AED
Gross tuition fees	1,083,522,084	907,686,729
(Less): Discounts*	(24,981,466)	(17,166,198)
Net tuition fees	1,058,540,618	890,520,531
Management fee**	22,546,851	16,888,149
Application fees (on initial admission)	3,823,047	2,113,330
Other operating income (Note 21.1)	50,605,311	35,721,339
	1,135,515,827	945,243,349

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

	2025	2024
	AED	AED
Timing of revenue recognition		
Services transferred over time	1,123,908,669	938,244,609
Services transferred at a point in time	11,607,158	6,998,740
Total revenue from contracts with customers	1,135,515,827	945,243,349

The revenue is entirely earned in UAE.

Nature and timing of the satisfaction of performance obligations in contracts with customers, and the related revenue recognition policies are disclosed in Note 3.

*The Group also provides discount on tuition fees to its staff (Note 20).

**Management fee is earned from ADEK and ESE under the service agreement. Management fee includes fixed management fee of AED 8,031,667 (31 August 2024: AED 7,302,003) and variable management fee of AED 14,515,184 (31 August 2024: AED 9,586,146).

17.2 Contract balances

	2025	2024
	AED	AED
Fees and other receivables (Note 10)	6,968,468	1,257,108
Fees received in advance	399,589,525	328,281,594

The amount of revenue recognised from fees received in advance at the beginning of the year is AED 328,281,594 (31 August 2024: AED 292,313,089).

18. Operating costs

	2025	2024
	AED	AED
Staff costs and other benefits (Note 20)	621,331,175	498,850,970
School supplies	39,495,821	31,651,795
Lease rent and service charges (Note 29(iii))	12,602,650	8,338,967
Bank charges	7,806,988	6,284,457
Others (mainly visa, training and development)	10,942,923	7,690,530
	692,179,557	552,816,719

19. General and administrative expenses

	2025	2024
	AED	AED
Staff costs and other benefits (Note 20)	32,860,308	30,809,155
Water and electricity charges	30,916,795	21,690,990
Repairs and maintenance	25,256,669	24,106,298
Janitorial and security	18,385,749	14,540,116
Legal and professional	16,917,457	11,696,529
Marketing and advertisement	11,555,746	10,031,681
Board remuneration, compensation and other benefits (Note 22)	5,250,000	5,250,000
Impairment loss on fees and other receivables (Note 10)	2,559,114	3,256,739
Printing and stationery	3,530,273	3,206,992
Travel and communication	2,949,705	2,410,161
Office rent (Note 29(iii))	291,723	1,002,314
Fair value loss on derivatives, net (Note 9)	1,500,000	-
Others (mainly events, insurance, bank charges, penalties)	6,143,434	4,798,743
	158,116,973	132,799,718

The Group has made social contribution amounting to AED 531,123 for the year ended 31 August 2025 (31 August 2024: AED 359,813).



20. Staff costs and other benefits

	2025	2024
	AED	AED
Salary and allowances	485,567,592	395,097,016
Staff accommodation (Note 29(iii))	109,411,435	84,988,670
Staff - discount on tuition fees	42,082,802	35,577,625
Employees' end of service benefits (Note 14)	17,129,654	13,996,814
	654,191,483	529,660,125
Staff costs are included in:		
Operating costs (Note 18)	621,331,175	498,850,970
General and administrative expenses (Note 19)	32,860,308	30,809,155
	654,191,483	529,660,125

21.1. Other operating income

	2025	2024
	AED	AED
Transport income	21,421,111	15,501,638
Income - sports activity	20,733,489	14,645,555
Commission - uniforms	4,984,971	2,862,558
Commission - cafeteria	2,042,231	1,377,935
Debenture income	666,600	688,736
Income from conferences	756,909	644,917
	50,605,311	35,721,339

21.2. Other income

	2025	2024
	AED	AED
Bad debt recoveries (Note 10)	3,269,839	1,579,913
Gain on disposal of property and equipment	31,238	131,433
Miscellaneous income (mainly reversals of liabilities no longer required)	13,492,211	5,448,217
	16,793,288	7,159,563

22. Related party transactions and balances

Related parties includes the Group's significant shareholders as disclosed in Note 25, joint venture, directors and other entities businesses, which are controlled directly or indirectly by the shareholders and directors, and entities over which they exercise significant management influence (hereinafter referred to as "affiliates") and key management personnel of the Group. Pricing policies and terms of these transactions are approved by the Group's management.

(a) Significant related party transactions

The aggregate value of significant transactions entered with related parties during the year is as follows:

	2025	2024
	AED	AED
Entity with significant influence over the Group:		
National Bonds Corporation ("NBC")		
Profit from sukuk deposits (Note 23)	9,570,095	8,853,472
Cash dividends paid	(26,887,379)	(24,599,865)
Sukuk deposits matured/(made) during the year, net	87,513,100	(155,723,870)
Knowledge Fund Establishment ("KFE")		
Rent payment	(3,575,357)	(2,178,838)
Cash dividends paid	(16,364,816)	(15,001,081)
Tuition fees income earned from		
Board of Directors, net of discounts	119,340	189,219
Joint venture		
KFG*		
Share of loss of a joint venture (Note 9)	(9,293,217)	-
Rental income (Note 8(ii))	1,241,646	-

*KFG became a related party effective from 19 June 2025 (Note 9).

Compensation to key management personnel

	2025	2024
	AED	AED
Short-term employee benefits	8,201,222	8,357,033
Provision for employees' end of service benefits	298,140	235,980
Tuition fee discounts	498,510	498,510
Executive Committee and Audit Committee compensation	1,450,000	1,150,000
Board remuneration, compensation and other benefits (Note 19)	5,250,000	5,250,000
	15,697,872	15,543,720

(b) Related party balances
Due from related parties

	2025 AED	2024 AED
National Bonds Corporation		
Sukuk deposits (Note 12)	168,216,267	255,987,665
Knowledge Fund Establishment (KFE)		
Trade receivables	300,632	315,664
KFG		
Other receivables	775,000	-

(c) Share capital

As at 31 August 2025, the shareholding includes 9.58% of shares in the Company held by the Board of Directors comprising 95,821,043 shares (31 August 2024: 9.62%, comprising 96,245,362 shares).

Terms and conditions of transactions with related parties

Except for the sukuk deposits (unsecured), other outstanding balances at the year-end are unsecured, interest free and settlement generally occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 August 2025, the Group has not recognised any provision for expected credit losses relating to amounts owed by the related parties (31 August 2024: Nil).

23. Finance income

	2025 AED	2024 AED
Profit from wakala deposits (Note 11)(a))	14,102,634	21,531,369
Profit from short term deposits (Note 11(b))	1,589,407	-
Profit from sukuk deposits (Note 22(a))	9,570,095	8,853,472
Finance income from sub-lease	181,004	190,825
Other finance income	100,001	122,984
	25,543,141	30,698,650

24. Finance costs

	2025 AED	2024 AED
Finance costs on lease liabilities (Note 29(ii))	19,357,395	16,357,475
Finance costs on interest bearing loans and borrowings (Note 13)	24,094,687	1,384,162
Unwinding of liability towards debentures payable	556,194	1,280,610
Other finance cost (mortgage fee)	530,230	-
	44,538,506	19,022,247

Borrowing costs amounting to AED 4,100,136 (31 August 2024: AED 3,807,153) have been capitalised as a part of qualifying assets during the year (Note 8(i)(f), 8(i)(g) and Note 13).

25. Share capital

	2025 AED	2024 AED
Authorised, issued and fully paid up capital:		
1,000,000,000 ordinary shares of AED 1 each	1,000,000,000	1,000,000,000

The ownership of the Company is as follows:

Details of shareholders holding more than 5% of share capital ("significant shareholders")

	2025 % shareholding	2024 % shareholding
National bonds sole proprietorship PSC	22.36%	22.41%
Knowledge fund establishment	13.64%	13.64%
ITG Office limited	7.25%	7.25%
Ahmad Saad Mohd Fawzi Al Khayyat	6.19%	6.19%
Norges Bank	5.0%	5.23%

The total proceeds received from the IPO subscription were AED 750,000,000. Of this, AED 250,000,000 has been recorded as an increase in share capital and the balance amounting to AED 500,000,000 attributable to the premium on issuance of new shares has been classified as part of statutory reserve in accordance with Article 196 of the UAE Federal Law No. (32) of 2021 before deducting IPO transaction costs amounting to AED 20,837,261 that were directly attributable to issuance of such new shares.

26. Own shares

During 2022-23, the Group had engaged a third-party licensed Liquidity Provider on the Dubai Financial Market that offers liquidity provision services, to place buy and sell orders of the Group's shares with the objective of reducing bid/ask spreads as well as reducing price and volume volatility.

At 31 August 2025, the Liquidity Provider held on behalf of the Group 239,676 (31 August 2024: 5,935,113) of the Company's shares at par value and the Group recorded the premium paid over and above par value as own shares reserve of AED 6.70 million (31 August 2024: AED 23.01 million), which is classified under equity as at 31 August 2025.

The dividends from own shares earned during the year ended 31 August 2025 in proportion to the shareholding interest held on the date of dividend declaration amounted to AED 8,292 (31 August 2024: 1,448,731).

27. Statutory reserve

In accordance with the U.A.E. Federal Law No. (32) of 2021, the Company and its subsidiaries have established a statutory reserve by appropriation of 10% of profit for each year until the reserve reached 50% of the share capital. This reserve is not available for distribution except in circumstances stipulated by the Law. During current year, no amount is transferred to statutory reserve as it has already reached 50% of the respective paid-up capital of the Company and its subsidiaries.



28. Dividends

During the shareholders’ meeting dated 5 November 2024, the shareholders approved a dividend of AED 0.12 per share amounting to AED 120,000,000. Of this, dividend amounting to AED 120,000,000 was paid during the year ended 31 August 2025 (2023: During the shareholders’ meeting dated 31 October 2023, the shareholders approved a dividend of AED 0.11 per share amounting to AED 110,000,000. Of this, dividend amounting to AED 110,000,000 was paid during the year ended 31 August 2024).

As at 31 August 2025, the Group has dividend payable amounting to AED 45,000 pertaining to 2021-22 (Note 16) (31 August 2024: AED 45,000).

29. Leases

The Group leases land and buildings. Lease terms and rental calculations vary between different lease agreements. The leases typically run between 10 to 50 years.

i. Right-of-use assets

	2025 AED	2024 AED
At the beginning of the year	260,256,095	211,434,597
Additional lease assets	11,549,121	66,183,589
Lease modifications	(697,589)	(4,605)
Amortisation charge for the year	(18,369,818)	(17,357,486)
At the end of the year	252,737,809	260,256,095

In 2021-22, net investment in finance lease recognised as of the date of derecognition of the head lease amounted to AED 3,707,742. As at 31 August 2025, the carrying value of net investment in finance lease amounting AED 3,071,823 (31 August 2024: AED 3,260,205).

ii. Lease liabilities

	2025 AED	2024 AED
At the beginning of the year	292,421,984	234,165,992
Additional lease liabilities	11,225,839	66,183,589
Lease modifications*	1,338,377	-
Finance costs on lease liabilities (Note 24)	19,357,395	16,357,475
Less: payments made against lease liabilities	(24,873,941)	(24,285,072)
At the end of the year	299,469,654	292,421,984
Less: current portion of lease liabilities	(15,483,567)	(17,013,944)
Non-current portion	283,986,087	275,408,040

During the year ended 31 August 2025, the Group entered into a lease agreement for a plot of land to construct HSAD and central office premises in Dubai. The land lease of HSAD commenced on 20 January 2025 and has a lease term of 30 years. The lease for central office commenced on 4 October 2024 and has a lease term of 10 years

*During the year, the Group amended its existing head lease agreement with Knowledge Fund Establishment (KFE), which was sub-leased to a third party in earlier years. This modification resulted in an increase of lease liability by AED 2,035,966.

iii. Amounts recognised in the consolidated statement of profit or loss

	2025 AED	2024 AED
Amortisation of right-of-use assets	18,369,818	17,357,486
Impact of lease modifications	2,035,966	-
Finance cost on lease liabilities (Note 24)	19,357,395	16,357,475
Expense relating to short term leases and low value assets (recognition exemption under IFRS 16)*	122,305,808	94,329,951
	162,068,987	128,044,912

*Expense relating to short-term leases and low value assets recorded in the consolidated statement of profit or loss are as under:

	2025 AED	2024 AED
Staff accommodation (Note 20)	109,411,435	84,988,670
Lease rent and service charges (Note 18)	12,602,650	8,338,967
Office rent (Note 19)	291,723	1,002,314
	122,305,808	94,329,951

iv. Amounts recognised in the consolidated statement of cash flows

	2025 AED	2024 AED
Total cash outflows for leases (excluding cash outflow relating to recognition exemption for short-term leases and low value assets)	24,873,941	24,285,072

30. Contingencies and capital commitments

	2025 AED	2024 AED
(a) Capital commitments	391,705,037	148,182,646
(b) Bank guarantees	366,282,124	293,765,207

As at 31 August 2025, the Group’s capital commitments mainly relates to its on-going construction of HSAD and HSD. Refer Note 9 for the commitment related to put option over the Group’s investment in a joint venture.

Bank guarantees mainly pertains to the following:

- (i) guarantees issued by the Group in favor of Abu Dhabi Department of Education and Knowledge in relation to the management agreement entered by the Group.
- (ii) guarantees issued by the Group in favor of Abu Dhabi Department of Education and Knowledge in relation to the lease agreement entered by the Group.
- (iii) guarantees issued by the Group in favor of Emirates Schools Establishment in relation to the underlying management agreement for operation of schools.
- (iv) guarantees issued by the Group in favor of Knowledge Fund Establishment in relation to the construction of Dubai British School, Jumeirah.





31. Segment information

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Group has determined the chief operating decision maker to be its Chief Executive officer who undertakes such decision in consultation with the Board of Directors.

The determination of the Group's operating segment is based on the information which is reported to chief operating decision maker for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on segment profit or loss. Transactions between segments, if any, are conducted at mutually agreed terms and conditions and are fully eliminated on consolidation.

On 19 June 2025, the Group acquired 95% equity interest in KFG whose principal activity is to provide nursery education and related facilities (Note 9). Post acquisition, the Group has identified two reportable segment classified as "School operations" and "Nursery operations" which encompasses the management, operation and related ancillary activities related to the day-to-day function of all the schools and nurseries under the purview of the chief operating decision maker. Until 31 August 2024, the Group had a single reportable segment classified as "School operations" which encompasses the management, operation and related ancillary activities related to the day-to-day function of all the schools.

Corporate head office is not an operating segment and comprises mainly administrative and payroll costs relating to certain key management personnel which are not assigned to the other segments.

Geographic segments

As at 31 August 2025, the business activities and operations of the Group are significantly located in the UAE.

Primary segment information

Segmental information is presented below:

Year ended 31 August 2025 (In AED):

	School operations	Nursery operations*	Corporate head office	Adjustments and eliminations	Consolidated
Revenue					
External customers	1,135,515,827	26,020,380	-	(26,020,380)	1,135,515,827
Finance and other income					
Finance income	25,543,141	-	-	-	25,543,141
Other income	16,793,288	-	-	-	16,793,288
Gain on bargain purchase	10,290,264	-	-	-	10,290,264
Income from deferred government grant	2,333,333	-	-	-	2,333,333
Expenses					
Staff costs and other benefits	(645,193,611)	(19,805,382)	(8,997,872)	19,805,382	(654,191,483)
Operating and administrative expenses	(189,405,047)	(7,302,828)	(6,700,000)	7,302,828	(196,105,047)
Depreciation, impairment and amortisation	(109,022,733)	(6,966,433)	-	6,966,433	(109,022,733)
Finance costs	(44,538,506)	(2,669,642)	-	2,669,642	(44,538,506)
Segment profit / (loss) before tax	202,315,956	(10,723,905)	(15,697,872)	10,723,905	186,618,084
Income tax expense	(16,098,691)	941,571	-	(941,571)	(16,098,691)
Segment profit / (loss) after tax	186,217,265	(9,782,334)	(15,697,872)	9,782,334	170,519,393

*Nursery operations represent investment in a joint venture (Note 9). The Group's chief operating decision maker regularly reviews the segment information related to the nursery operations based on its aggregate revenue and profit/(loss) to make decisions about resources to be allocated to the segment and assess its performance. However, as required by IFRS 11 Joint Arrangements, the Group's interest in the joint venture is accounted for in the consolidated financial statements using the equity method. The adjustments and eliminations arising on account of the differences between financial information in the segment information and the equity method are included under "Adjustments and eliminations".

	2025 AED
Reconciliation of profit after tax	
Segment profit after tax	170,519,393
Less: Share of Group's loss of a joint venture	(9,293,217)
Add: Rental income	3,286,985
Profit for the year	164,513,161

Other segment information

Segment assets and liabilities comprise all assets and liabilities reflected in the consolidated statement of financial position as at 31 August 2025. This is attributable to the “School operations” segment except investment in a joint venture attributable to the “Nursery operations” (refer Note 9 for details on the investment in a joint venture). All such assets (including capital expenditure) and liabilities are significantly relating to the Group’s operations in UAE.

At 31 August 2024:

As at 31 August 2024, the Group’s “School Operations” segment assets and liabilities comprised of all assets and liabilities reflected in the consolidated statement of financial position was entirely attributable to the “School operations”. All such assets (including capital expenditure) and liabilities were relating to the Group’s operations in UAE.

32. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to the shareholders by weighted average number of shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the profit attributable to ordinary equity holders of the Parent (adjusted for the effect of dilution, if any) 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. As at 31 August 2025 and 2024, there were no shares which were dilutive in nature.

The information necessary to calculate basic and diluted earnings per share is as follows:

	2025	2024
	AED	AED
Profit for the year attributable to equity holders of the Company (AED)	164,513,161	138,001,982
Weighted average number of shares*	998,285,820	990,950,162
Attributable to the shareholders:		
Basic and diluted earnings per share (AED per share)	0.16	0.14

*the weighted number of ordinary shares takes into account the weighted average effect of changes in own shares during the year.

33. Current income tax and deferred tax

With the introduction of corporate tax in the United Arab Emirates, the Group is subject to corporate income tax at 9% on the taxable profits. The major components of income tax expense in the consolidated statement of profit or loss are:

	2025	2024
	AED	AED
Current income tax		
Current income tax expense	(16,823,184)	(16,706,004)
Deferred tax		
Deferred income tax expense relating to origination and reversal of temporary differences	724,493	(27,338,083)
Income tax expense reported in the consolidated statement of profit or loss	(16,098,691)	(44,044,087)

Following is the reconciliation of current income tax expense and accounting profit:

	2025	2024
	AED	AED
Accounting profit for the period before tax	180,611,852	182,046,069
At the UAE statutory tax rate of 9% charged during the year	(16,255,067)	(16,384,146)
Adjustments in respect of standard deduction as per the Law ¹	101,250	67,500
Non-deductible expense for tax purpose:		
Entertainment expense (50% allowed as per the Law)	(82,321)	(68,190)
Fines and penalties (disallowed as per the Law)	(3,773)	(40,124)
Adjustment on business combinations, net	(673,007)	(281,044)
Exempted income (gain on bargain purchase and share of loss of joint venture)	89,734	-
Current income tax	(16,823,184)	(16,706,004)
Effective current income tax rate	9.31%	9.18%

¹With the acquisition of LLFPM on 6 November 2024, the Group has structured three separate tax groups for the purpose of submission of tax returns to the UAE Federal Tax Authority (“FTA”) in accordance with Federal Decree Law No. (47) of 2022 concerning Corporate and Business Tax (the “law”). As per the law, maximum standard deduction applicable for each tax group is AED 375,000.

Reconciliation of income tax provision, net:

	2025	2024
	AED	AED
As at beginning of the year	16,706,004	-
Add: provision for the year	16,823,184	16,706,004
Add: acquisition of LLFPM (Note 6(a))	876,464	-
Less: payments made during the year	(17,374,898)	-
Less: other adjustments	(506)	-
As at 31 August	17,030,248	16,706,004

Reconciliation of deferred tax liabilities, net:

	2025	2024
	AED	AED
As at 1 September 2024	(27,338,083)	-
Add: Tax expense recognised during the year ¹	-	(27,694,215)
Add: Acquisition during the year (Note 6(a))	(14,753,125)	-
Tax benefit due to amortisation during the year	724,493	356,132
As at 31 August 2025	(41,366,715)	(27,338,083)

¹In previous year, the deferred tax liability was recognised in relation business combinations undertaken by the Company in UAE prior to the effective date of the enactment of the UAE CT law.





The deferred tax liability comprises of the following temporary differences:

	2025	2024
	AED	AED
Goodwill	21,599,798	21,599,798
Other intangible assets	6,789,515	3,254,781
Other fair value adjustments (mainly relates to property and equipment)	12,746,870	2,483,504
As at 31 August	41,136,183	27,338,083

For the purpose of determining income tax expense for the year, the accounting profit has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense. The adjustments are based on the current understanding of the existing tax laws, regulations and practices. The Group has not identified any material risks or uncertainties in the structure from a corporate tax perspective and will continuously monitor further developments that could impact the tax profile of the Group.

Pillar Two Anti-Global Base Erosion Rules

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) has published the Pillar Two Anti-Global Base Erosion Rules (“GloBE Rules”), which are designed to address the tax challenges arising from the digitalisation of the global economy. These rules provides a coordinated system to ensure that multinational enterprises (MNEs) with revenue above Euro 750 million pay at least an effective tax rate of 15% in each of the jurisdiction in which they operate. The UAE published Federal Decree-Law No. 60 of 2023 on 24 November 2023. This law amends specific provisions of Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, as part of the UAE’s commitment to the OECD guidelines.

On 11 February 2025, the Ministry of Finance of the United Arab Emirates (UAE) released Cabinet Decision No. 142 of 2024 regarding the Imposition of Top-Up Tax on Multinational Enterprises on its website. This decision provides further details on the UAE Domestic Minimum Top-up Tax (UAE DMTT), which will apply to fiscal years starting on or after 1 January 2025. The UAE DMTT aims to ensure that certain in-scope UAE entities of a multinational enterprise (MNE) meet a 15% effective tax rate (ETR) on profits derived in the UAE. As of 31 August 2025, the Group is not required to comply with the requirements of UAE DMTT. However, the Group will continue to monitor the related developments and assess any potential exposure in accordance with the relevant legislation.

34. Subsequent events

Subsequent to the year, the Board of Directors of the Company has proposed a cash dividend of AED 150 million (AED 0.15 per share), which is subject to the approval of the shareholders at the forthcoming Annual General Assembly of the Company. There were no other significant events subsequent to the year-end that requires either adjustments or disclosures in the consolidated financial statements.

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