taaleem

inspiring young minds



CULTIVATING GROWTH, NURTURING MINDS:

A JOURNEY OF EXPANSION

ANNUAL REPORT 2023-2024

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CHAIRMAN'S FOREWORD



I am delighted to present Taaleem's 2023–2024 Annual Report, highlighting another year of outstanding achievements and progress in our pursuit of educational excellence and sustainable growth. Our unwavering commitment to nurturing young minds has further solidified Taaleem's reputation as a leading force in the United Arab Emirates' (UAE's) education sector.

At Taaleem, our vision remains firmly focused on creating an environment where every student thrives. Supported by a team of passionate educators and world-class facilities, we continue to lead in providing personalised learning experiences. With a diverse portfolio that includes the British, International Baccalaureate (IB), and American curricula, we cater to the individual needs of families and students, ensuring that every student is poised for success. Our continuous investment in cutting-edge facilities, including state-of-the-art science labs, expressive arts centres, and sports complexes, underscores our dedication to delivering a well-rounded, enriching educational experience.

This past year has been pivotal in expanding our reach. Our successful growth strategy has allowed us to open six new public-private partnership schools, expand Greenfield International School, and launch DBS Jumeira. These milestones reflect how we are strategically positioning ourselves for sustained success and capitalising on future growth opportunities. With this expanded capacity, we are well-prepared to continue delivering exceptional educational opportunities to even more students.

Looking ahead, we anticipate several emerging trends will support our ambitions. The increased focus on international collaboration, for example, provides a unique opportunity to offer our students a truly global perspective. Our recent agreement with Harrow UK to launch premium schools across the UAE and GCC is a testament to this commitment. Additionally, the UAE government's continued investment in education aligns seamlessly with our growth strategy. As we move forward, we remain unwavering in our commitment to enhancing the quality of education we provide, while contributing positively to the education landscape in the UAE.

As a socially responsible organisation, Taaleem recognises the critical importance of environmental, social, and governance (ESG) factors in shaping our future. We believe that sustainable business practices are integral not only to our long-term success but also to the well-being of our communities and the preservation of our planet. This year, we have taken substantial steps to integrate sustainability into the core of our operations, setting new benchmarks in the education sector and fostering meaningful change in the communities we serve.

In closing, I am incredibly proud of Taaleem's achievements over the past year and deeply appreciative of the dedication and expertise provided by the esteemed members of our Board. I extend my sincere thanks to our shareholders for their trust and ongoing support, which have been instrumental in driving Taaleem's growth and strengthening our leadership in the education sector.

As we continue shaping the future of education in the region, I have every confidence that our passionate leaders, educators, and administrative staff will remain at the heart of our success. Together, I am certain we will continue to thrive and build a bright future.

Khalid Al Tayer
Chairman of the Board



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AT A GLANCE

Pursuing educational excellence and inspiring young minds across the UAE

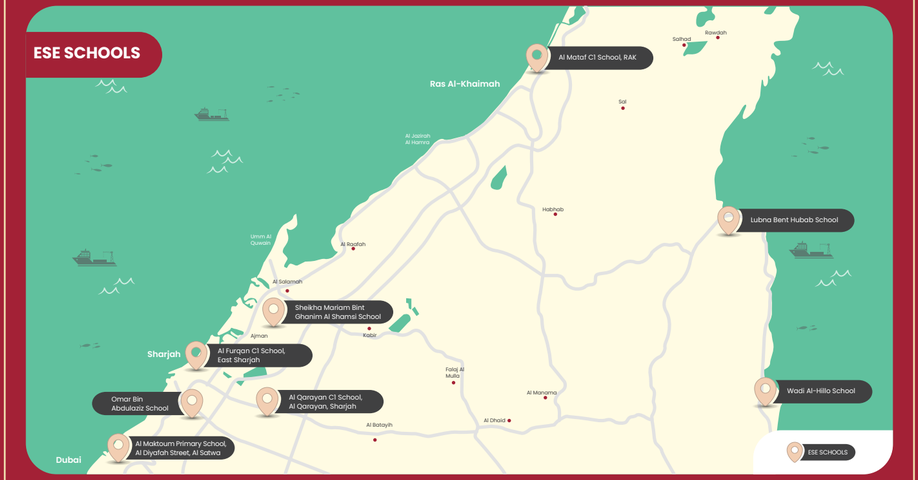
Taaleem is a leading education provider and one of the largest K-12 school operators in the United Arab Emirates (UAE). Established in 2003, Taaleem today stands as a cornerstone of educational excellence in the UAE, overseeing a distinguished portfolio of schools committed to delivering superior academic standards and holistic student development. At Taaleem, we believe in the transformative power of education to shape the future and inspire generations of learners to reach their full potential.

We are proud to be the first private education company listed on the Dubai Financial Market (DFM), serving over 37,000 students across a growing network of 32 schools. Our portfolio includes 10 premium schools that we own and operate, as well as 22 governmental partnership schools managed on behalf of the UAE government. We are the only education operator awarded schools under all three government initiatives: Abu Dhabi 'Charter Schools', the 'Dubai Schools', and 'Ajyal Schools' under the Emirates School Establishment (ESE). Our commitment to public-private partnerships and growing network of schools solidifies our position as the preferred partner for advancing education in the UAE.



BOASTING AN EXPANSIVE SCHOOL FOOTPRINT ACROSS THE UAE





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We cater to the diverse needs and aspirations of our students by offering a variety of educational curricula. Our schools feature internationally acclaimed programmes, including the IB, the UK National Curriculum, and the American Curriculum. This wide array of choices guarantees that our students receive a holistic and well-rounded education that equips them with the skills, knowledge, and character they need to compete globally. Furthermore, each school under Taaleem's umbrella is characterised by its dedication to quality, leveraging state-of-the-art facilities, and modern teaching methodologies to provide students with an optimal environment to thrive and succeed.

At Taaleem, the foundation of our educational excellence lies in our highly qualified team of educators and administrators. Their extensive experience and passion for teaching are pivotal to fostering an environment where students are encouraged to reach their full potential. We pride ourselves in recognising the importance of personalised attention and support, which nurture the unique talents and aspirations of each student. By focusing on individual needs, our team creates a holistic, student-centric learning experience that goes beyond academic achievement. The commitment of our staff to these principles is what truly sets Taaleem apart, ensuring that our students not only succeed academically but also grow as well-rounded individuals.









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 commitment to student development extends beyond academic excellence to encompass a broad spectrum of extracurricular activities, including sports, artistic pursuits, leadership training, and community engagement. These activities play a crucial role in shaping well-rounded, socially responsible individuals who are better equipped to make meaningful contributions to the world.

Furthermore, Taaleem places strong emphasis on innovation, research, and professional development, ensuring that our educational practices remain cutting-edge and our educators are continuously evolving. This holistic approach not only enriches the students' educational experience but also prepares them to navigate and positively impact an increasingly complex and interconnected world.

PREMIUM SCHOOLS

INTERNATIONAL BACCALAUREATE (IB)

- UPTOWN INTERNATIONAL School
- GREENFIELD INTERNATIONAL School
- JUMEIRA BACCALAUREATE School
- RAHA INTERNATIONAL SCHOOL Gardens Campus
- RAHA INTERNATIONAL SCHOOL Khalifa City Campus

AMERICAN CURRICULUM

- AMERICAN ACADEMY FOR GIRLS

UK NATIONAL CURRICULUM

- DUBAI BRITISH SCHOOL JUMEIRAH PARK FOUNDATION
- DUBAI BRITISH SCHOOL EMIRATES HILLS
- DUBAI BRITISH SCHOOL JUMEIRAH PARK
- DUBAI BRITISH SCHOOL JUMEIRA *
- Jebel Ali School

* Newly launched for academic year 2024-2025

MILESTONES

Laying Our Foundation

2003

- **Beacon Education** was founded

2005

- Commercial operations commence under the "Beacon Education" brand
- Launched three premium schools, Dubai British School (DBS) – Emirates Hills, American Academy for Girls (AAG), Uptown International School (UIS)

2006

- Launched Raha International School (RIS) – Gardens Campus

2007

- 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)

Strengthening Our Brand

2008

- Beacon Education rebrands as **Taaleem**

2010–2018

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

Leveraging Our Reputation

2019

- Taaleem was 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

- Launched Raha International School (RIS) – Khalifa City

Propelling Our Growth

2021

- Awarded the operation of two schools under the 'Dubai Schools' (PPP schools), 'Dubai Schools' Al Barsha and 'Dubai Schools' Mirdif
- Awarded the operation of two Abu Dhabi 'Charter Schools'

2022–2023

- Taaleem became the first private education provider to become listed on the Dubai Financial Market (DFM)
- Awarded the operation of one school under the 'Dubai Schools' (PPP schools), 'Dubai Schools' Nad Al Sheba; three Abu Dhabi 'Charter Schools'; and four 'Ajyal Schools' through a service agreement with the Emirates School Establishment (ESE)
- In line with its inorganic growth strategy, Taaleem completed the acquisition of Jebel Ali School (JAS)

2024

- Awarded six new government partnership schools: four under the ESE agreement and two under the 'Charter Schools' agreement
- DBS Jumeirah Park achieved an Outstanding rating from the Knowledge and Human Development Authority (KHDA)
- Completed the foundation construction of the expansion at Greenfield International School (GIS)
- Received the certificate of completion at DBS Jumeira with a capacity to accommodate up to 1,675 students for the new academic year 2024–2025
- Commenced construction at the fifth branch of the Dubai British Schools Network – DBS Mira
- Entered into a master agreement with Harrow International Schools Limited (HISL)
- Signed land leases in Dubai to build a super premium school
- Opened DBS Jumeira for the 2024-2025 academic year

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Revenue

AED **956.4** mn

up 15.8% y-o-y in AY2023-2024

Net Profit (pre-tax)

AED **182.0** mn

up 55.1% y-o-y in AY2023-2024

Total Number of Students

+37,930

Total Number of Student Nationalities

86

Premium Schools

10

Government Partnership Schools

22



2023-2024 HIGHLIGHTS

Taaleem achieved robust growth in the 2023–2024 academic year, underscoring the effectiveness of its growth strategy and commitment to providing top-tier education across the UAE.

Overview

Taaleem's dedication to innovative and high-quality education continued to yield benefits throughout the 2023–2024 academic year. A multipronged strategy led to double-digit growth in Taaleem's student base, as well as improved capacity utilisation and increased government partnerships. Supported by the launch of six new government partnership schools and increased capacity utilisation in privately owned schools, both operational and financial metrics saw substantial growth in the 2023–2024 academic year.

Financial Highlights

Taaleem booked record revenues and net profit during the 2023–2024 academic year, fuelled by an expanding student base and increased capacity utilisation.

AED 956.4 mn
Revenues
(up 15.8% y-o-y)

AED 270.8 mn
EBITDA
(up 32.0% y-o-y | 28.6% margin)

AED 182.0 mn
Net profit (pre-tax)
(up 55.1% y-o-y | 19.3% margin)



Operational Highlights

Taaleem's dedication to quality education and its proven record of delivering world-class educational services have contributed to the growth of its student base across its portfolio of premium schools. In the past year, Taaleem was awarded six new government partnership schools, reaffirming its status as a preferred education provider supporting the UAE's vision for the education sector.

37,930
Total Number of Students
(up 33.1% y-o-y)

88%
Capacity Utilisation
(up by 4.1% y-o-y)

13.3
Student-Teacher Ratio
(up 0.8% y-o-y)

6
New Government Partnership Schools Launched

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Accreditation

Taaleem's focus on excellence in education is constantly being recognised, earning it several prestigious awards and accreditations. This further cemented its status as a leading educational provider in the UAE.

Greenfield International School

- Completed IBO re-accreditation visits
- Obtained the KHDA's penultimate inspection rating of "Very Good"
- Completed CIS and NEASC re-accreditation

Jumeira Baccalaureate School

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

Dubai British School – Jumeirah Park

- Completed BSO accreditation as "Outstanding"

Dubai British School – Emirates Hills

- Retained BSO accreditation as "Outstanding"



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CEO'S MESSAGE



As we reflect on Taaleem's achievements over the past year, I am pleased to report another period filled with remarkable outcomes. The 2023–2024 academic year has been one of exceptional progress, marked by significant milestones and strategic achievements that have reinforced our position as a leader in the education sector. Our commitment to excellence, innovation, and sustainable growth has driven us forward, enabling us to make a meaningful impact on the lives of our students and the broader community. As we stand on the threshold of new opportunities, I am immensely proud of what we have accomplished and excited to continue our pursuit of educational excellence.

Reaching New Heights

Our five-year growth strategy, focused on expanding our premium school portfolio, moving into the super-premium segment is delivering remarkable results. This year, Taaleem reached a major milestone with revenues growing by 15.8% year on year, bringing us close to the AED 1 billion mark. This growth has been underpinned by a significant 33.1% increase in enrolments to 37,930 students and an impressive 7.7 percentage point rise in capacity utilisation across the premium school segment to reach 83.1%. This achievement reflects the unwavering commitment, innovation, and hard work of the entire Taaleem team. It also highlights the trust and support we have received from our students, parents, and partners, all of whom have been integral to our success.

Reaching this financial milestone is a significant moment in Taaleem's journey, but it marks only the beginning of what lies ahead. Our focus remains firmly on sustainable growth, enhancing our educational offerings, and expanding our portfolio of premium and super-premium schools. We will continue to invest in our infrastructure, technology, and, most importantly, our people. Our commitment to providing world-class education in the UAE and the region will be a key driver as we embark on the next phase of growth.

Advancing Educational Excellence

At Taaleem, we believe that quality education goes beyond academic achievement; it is about nurturing well-rounded individuals who are equipped to succeed in all aspects of life. Our commitment to the holistic development of our young people is reflected in our approach to education, which emphasises personalised learning, character building, and the cultivation of a supportive, inclusive environment. This philosophy drives us to focus on each student's unique needs, ensuring they receive the best possible education tailored to their strengths and aspirations.

As a result, our premium schools have consistently earned high ratings from the Knowledge and Human Development Authority (KHDA) and the Abu Dhabi Department of Education and Knowledge (ADEK), with eight schools achieving "Outstanding" or "Very Good" ratings.

While we are proud of these accomplishments, our journey towards educational excellence is ongoing. We are committed to continuous improvement and innovation in our teaching practices, recognising the need to adapt and lead in an ever-evolving educational landscape. Our focus on integrating AI and technology-based learning is central to this commitment, as we aim to equip our students with the skills they need to excel in a fast-paced digital world. Our ambition remains to elevate the performance of all our schools to "Outstanding" levels. Achieving this will require sustained investment, innovation, and collaboration across the entire Taaleem community. We are confident that with our collective dedication, we will continue to enhance educational outcomes and set new benchmarks in the region.

Realising Expansion Goals

Over the past year, several aspects of our growth strategy have been exceptionally successful. Our expansion of premium school offerings has been met with strong demand, and our strategic investments in technology have significantly enhanced the learning experience. While the UAE's dynamic education market has attracted many players, Taaleem has consistently maintained its competitive edge, excelling in this environment with significant improvements in enrolment, profitability, and inspection outcomes.

Our commitment to high-quality education, innovation, and fostering strong relationships with stakeholders has been fundamental to our success.

"Taaleem has consistently maintained its competitive edge, excelling in this environment with significant improvements in enrolment, profitability, and inspection outcomes."

Recently, we entered a strategic partnership in the super-premium sector with Harrow Schools to expand our reach across the GCC, demonstrating our dedication to excellence and our focus on meeting the needs of the region's families.

Looking beyond the UAE, our partnership with Harrow Schools marks a pivotal step in our expansion strategy. By bringing Harrow's renowned educational framework to the GCC countries, we aim to set a new standard in private international education, equipping students with the skills and knowledge they need to thrive as global citizens.

Also, looking ahead, I am more than confident that Taaleem is on a solid path to increasing its market share in the UAE's education sector. We have strategically positioned ourselves as a leader in high-quality education, which is evident in our consistent growth and the increasing demand for our schools. Our unique approach to education, understanding of the local market, and ability to adapt to changing needs will enable us to continue surpassing our competitors and setting new benchmarks in the industry.

Reflecting on Taaleem's accomplishments during the 2023–2024 academic year, I am incredibly proud of our unwavering commitment to delivering quality education and nurturing young minds. Our journey of expansion is backed by a well-defined strategy and an exceptionally talented team dedicated to fostering growth. As we expand our reach and prioritise innovation, Taaleem is poised to continue making a positive impact on the education sector. I want to extend my sincere gratitude to our parents, students, teachers, staff, and the wider community for their invaluable support and trust in Taaleem. Together, we are stronger, and we will continue to set new standards for educational excellence, shape the lives of our students, and positively impact the communities we serve.

Alan Williamson
Chief Executive Officer



OUR MARKET

The UAE boasts a thriving market with a growing GDP and stable economy, making it an attractive destination for global investments and business expansion. Its strategic geographic location, coupled with an exceptionally business-friendly environment and accepting culture, has established the UAE as a hub for multinational corporations and new ventures setting up businesses. Consequently, the UAE's population, predominantly composed of expatriates, continues to grow, attracting skilled workforces and their families. This dynamic creates a unique opportunity for high-quality education and supports long-term demand.

As a regional leader in education, the UAE is driven by a vision to foster a knowledge-based economy and prioritises education as a key pillar of its development strategy. With a population of over nine million and a large expatriate community, the demand for high-quality education is robust and constantly growing. The UAE government has initiated multiple strategic initiatives that emphasise the need to enhance the global competitiveness of its education sector. This, in turn, has led to substantial investments in educational infrastructure, technology, and teacher development at all levels of the education sector.

Taaleem is well-positioned to capitalise on the UAE's growing education sector. The education industry's resilience to economic fluctuations, due to the essential nature of educational spending, combined with predictable long-term revenue and high entry barriers, offers a stable foundation for growth. We are ideally placed and equipped to thrive in the dynamic education market and contribute to its promising future.

The demand for high-quality private education in the UAE is continuously growing, creating substantial opportunities for the premium and super premium education markets. The K-12 private education market specifically is witnessing a significant boom due to the increasing expatriate population, increasing enrolments, and the growing shift from public schools to private schools. This preference is driven by the desire for globally recognised qualifications that can enhance future opportunities for students for higher education and career opportunities. Consequently, educational institutions offering state-of-the-art facilities, experienced faculty, and innovative teaching methodologies are attractive for parents who are willing to invest in the best possible education for their children.

Strategic Emphasis on Private Education

The UAE ranks among the most developed and competitive education markets in the GCC, boasting a wide array of public and private institutions. Recently, there has been a push towards privatising the education sector to enhance and modernise K-12 infrastructure, update curricula, improve education quality, and integrate technology into teaching methods. Such initiatives by the government have strengthened accreditation standards and developed curricula to match international standards, thus increasing the quality of education in the UAE.

Within the UAE, Dubai and Abu Dhabi stand out as the largest markets, accounting for approximately half of the total students in private K-12 schools[1]. In 2024, the market is estimated to be worth USD 6.7 billion and is projected to reach USD 9.6 billion by 2029, growing at a compound annual growth rate (CAGR) of 7.5%[2]. Taaleem's established network of premium schools and presence in these markets capitalise on growing demand and higher enrolment rates.

[1] Alpen Capital: GCC Education Industry Report (August 2023)

[2] Mordor Intelligence: UAE Private K12 Education Market Size & Share Analysis - Growth Trends & Forecasts (2024–2029)



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

The UAE K-12 education market is supported by strong macroeconomic fundamentals and significant government initiatives aimed at advancing education.

- **Economic Stability and Strong GDP Growth:** The stability of the UAE economy and its GDP growth have created a favourable environment for the education sector to thrive. The UAE's strategic location, robust infrastructure, diversified economy, and prudent fiscal policies have attracted both local and international investments that support sustained growth. This economic resilience has provided a stable foundation for the expansion of the K-12 education market, as parents and investors alike have confidence in the long-term prospects of the UAE. The strong economic performance also enables the government to allocate substantial resources towards improving educational facilities and services, further driving expansion in the sector.

- **Population Growth and Demographics:** The UAE continues to experience steady population growth driven by expatriates, which account for approximately 88.5% of the country's demographics[3]. With a young and rapidly growing population, the demand for quality K-12 education has evidently surged. The increasing number of school-aged children necessitates the expansion of educational infrastructure and services to accommodate the growing needs of this demographic.

- **Economic Diversification and Investment in Education:** As part of its Vision 2021 and subsequent strategic plans, the UAE government has prioritised economic diversification, reducing dependence on oil revenues by investing in sectors like education. Significant public and private investments have been channelled into the education sector, leading to the development of new schools, improvement of existing facilities, and the adoption of innovative educational technologies. This economic strategy ensures that the UAE remains competitive on the global stage and fosters an environment where high-quality education becomes a cornerstone for future economic success.

- **Regulatory Support and Education Reforms:** The UAE government has implemented numerous regulatory measures and reforms aimed at enhancing the quality and accessibility of education. Organisations like the KHDA in Dubai and the ADEK oversee and regulate educational institutions to ensure they meet the highest standards. These regulatory bodies conduct regular assessments and inspections, provide ratings for schools, and facilitate transparency, helping parents make informed decisions.

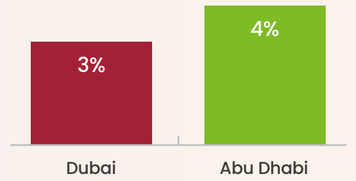
- **Increasing Household Income and Affordability:** The rise in household incomes in the UAE has made quality education more affordable for a larger portion of the population. Between 2021 and 2026, the number of households in Abu Dhabi with income over AED 734,000 is expected to grow at a CAGR of 6%. Similarly, in Dubai, Sharjah, and Ajman, households in the same income bracket are forecasted to grow at a CAGR of 5% during this period[4]. Increasing income enables more parents to afford private schooling, driving demand for high-quality educational institutions and contributing to the expansion of the UAE's K-12 education market.

[3] Global Media Insight: United Arab Emirates Population Statistics 2024

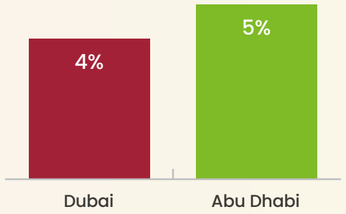
[4] LEK research and Oxford Economics 2022 data

FUNDAMENTAL DRIVERS OF ENROLMENT GROWTH

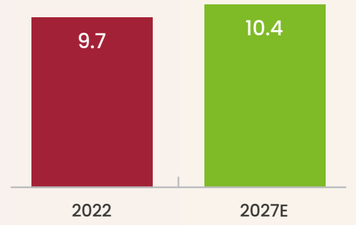
Real GDP CAGR (2022-27E)



Consumer Spending on Education CAGR (2022-27E)



UAE Population, million



Young UAE Population (Age 4–16), million



Number of Households with Income over AED 734,000 (2021 - 2026E CAGR)

6% Abu Dhabi | **5%** Dubai-Sharjah-Ajman

The Private K-12 Market Benefits from Strong Barriers to Entry

Entering the premium K-12 education market in the UAE presents several barriers that effectively protect established education providers from new competition. Taaleem enjoys a significant advantage due to its established presence and long track record of success in the market.

Market Perception and Brand Building

Trust and recognition can only be gained by an educational institution/brand once it develops a long-term track record, which takes multiple years to cultivate.

Scarcity of Real Estate

The limited availability of real estate and land designated for educational use in prime urban areas gives existing school operators a significant advantage.

High Capital Investment

Significant financial outlays required for premium facilities and staffing act as a high barrier to entry, necessitating substantial access to capital and financing.

Cultural and Language Considerations

Established schools are adept at catering to a multicultural student body and maintain an advantage as new entrants struggle to develop similarly inclusive programmes.

Track Record with Regulatory Bodies

Long-standing relationships developed through extensive engagement with governmental authorities result in favourable terms for land and resources while facilitating licensing.

Industry Knowledge

Management possesses a deep understanding of local markets and catchments, which typically requires years of extensive research and experience.

Quality Assurance and Accreditation

Meeting rigorous accreditation standards is easier for existing schools, which already possess these credentials, discouraging new competitors.

Student Retention

Established institutions benefit from the loyalty of their student body, which reduces the pool of potential new students available to competitors.

Teacher Recruitment and Retention

The challenge of attracting and retaining qualified teachers in a high-cost living environment gives established schools a staffing advantage.



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

DUBAI

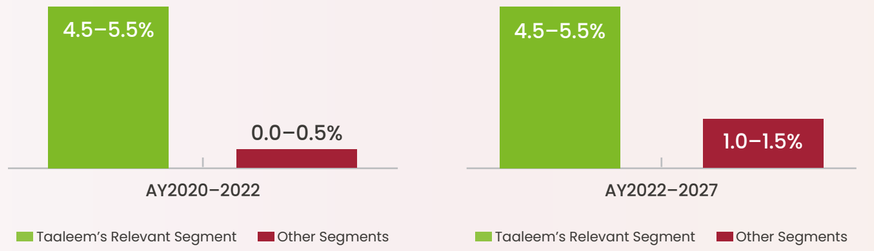
Dubai's private K-12 education market is one of the most dynamic and diverse in the world. The market caters to a growing expatriate population as well as local families seeking high-quality education. With 220 private schools, catering to over 365,000 students and offering 17 curricula, Dubai has positioned itself as an education hub in the region.

12% YoY Dubai Private K-12 Enrolment Growth Rate in AY2023-2024[5]

Price Segment

Dubai's private K-12 schools are split into five distinct price segments: super-premium, premium+, premium, mid-priced, and budget. Taaleem's private international schools in Dubai fall under the premium+ (annual fees of AED 55,000–75,000) and super-premium (over AED 75,000 annually) categories. These segments are the fastest growing in the market, which will greatly benefit Taaleem's performance moving forward.

DUBAI K-12 ENROLMENT CAGR BY PRICE SEGMENT[6]



[5] KHDA Dubai's Private Schools Open Data, March 2024

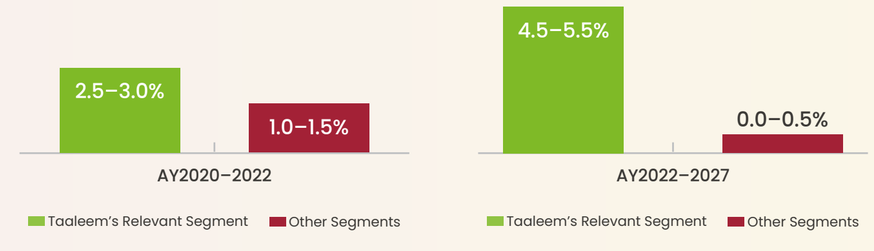
[6] L.E.K. research and analysis based on Dubai Private Schools Open Data @ copyright KHDA 2022. All rights reserved, Industry participants



Curriculum

Within Dubai's private schools, the British curriculum is the most popular, currently offered at 37% of private K-12 schools, followed by the American, Indian, and IB curricula. In the rapidly growing segments of premium and super-premium segments, the IB, British, and American curricula stand out as the fastest-growing segments. Taaleem's strategic decision to offer all three curricula positions it uniquely in the market, catering comprehensively to the top educational preferences of nationals and residents in the UAE.

DUBAI K-12 ENROLMENT CAGR BY PRICE SEGMENT[7]



[7] L.E.K. research and analysis based on Dubai Private Schools Open Data @ copyright KHDA 2022. All rights reserved, Industry participants

ABU DHABI

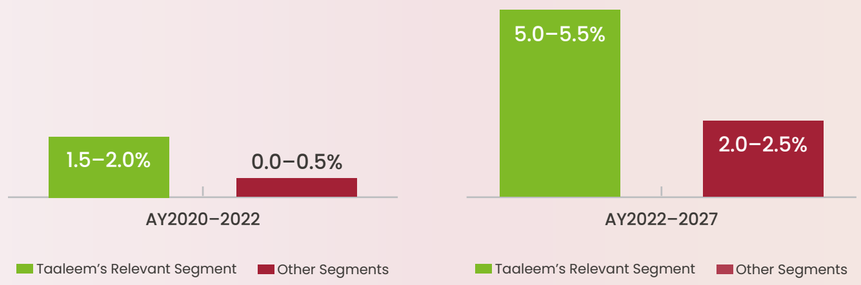
Abu Dhabi's private K-12 enrolment growth is driven by a growing expatriate population as well as increased interest from Emiratis to enrol their children in private schools. Catering to a multicultural population, the education market offers a wide range of options to meet the needs of both expatriates and Emirati families. In the 2023–2024 academic year, enrolment in private K-12 schools in Abu Dhabi was approximately 244,000 students. This positive trend is supported by Abu Dhabi's robust economic outlook, fuelled by diversification initiatives and strategic investments in key sectors. These factors create job opportunities that attract a growing workforce who relocate with their families, further boosting school enrolment rates.

1.2% YoY Abu Dhabi Private K-12 Enrolment Growth Rate in AY2023-2024

Price Segment

Abu Dhabi's private K-12 schools are split into four price segments: super-premium, premium, mid-priced, and budget. Taaleem's Abu Dhabi schools fall under the premium category with annual fees ranging from AED 39,330 to AED 61,900. The premium segment is seeing significant growth as more families relocate to Abu Dhabi for new job opportunities and as Emiratis increasingly transfer their children from public to private schools.

ABU DHABI K-12 ENROLMENT CAGR BY PRICE SEGMENT[8]

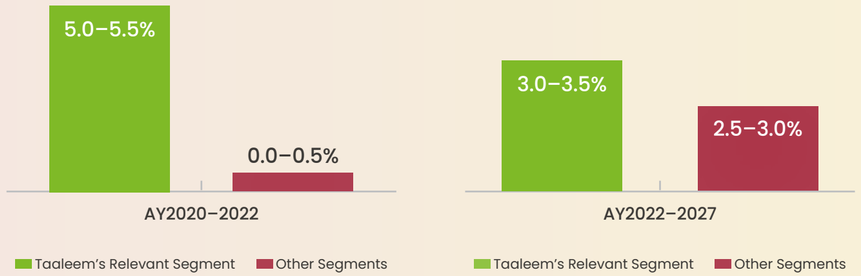


[8] L.E.K. research and analysis based on L.E.K Global Thought Leadership report

Curriculum

Private schools in Abu Dhabi offer 14 different curricula giving parents a wide range of options to choose from. All of Taaleem's private schools in the emirate offer the IB curriculum, which is relatively new compared to other curricula, but is quickly gaining popularity. Between 2022 and 2027, the IB curriculum is expected to outpace other curricula, placing Taaleem in a highly advantageous position for future growth.

ABU DHABI K-12 ENROLMENT CAGR BY PRICE SEGMENT[9]



[9] L.E.K. research and analysis based on L.E.K. Global Thought Leadership report.

PPP SCHOOLS

‘Ajyal Schools’ and ‘Dubai Schools’

Public-private partnership (PPP) schools offer high-quality education to Emirati students free of charge, with ‘Ajyal Schools’ exclusively serving Emiratis. ‘Dubai Schools’ provide free education for Emiratis while offering expatriates affordable tuition rates. These partnerships leverage private sector expertise and resources by delegating the day-to-day management of schools to private entities, such as Taaleem, while a regulatory framework ensures the quality of service delivered. Ultimately, through this collaboration, the quality of education improves, efficiency increases, and available investments grow, benefiting the entire system.

8 Number of ‘Ajyal Schools’ Operated by Taaleem

3 Number of ‘Dubai Schools’ Operated by Taaleem

‘Ajyal Schools’ were launched in 2022 by the ESE with the aim of integrating the national curriculum, which includes Arabic and Islamic studies, with the American curriculum. The schools are operated by three private education providers: Taaleem, Bloom Education, and Aldar Education. As of the 2023–2024 academic year, 18 ‘Ajyal Schools’ were operational, eight of which were managed and operated by Taaleem.

The ‘Dubai Schools’ PPP initiative is an ongoing partnership between The Executive Council (TEC), the Knowledge Fund Establishment (KFE), and Taaleem. Taaleem has been awarded three schools under the first phase of the PPP programme, all of which are operational as of the 2023–2024 academic year. The schools are located in Mirdif, Al Barsha, and Nad Al Sheba.

Abu Dhabi ‘Charter Schools’

‘Charter Schools’ are a partnership between the government and private education providers aimed at enhancing the quality of education in the emirate to build a sustainable, knowledge-based, and competitive economy. Abu Dhabi ‘Charter Schools’ are regulated by the Abu Dhabi Department of Education and Knowledge (ADEK) while private partners manage the day-to-day operations.

11 Number of Abu Dhabi ‘Charter Schools’ Operated by Taaleem

The ‘Charter Schools’ initiative was launched in 2018. Since then, it has expanded significantly and now includes 38 schools as of the 2023–2024 academic year. Taaleem operates 11 of the schools, which offer free education to Emirati students. The schools offer an American-based curriculum for K-12 students.



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 been steadfast in its commitment to shaping the education landscape in the UAE through strategic investments and the development and operation of K-12 schools. We consistently deliver an exceptional educational experience that empowers students to build a brighter future, solidifying our standing as a leading provider of K-12 education. Operating within an international community in the UAE enables us to cultivate a unique and diverse learning environment for both students and staff.

Our business model centres on owning and operating premium schools, as well as managing schools through PPPs with Emirati governmental entities. Our diverse portfolio mix ensures we deliver exceptional learning experiences across the country. Today, our portfolio encompasses 10 premium schools located strategically across Dubai and Abu Dhabi, in addition to 22 PPP schools under the ESE Schools, 'Dubai Schools', and Abu Dhabi 'Charter Schools' initiatives.

Our strategic framework is built on four core pillars that guide our operations and drive our long-term success. By focusing on these core pillars, Taaleem consistently delivers exceptional educational outcomes, embraces cutting-edge technologies, and implements sustainable practices, ensuring long-term value creation for stakeholders. This strategy enables Taaleem to maintain high standards, drive continuous improvement, and expand its footprint, positioning it as a leader in the education sector.

Our portfolio mix enables us to grow our impact in the communities we serve, nurturing as many students as possible with high-quality education, thus naturally diversifying our revenue streams and granting Taaleem an added advantage and strong business relations within the education sector due to the scale of our operations.

Quality **Growth** **Diversity** **Sustainability**

Quality

At Taaleem, our firm commitment to high-quality education is at the core of everything we do. We believe every student deserves an exceptional learning experience that equips them for lifelong success. This commitment goes beyond just academics; it is about nurturing our students and creating an environment that enables them to thrive. We achieve this through a holistic approach, beginning with academic excellence validated by international accreditation and abiding by regulations, establishing a familiar culture that feels safe and natural to the students, employing highly qualified and experienced staff with continuous opportunities for growth, all encompassed in state-of-the-art facilities and innovative education delivery methods.

8

Number of Premium Taaleem Schools that Received a Rating of "Outstanding" or "Very Good" in 2023–2024

ACCREDITATION

Council of International Schools

International Baccalaureate Organization

British Schools Overseas

New England Association of Schools and Colleges

GOVERNING BODIES

The Knowledge and Human Development Authority (KHDA)

The Abu Dhabi Department of Education and Knowledge (ADEK)

Academic Distinction and Recognition

Academic excellence is paramount across our schools. Taaleem offers internationally recognised curricula, including the IB Diploma, the British National Curriculum, and the American Curriculum. These programmes are designed to challenge and inspire our students, preparing them for future academic and professional success. Our schools are accredited by globally renowned educational bodies, ensuring that our standards meet and exceed global benchmarks. This commitment to accreditation underscores our dedication to delivering an exceptional learning experience that is both universally recognised and valued.

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). In the 2023–2024 academic year, eight 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.

Many of our schools in Dubai and Abu Dhabi have been recognised for their excellence in fostering an understanding of Islamic values and awareness of the Emirati and global cultures, earning "Very Good" ratings from the KHDA. This focus strongly resonates with the Emirati community, with Emirati students making up about 65% of Taaleem's student population. This aligns with our collaboration with the UAE government to provide the highest quality education to Emirati students and to be a leader in the UAE's education space.





Investing in Talent and Professional Development

Our unwavering commitment to exceptional education hinges on the expertise and dedication of our faculty and staff. We strongly believe that dedicated and enthusiastic educators are essential to creating a vibrant learning environment. This philosophy translates into a significant investment in the professional development of our teachers. We provide our staff with specialised training and development plans, comprehensive resources, and opportunities for growth that empower them to continuously refine their pedagogical skills. Furthermore, we foster a culture of excellence and innovation, encouraging educators to stay current with the latest educational advancements.

By prioritising the professional growth and development of our educators, we guarantee that students have access to the most advanced teaching methods and receive world-class education. Taaleem embraces a holistic approach to education, recognising the equal importance of character development, critical thinking, and interpersonal skills in our students' long-term success. To nurture these qualities, we foster a positive and inclusive school culture that supports the social and emotional well-being of our students. Through this supportive environment, we empower our students to thrive academically and personally, equipping them to navigate challenges and excel in a dynamic world.

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World-Class Facilities and Innovation

Embracing a holistic approach to nurturing and growth involves paving the way for success, empowering individuals on their journey, and providing them with the tools necessary to thrive. This is why Taaleem's commitment to quality extends beyond our curricula and faculty. Taaleem invests heavily in acquiring and building the best facilities, creating exceptional learning environments across our campuses. Our schools are equipped with state-of-the-art facilities that provide a conducive environment for learning. From modern classrooms and laboratories to advanced sports and arts facilities, we ensure that our students have access to the best resources to excel academically, creatively, and physically.

Additionally, we embrace an innovative approach to education, integrating technology into our teaching practices and leveraging digital resources, interactive platforms, and innovative tools to enhance the educational experience. This forward-thinking approach not only enhances the learning experience but also prepares our students for a rapidly evolving digital world.



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Learning Management Systems (LMS)

Taaleem schools use LMS platforms to foster effective student-teacher engagement by providing easy access to materials, collaboration tools, and centralised communication.



Microsoft 365 Education Enterprise

Taaleem utilises a range of online tools for group projects, discussions, and virtual classrooms to ignite teamwork and communication in virtual classrooms.

Data and Learning Analytics

Taaleem leverages data to gain insights into student learning patterns, strengths, and areas of potential improvement, allowing for personalised feedback and interventions to enhance the student experience.



Personalised Learning Platforms

With the rise of artificial intelligence (AI) and adaptive technologies, Taaleem continually explores platforms that provide personalised education content and instructions that cater to the unique needs and learning pace of each student.



Blended Learning Approach

Taaleem adopts a blended learning approach, combining online and classroom instruction for secondary school students. This hybrid model allows students to engage with content at their own pace, encourages self-directed learning, and enables teachers to offer personalised support.

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Growth

A key driver in Taaleem's strategy is its unrelenting pursuit of sustainable and strategic growth. Built on our strong foundation of educational and operational excellence, Taaleem has positioned itself as a leading education provider in the UAE. To achieve this, we have established a multi-faceted growth strategy focusing on optimising existing resources, expanding our portfolio, and exploring new opportunities to ensure we deliver world-class education across all our schools.

1. **Strengthening and Optimising Existing Flagship Premium School Brands:** We are committed to enhancing our flagship premium schools by consistently investing in infrastructure improvements, introducing state-of-the-art facilities, and integrating the latest educational resources. Through focused marketing and recruitment strategies, we aim to boost enrolment and reinforce our schools' standing as the top choice for students and parents.

2. **Ramping Up Newly Introduced Schools:** We strategically plan and execute the launch of our new schools, leveraging Taaleem's strong brand equity and proven track record. By combining effective marketing strategies with active parent engagement, we aim to achieve optimal enrolment and capacity utilisation, maximising the value generated from these new additions.

3. **Fostering Strategic Partnerships:** We actively pursue and nurture partnerships with key entities to reinforce our position in the education sector. By collaborating with organisations that share our vision, we aim to expand our impact and reach a wider student audience.

"Taaleem is steadfast in its commitment to excellence, shaping the future of education in the UAE through strategic investments, and the development and operation of K-12 schools."

4. **Launching New Greenfield Projects:** We are proactively developing new greenfield projects, strategically selecting locations that align with our vision and mission for school launches. These initiatives will allow us to meet the growing demand for high-quality education in key areas.

5. **Considering Inorganic Expansion Through School Acquisitions:** As part of our expansion strategy, we are open to pursuing inorganic growth by acquiring operational schools that add value and complement our existing portfolio.

These initiatives position us to achieve sustainable growth while continuing to make a positive impact on the UAE's education sector and beyond, fulfilling our mission to provide exceptional educational opportunities to the students we serve.

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Strengthen and Optimise Premium Schools

Our flagship premium school brands represent the cornerstone of our educational offerings. We are committed to continually enhancing the reputation and appeal of our schools, making them the preferred choice for students and parents in the UAE. Our efforts to strengthen and optimise our existing schools entail investing in state-of-the-art facilities, adopting cutting-edge educational technologies, and implementing continuous professional development programmes for our educators. By focusing on academic excellence and holistic development, we ensure that our flagship schools remain at the forefront of educational innovation and continue to attract families seeking top-tier education for their children.

Taaleem is also focused on creating a sustainable student base by attracting more students in the earlier stages of their K-12 education journey. This approach ensures long-term revenue viability. Approximately 57% of Taaleem's premium school students were below Grade 5 during the 2023–2024 academic year. As these students progress through the grades, Taaleem is well-positioned for enhanced revenue growth and long-term profitability. Leveraging our strong brand and effective marketing, we are increasing enrolment rates and maximising the value of our new schools. By showcasing the unique value proposition and exceptional educational offerings of our schools, we attract a diverse range of students, driving enrolment growth.





Launch Greenfield Projects and Ramp Up Enrolment

Greenfield projects represent significant growth opportunities for Taaleem. We identify and develop new school sites in strategic locations with high demand for quality education. These projects involve designing and constructing state-of-the-art educational facilities that meet the evolving needs of students and educators. By launching new greenfield projects, we aim to broaden our geographical footprint and cater to a diverse student population, further establishing our presence as a leading educational provider.

Taaleem's expansion strategy leverages strong relationships with developers to secure prime locations for new premium schools, attracting a wider student base. Our strategic partnerships with key governmental and private real estate entities, including the UAE's Knowledge Fund Establishment, provide valuable insights into the future of education in the UAE. These relationships also enable Taaleem to secure long-term leases and favourable operating arrangements, allowing us to plan ahead and identify attractive locations for future premium school launches.

Taaleem remains on track to expand our premium school portfolio and delve into the super-premium segment. We have an exciting pipeline of four new premium British curriculum schools, with DBS Jumeirah set to commence operations in Dubai in September 2024, while DBS Mira is currently accepting student applications and will open in September 2025. The expansion plan to meet growing demand at Greenfield International School is nearing completion and will see over 20 additional classrooms and accommodate an additional 500 students in time for the 2024–2025 academic year. Finally, our master agreement with the esteemed Harrow brand, subject to regulatory approvals, to establish two super-premium schools in Dubai and Abu Dhabi in September 2026 marks a significant milestone in our growth strategy.

These strategic initiatives highlight our unwavering commitment to growth and excellence, further solidifying our position as a leading education provider in the UAE. In a market full of opportunities and an ever-increasing population, we aim to lead by example and set an unrivalled standard.

Ramp-up of Newly Introduced Schools

The successful launch and subsequent growth of our newly introduced schools are pivotal to our growth strategy. We focus on building strong foundations by ensuring these schools meet the highest standards from inception. This includes rigorous curriculum development, hiring experienced educators, and creating a nurturing and stimulating learning environment. While we understand that newer schools may initially operate at a lesser capacity, our goal is to quickly establish these schools as reputable institutions that deliver exceptional educational outcomes and attract a growing number of students each year.

Furthermore, we continuously evaluate acquisition opportunities that align with our vision and values. Inorganic growth through acquisition is a strategic pathway to rapidly expand our educational offerings and market presence. Acquiring established schools allows us to integrate their strengths and resources into our network, enhancing educational quality and operational efficiency. This approach accelerates our growth and creates beneficial synergies.



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Diversity

Taaleem takes great pride in its international student and staff community that nurtures intercultural understanding. We believe that a diverse and inclusive environment enriches the learning experience, fosters global citizenship, and prepares students to thrive in a multicultural world. Our commitment to diversity is reflected in our policies, programmes, and practices that celebrate individual differences and cater to the unique needs of our student body.

Promoting Multiculturalism

At Taaleem, we celebrate the rich tapestry of cultures, languages, and backgrounds that make up our school communities. Our curriculum and extracurricular activities are designed to promote cultural awareness and respect for differences. One of our greatest assets is our diverse student body, representing 86 different nationalities.

In today's interconnected world, empathy and respect for different cultures is essential. We champion inclusivity and intercultural dialogue within our schools with the goal of nurturing a natural feeling of coexistence. We cultivate inclusivity and intercultural dialogue through cultural exchange events, programmes, and initiatives. These experiences broaden the students' perspectives and foster an understanding that goes beyond textbooks, preparing them with the skills needed to bridge cultural divides, collaborate effectively, and contribute meaningfully to a more peaceful and interconnected world.

Adapting to Individual Needs

We recognise that every student is unique, with distinct learning styles, abilities, and interests. Aligned with our commitment to diversity, the Dubai Inclusive Education Policy Framework and similar regulations across the UAE, Taaleem provides a personalised educational experience tailored to meet the diverse needs of each student. We prioritise inclusivity and accessibility, creating an environment where students of all abilities can thrive. Taaleem is dedicated to supporting students with special educational needs or disabilities (SEND) and students of determination through specialised programmes, resources, and trained staff, ensuring equal access to quality education. We are proud that Taaleem's schools have received "Very Good" and "Outstanding" ratings from the KHDA for their SEND initiatives across our campuses and similar ratings in Raha International Schools for ADEK.

Sustainability

Operational Efficiency

Taaleem's efficient cost structure stems from the implementation of a centralised and streamlined operational system that spans legal, finance, IT, human resources, and educational leadership functions. This imparts multiple benefits, including economies of scale, leveraging a fixed cost base, as well as executing administrative functions in a more consistent and timely manner. By implementing uniform and effective practices across our network, including strong cost management and controls through effective benchmarking, we maintain robust financial discipline. Additionally, our commitment to specialised training and development programmes for school principals, leaders, and teachers has further enhanced our operational efficiency.

Operating a lean and efficient organisation allows Taaleem to capitalise on revenue growth across its portfolio of schools and effectively scale its operations. This adaptability and commitment to cost-effectiveness set the stage for a sustainable future, ensuring value generation for our shareholders.

Responsible Business Practices

Taaleem acknowledges its significant role towards the planet, communities, and stakeholders. Not only for the direct impact but also to lead by example, show the students the importance of responsible business, and nurture a sense of responsibility towards the environment. Taaleem's goal is to drive positive change, build resilience, and create lasting value throughout our operations. This is achieved by integrating sustainable practices and ethical decision-making, all while adhering to best practices in ESG standards. Taaleem has made significant progress in solidifying these responsible business practices.

For more details, please refer to the "Sustainability" section of the annual report on page 92.





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OUR PORTFOLIO

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

Taaleem boasts a diverse portfolio of 32 K-12 schools, made of 10 premium schools and 22 government partnership schools. These schools are strategically spread across Dubai, Abu Dhabi, Sharjah, Ajman, and Ras Al Khaimah in the UAE. The premium schools are equipped with state-of-the-art facilities and provide a comprehensive learning experience that caters to students' holistic development. Meanwhile, the 22 government partnership schools, operated in collaboration with ADEK and KHDA, uphold the same high standards of education, ensuring equitable access to quality education and individual learning.

Taaleem's schools are designed to attract a diverse array of parents and students by offering consistent and high-quality education through internationally recognised curricula, such as the American, British, and IB curricula. By targeting different segments with a range of tuition fees, Taaleem effectively caters to varying potential families, making exceptional education accessible and preserving its reputation for excellence in the UAE's education sector.

Currently, Taaleem caters to almost 38,000 students and is quickly expanding with multiple schools set to start operations in the 2024–2025 academic year. As we grow our network, our commitment to excellence remains steadfast. We are proud that eight of Taaleem's premium schools have achieved a rating of "Outstanding" or "Very Good" from the KHDA in Dubai and the ADEK in Abu Dhabi. These ratings are a testament to the progress we have made to build acclaimed educational programmes and enriching learning environments.

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



PREMIUM SCHOOLS

10 Premium Schools

5 IB Schools | **4** British Schools | **1** American School

14,004
Students Enrolled in AY2023-2024

88%
Revenue Contribution (AY2023-2024)

83%
Average Capacity Utilisation of Premium Schools

RATINGS BY KHDA & ADEK

2 Outstanding | **6** Very Good | **2** Good

UK NATIONAL CURRICULUM SCHOOLS

DUBAI BRITISH SCHOOL JUMEIRAH PARK FOUNDATION

Dubai British School –Jumeirah Park Foundation

Dubai British School Jumeirah Park Foundation (DBF) is a purpose-built and family-centred school, offering England's Early Years Foundation Stage (EYFS) curriculum in the FS1 and FS2 grades for students aged from two and a half to five years of age. The EYFS focuses on the prime areas of learning for children in their formative years through play-based learning and child-friendly themes. The school provides a well-rounded and cross-curricular programme that ensures personal, social, and emotional development, in addition to communication, language, and physical development, to build an outstanding foundation for the students.

DBF serves as a foundation school for Taaleem's Jumeirah Park school, which caters to the subsequent educational journey from Year 1 to Year 13. DBF is the first and only early years school in the UAE to be BSME-accredited and has also been rated as "Very Good" by the UAE's KHDA and as "Outstanding" by the UK's BSO.

5,856 sqm
Campus Size

FS1 & FS2
Grades Served

2.5Y–5Y
Age Group Served

Very Good
Rating by KHDA

Outstanding
International Rating (BSO)

Member
BSME, COBIS and BSO

Early Excellence Award

Leading Parent Partnership Award



FACILITY HIGHLIGHTS

- Multi-Purpose Indoor Hall
- State-of-the-Art Classrooms
- Shaded Swimming Pool
- Health Centre
- Shaded Outdoor Play Area









UK NATIONAL CURRICULUM SCHOOLS

DUBAI BRITISH SCHOOL JUMEIRAH PARK

Dubai British School-Jumeirah Park

Dubai British School Jumeirah Park (DBSJP) is an international K-12 school offering the UK National Curriculum, serving over 1,800 students between two and half and 18 years old in Jumeirah Park in Dubai. DBSJP offers the General Certificate of Secondary Education (GCSE), A Levels, and International BTEC-Level 3 Qualifications as external examinations. The school has succeeded in receiving the "Outstanding" rating by both the KHDA and the BSO, as well as the "Excellent" rating by Penta. The school is also a member of the BSME and COBIS and has received the British Council International School Award.

28,614 sqm
Campus Size

FS1–Sixth Form
Grades Served

2.5Y–18Y
Age Group Served

Outstanding
Rating by KHDA & BSO

Excellent
Rating by Penta

Member
BSME, COBIS and BSO

Centre of Excellence for Inclusion

Education Excellence Award

Best School for Theatre, Dance and Performing Arts in the UAE











FACILITY HIGHLIGHTS

- Art Studios
- Music Studios
- Science Laboratories
- Sports Hall
- Astroturf Pitches
- Design Technology Suite
- ICT and Technology Labs
- Food Technology Lab
- Library
- Drama and Dance Studio
- Performing Arts Auditorium
- Eight-Lane Indoor Swimming Pool and Training Pool
- Outdoor Play Areas
- Tennis Courts
- Fitness Gym
- Sixth Form Centre
- Cafeteria

UK NATIONAL CURRICULUM SCHOOLS

DUBAI BRITISH SCHOOL EMIRATES HILLS

Dubai British School – Emirates Hills

Dubai British School Emirates Hill (DBSEH) serves almost 1,200 students with its offering of GCSEs, A Levels, and BTECs. The school provides a holistic learning experience with its unique facilities in both the academic and extracurricular spheres. DBSEH is one of the leading British schools in the region, maintaining its "Outstanding" rating since 2017 through dedication to high-quality education and learning experiences.

Firmly grounded in positive education with well-being at the very heart, DBSEH develops an inclusive learning community to achieve the best possible educational outcomes. DBSEH encompasses facilities in science, arts, and sports, which helps students engage and experience development on every level and to find their true passion and talent.

19,247 sqm
Campus Size

FS1–Sixth Form
Grades Served

3Y–18Y
Age Group Served

Outstanding
Rating by KHDA & BSO

Best Secondary School in Dubai

Member
BSME and BSO

Leading Parent Partnership Award

Certified National Online Safety School

The Duke of Edinburgh's International Award







FACILITY HIGHLIGHTS

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





NEWLY LAUNCHED SCHOOL

DUBAI BRITISH SCHOOL JUMEIRA

Dubai British School – Jumeira

Dubai British School Jumeira is the latest addition to the Dubai British School network, offering the UK National Curriculum. Construction was completed in 2024, and the school became operational in August for the 2024–2025 academic year. Serving students from FS1 to Year 6, DBS Jumeira provides affordable world-class education and global standard facilities in the heart of Dubai.

DBS Jumeira offers a personalised curriculum that builds relationships and nurtures future leaders. Its student-centric approach provides unparalleled learning and social opportunities. Complementing its carefully curated programme that goes beyond academics, DBS Jumeira prides itself on having a diverse array of activities designed to foster children's physical, emotional, and cognitive growth.

25,000 sqm
Campus Size

FS1–Year 6
Grades Served

3Y–18Y
Age Group Served

Yet to Be Rated

AY2024–2025
First Academic Year













FACILITY HIGHLIGHTS

- Modern Classrooms
- Performing Arts Auditorium
- Interactive Learning Spaces
- Knowledge Hub
- Library
- Swimming Pool
- Tennis Court
- Natural Grass Pitch
- Sixth Form Centre
- Cafeteria

UK NATIONAL CURRICULUM SCHOOLS

Jebel Ali School

Jebel Ali School

Jebel Ali School (JAS) was acquired by Taaleem in 2022, a K-12 school that was founded in 1977 and has since offered the UK national curriculum. It currently serves over 1,900 students and offers GCSEs, A Levels, and BTEC courses for years 10 to 13. Located in Damac Hills in Dubai, JAS accepts students starting at two and a half years old, with a value-based approach designed to nurture young minds, foster curiosity, ignite creativity, and excel academically.

JAS has been long known and respected as one of the oldest standing schools in the UAE and has been rated "Outstanding" by the UK's BSO and "Very Good" by the UAE's KHDA, as well as being a member of the BSME.

33,032 sqm
Campus Size

FS1–Sixth Form
Grades Served

2.5Y–18Y
Age Group Served

Very Good
Rating by the KHDA

Outstanding
Rating by BSO

Member
of British Schools in the Middle East (BSME)

Gold Award
International School Quality Mark (ISQM)

ACE School of Character Quality Mark Plus Award for Character Education

The Duke of Edinburgh's International Award

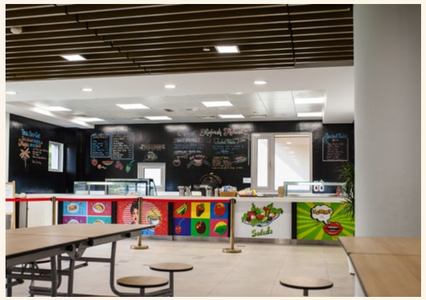












FACILITY HIGHLIGHTS

- Indoor and Outdoor Sports Facilities
- Swimming Pool
- Performing Arts Auditorium
- Art Studios
- Music Studios
- Science Laboratories
- ICT and Technology Labs
- Design Technology Suite
- Library
- Outdoor Play Areas
- Fitness Gym
- Sixth Form Centre
- Cafeteria

INTERNATIONAL BACCALAUREATE SCHOOLS

UPTOWN INTERNATIONAL School

Uptown International School

Uptown International School (UIS) is one of the most prestigious schools in the UAE, with a magnificent campus that boasts outstanding facilities, including a forest garden, a swimming pool, a sports hall, a theatre, and a library. UIS proudly serves over 1,400 students and follows the IB curriculum, with adaptations to suit the local context and the needs of its students.

UIS is an IB Continuum School offering three IB programmes, The Primary Years Programme (PYP), the Middle Years Programme (MYP), and the Diploma Programme (DP), creating a highly rigorous and respected pathway to the world's best universities for its students.

62,428 sqm
Campus Size

K-12
Grades Served

1Y–18Y
Age Group Served

Very Good
Rating by the KHDA

Beacon Peaceful Award

Member
of International Baccalaureate Organization (IBO)







FACILITY HIGHLIGHTS

- Science Laboratories
- Arts Studios
- Library
- ICT and Technology Labs
- Food Technology Lab
- Design Technology Suite
- Indoor Swimming Pool and Training Pool
- Astroturf Pitches
- Cafeteria
- Fitness Gym
- Tennis Courts
- Paddle Courts
- Outdoor Play Areas





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GREENFIELD INTERNATIONAL School

Greenfield International School

Greenfield International School (GIS) holds the prestigious distinction of being an IB World School, authorized to offer the full spectrum of IB programmes, catering to students from Pre-K all the way up to Grade 12. With a focus on academic excellence and exceptional teaching, GIS is on a mission to become a world-renowned IB Continuum School.

GIS is fully accredited by two of the world's most highly regarded accreditation bodies: the Council of International Schools based in Europe and the New England Association of Schools and Colleges (NEASC), based in the USA. GIS has further solidified its reputation for quality by achieving a "Very Good" rating from KHDA, a testament to GIS's unwavering commitment to delivering exceptional education.

42,078 sqm
Campus Size

K-12
Grades Served

3Y–18Y
Age Group Served

Very Good
Rating by the KHDA

Accredited
by the Council of International Schools (CIS)

Accredited
by the New England Association of Schools and Colleges (NEASC)

Member
of International Baccalaureate Organization (IBO)

A Top Global IB School
for 2023





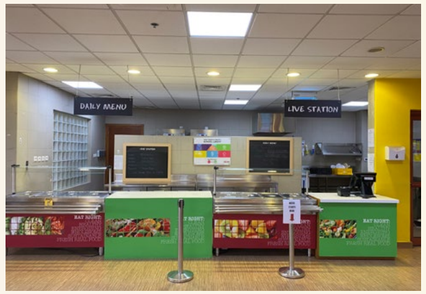




FACILITY HIGHLIGHTS

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





INTERNATIONAL BACCALAUREATE SCHOOLS

JUMEIRA BACCALAUREATE School

Jumeira Baccalaureate School

Jumeira Baccalaureate School (JBS) brings a world-class education to the heart of Dubai. Like GIS, JBS boasts a comprehensive offering of IB programmes, encompassing Pre-KG all the way through Grade 12. In addition to its stellar educational offering, JBS has facilities designed to inspire students and cultivate creativity and teamwork to nurture well-rounded individuals.

As a fully accredited IB World School, JBS holds additional accreditations from esteemed organisations like the Council of International Schools and the New England Association of Schools and Colleges. It has also been rated "Very Good" by the KHDA.

31,426 sqm
Campus Size

K-12
Grades Served

3Y–19Y
Age Group Served

Very Good
Rating by the KHDA

Accredited
by the Council of International Schools (CIS)

Accredited
by the New England Association of Schools and Colleges (NEASC)

Member
of International Baccalaureate Organization (IBO)

Member
KiVa

ACE School of Character Quality Mark Plus Award for Character Education













FACILITY HIGHLIGHTS

- ICT Labs
- Science Laboratories
- Food Technology Lab
- Performing Arts Auditorium
- Music and Drama Hall
- Arts Studios
- Design Technology Suite
- Sports Halls
- Grass Pitch
- Swimming Pool and Training Pool
- Tennis Courts
- Paddle Courts
- Outdoor Play Areas
- Cafeteria

INTERNATIONAL BACCALAUREATE SCHOOLS

RAHA INTERNATIONAL SCHOOL
Gardens Campus

Raha International School – Gardens Campus

Raha International School Gardens Campus (RISGC), established in 2006, is the first K-12 school in Abu Dhabi to achieve full IB accreditation. Located in the Raha Gardens community of Khalifa City, the campus offers a unique approach with expansive use of landscape and nature, nurturing a serene educational environment for students while delivering the IB curriculum in K-12 grades.

Serving over 2,200 students, the school stirs creativity and is filled with various arts, music, and science facilities. RISGC has received the "Very Good" rating by ADEK and is accredited by the Council of International Schools.

46,802 sqm
Campus Size

K-12
Grades Served

3Y–19Y
Age Group Served

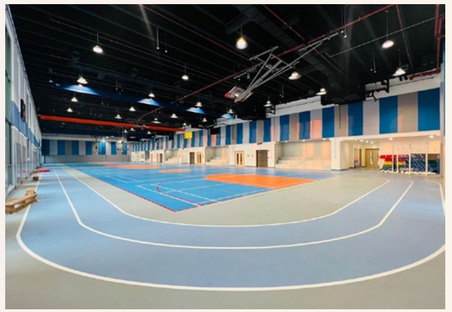
Very Good
Rating by the ADEK

Accredited
by the Council of International Schools (CIS)

Member
of International Baccalaureate Organization (IBO)









FACILITY HIGHLIGHTS

- Library
- 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
- Outdoor Play Areas
- Cafeteria





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RAHA INTERNATIONAL SCHOOL
Khalifa City Campus

Raha International School – Khalifa City Campus

The Raha International School Khalifa City Campus (RISKCC) launched in September 2020 to meet the high demand for the RISGC and to accommodate the growing popularity of the IB curriculum in the UAE. The school features an Early Years Centre with emphasis on safe, innovative, and collaborative learning spaces.

The school has been operational for three years and just became eligible to be rated by ADEK this year. It received a rating of "Good" from ADEK, which is known to be the highest ranking that schools can receive on their first year of rating.

35,035 sqm
Campus Size

Pre-K to Grade 9
Grades Served

3Y–15Y
Age Group Served

Good
Rating by the ADEK

Accredited
by the Council of International Schools (CIS)

Member
of International Baccalaureate Organization (IBO)

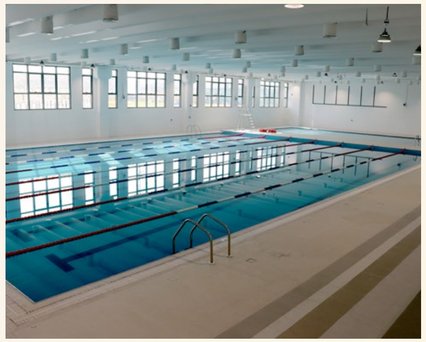






FACILITY HIGHLIGHTS

- Eight Lane, 25-Metre Swimming Pool
- A Double-Size Gym with Indoor Running Track
- Two Football Pitches
- Science Labs
- Product and Digital Design Studios
- Diploma Programme Suite





AMERICAN CURRICULUM

AMERICAN ACADEMY FOR GIRLS

American Academy for Girls

The American Academy for Girls (AAG) is a distinguished educational institution designed to offer a challenging American curriculum. AAG aims to equip the next generation of women with the knowledge and skills needed to become innovative leaders in both their local and global communities.

AAG serves a little under 600 students, providing them with a focused learning experience in the American curriculum. AAG 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).

12,051 sqm
Campus Size

K-12
Grades Served

3Y-18Y
Age Group Served

Good
Rating by the KHDA

Accredited
by the Council of International Schools (CIS)

Accredited
by the New England Association of Schools and Colleges (NEASC)

Microsoft Showcase School







FACILITY HIGHLIGHTS

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





HARROW INTERNATIONAL SCHOOLS LIMITED

Taaleem entered into a master agreement with Harrow International Schools Limited (HISL) to launch super-premium schools.

Taaleem has entered a strategic alliance with Harrow International Schools Limited (HISL), holding the exclusive right to own and operate Harrow International Schools across the UAE, Saudi Arabia, Bahrain, Oman, Qatar, and Kuwait. Subject to regulatory approvals, the first two Taaleem Harrow Schools will be in Dubai and in Abu Dhabi. The schools are expected to be operational in 2026.

Taaleem's partnership with HISL marks a pivotal milestone in its expansion strategy, ensuring the delivery of exceptional educational experiences locally and regionally. The partnership also expands Taaleem's portfolio into the super-premium education segment, which is seeing increasing demand in the UAE.

HISL is a distinguished network of international schools tracing its origins to the esteemed Harrow School in the UK, one of the oldest and most prestigious schools in the country. Harrow is renowned for its high academic standards, rigorous curriculum, and strong focus on preparing students for higher education.



GOVERNMENT PARTNERSHIP SCHOOLS

Government partnership schools, operated in collaboration with ADEK and KHDA, uphold the same high standards of education, ensuring equitable access to quality education and individual learning.

Overview

Taaleem's government partnerships highlight its commitment to support the UAE's vision of enhancing educational outcomes for Emiratis and expatriates alike. Taaleem has been a pivotal player in the market with 22 government partnerships under its operation in key areas across the UAE, predominantly in Dubai and Abu Dhabi. For the 2023–2024 academic year, Taaleem secured six new schools as part of its Abu Dhabi 'Charter Schools' and ESE schools agreements. By widening our student base, not only do we increase access to education but we are also able to leverage our operational scale, maintain close relationships with the educational government bodies in the UAE, and positively shape the country's educational ecosystem.

22
Government Partnership Schools

12%
Revenue Contribution of Government Partnership Schools (AY2023–2024)

23,926
Number of Students (up 51.6% y-o-y)

92%
Average Capacity Utilisation



Within the UAE's educational landscape, the government has implemented three distinct public-private partnership (PPP) models in education. These models differ in terms of their regulators, operating structures, and geographic focuses, each with the aim of providing high-quality education to students:

3 'Dubai Schools' Operated by Taaleem

'Dubai Schools': Taaleem manages three schools under the PPP programme. These schools receive funding from either Dubai's KHDA or the KFE and offer subsidized international curriculum education to Emiratis. The funding entities cover most of the upfront costs represented in expansionary capital expenditure and land and building lease expenses, while the operator is responsible for operational expenses and maintenance capital expenditure, and more importantly, educational quality. In the 2023–2024 academic year, all three schools enhanced their curriculum offering, invested in state-of-the-art facilities, and upskilled staff, leading to an improved student experience.

11 Abu Dhabi 'Charter Schools' Operated by Taaleem

Abu Dhabi 'Charter Schools': Taaleem operates 11 schools in partnership with the ADEK under the Abu Dhabi 'Charter Schools' initiative. These ADEK-owned schools aim to elevate the standards of public education by providing high-quality education free of cost to Emiratis, subsidized by the government. ADEK covers the capital expenditure and operational expenses, while the operator receives a fixed management fee and additional fees based on performance and achievement of pre-set KPIs.





8 'Ajyal Schools' operated by Taaleem

'Ajyal Schools': Under the 'Ajyal Schools' agreement, Taaleem has been awarded four additional schools, bringing the total to eight schools. Under this agreement Taaleem offers the American curriculum education to Emirati students. These schools, located in the Northern Emirates such as Sharjah, Ajman, and Dubai, are regulated by the ESE. The government covers Ajyal's expenses, while the operator receives additional operating fees funded by the federal government comprised of both a fixed and variable fee based on performance and the achievement of KPIs.

MANAGEMENT DISCUSSION AND ANALYSIS

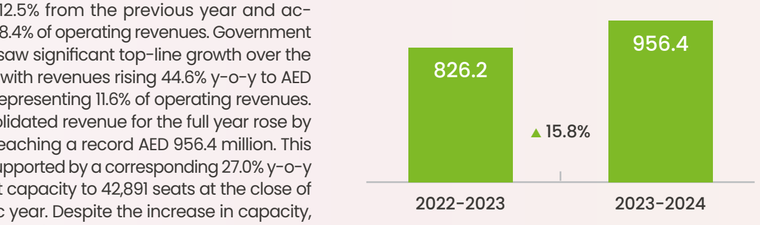
Overview

Taaleem achieved exceptional results for the full year ending 31 August 2024, with revenue rising by 15.8% y-o-y to a record AED 956.4 million, and net profit (pre-tax) surging by 55.1% y-o-y to AED 182.0 million. This impressive growth was fuelled by significant enrolment increases, better utilisation of existing capacity, and the expansion of new schools. Additionally, Taaleem generated strong cash flow, enabling further reductions in net debt and reinforcing its balance sheet.

Revenue

Operating revenues during the 2023–2024 academic year recorded AED 945.2 million, up 15.5% y-o-y on the back of the 33.1% y-o-y surge in overall enrolment. Premium schools contributed AED 836.0 million during the year, up 12.5% from the previous year and accounting for 88.4% of operating revenues. Government partnerships saw significant top-line growth over the same period, with revenues rising 44.6% y-o-y to AED 109.3 million, representing 11.6% of operating revenues. Overall, consolidated revenue for the full year rose by 15.8% y-o-y, reaching a record AED 956.4 million. This growth was supported by a corresponding 27.0% y-o-y rise in student capacity to 42,891 seats at the close of the academic year. Despite the increase in capacity, implied utilisation improved by 4.1% y-o-y to 88.4%, indicating the efficient management of resources.

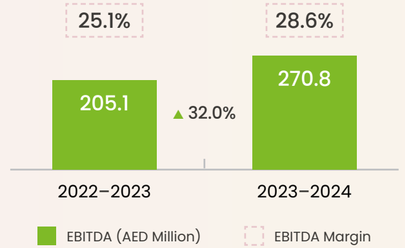
REVENUE
(AED Million)



EBITDA

Taaleem's EBITDA grew by 32.0% y-o-y to AED 270.8 million, driven by higher enrolment and the continued focus on operational efficiency. This growth also led to a margin increase of 3.6 percentage points, reaching an impressive 28.6%, driven by the Company's focus on optimising expenses and benefiting from growing economies of scale.

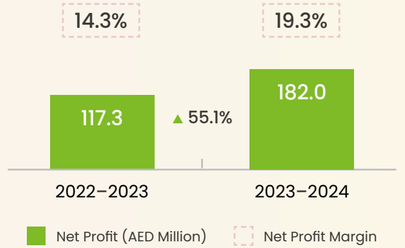
EBITDA AND MARGIN
(AED Million | %)



Net Profit

Net profit before tax climbed 55.1% y-o-y to AED 182.0 million, with margins rising to 19.3%, up from 14.3% last year. The company this year has recorded a one-time deferrred tax liability of AED 27.3M, in addition to a new corporate tax introduced in the UAE with the initial payment to be made by May 2025. Parallel to this, earnings per share increased by 7.6% y-o-y in the 2023–2024 academic year. Bottom-line growth was a result of the increase in EBITDA, coupled with the distribution of non-operating expenses over a wider revenue base.

NET PROFIT AND MARGIN (PRE-TAX)
(AED Million | %)





"Impressive growth momentum was fuelled by the ramp-up in enrolment and enhanced economies of scale."

Balance Sheet Strength

Taaleem has demonstrated exceptional financial oversight, effectively managing its resources while strategically deploying the proceeds from its initial public offering (IPO), which remains partially invested. This disciplined approach has positioned Taaleem for impressive earnings growth and a fortified cash reserve. As of 31 August 2024, the Company booked a healthy cash position with minimal debt, culminating in a negative net debt of AED 560.3 million. Taaleem's current negative net debt position is due to the unused proceeds from its IPO, leaving the Company with ample funding to pursue inorganic expansionary efforts through strategic M&A opportunities, as well as deliver on its organic growth strategy. Notably, Taaleem increased its debt during the year to support the development of Dubai British School Jumeira.

AED million	2022-2023	2023-2024	Variance	Y-o-Y Change
Total debt (A)	27.2	140.2	113.0	415.0%
Deposits (Wakala/ Sukuk)	475.1	360.0	(115.1)	-24.2%
Cash and Cash Equivalents	227.5	374.0	146.4	64.3%
Total Deposits, Cash and Cash Equivalents (B)	702.7	734.0	31.3	4.5%
Restricted Cash[1] (C)	27.3	33.5	6.2	22.9%
Net Debt (A-B+C)	(648.2)	(560.3)	87.9	-13.6%
Debt to Equity Ratio	1.6%	8.2%	6.6%	
Adjusted Net Debt (A – IPO Proceeds balance + C)	73.7	90.7	17.0	23.1%

[1] Restricted Cash relates to cash held by the Group on behalf of the Government for the purposes of managing the operations of the 'Charter Schools' (ADEK and ESE) and are not available for use.



Strategic Progress

Operationally, Taaleem remains steadfast in executing its five year growth strategy, with a clear focus on expanding its premium school portfolio, entering the super-premium segment, and strengthening its standing through key government partnerships. Dubai British School (DBS) Jumeira welcomed its first student cohort in August 2024, and we are on track to develop two super-premium schools in Dubai and Abu Dhabi in partnership with Harrow Schools, subject to regulatory approvals. These expansions will allow Taaleem to capitalise on strong demand for its schools and leave it well-positioned to maintain its growth trajectory. Additionally, an average tuition fee increase of 2.4% was implemented for the 2023–2024 academic year to further enhance Taaleem's ability to provide higher-quality education services.

During the 2023–2024 academic year, Taaleem significantly improved capacity utilisation within its premium school segment, reaching 83.1% as of 31 August 2024, up from 75.4% in the 2022–2023 academic year. This growth was driven by the enrolment of an additional 1,292 students, bringing the total number of students in the premium segment to 14,004, compared to 12,712 the previous year. The expansion of Taaleem's student base has further bolstered revenue growth and profitability, supported by increased asset utilisation and the benefits of economies of scale.

Additionally, Taaleem has expanded its operations within the government partnerships segment, securing six new government partnership schools in the 2023–2024 academic year. This led to a significant increase in enrolment, with 23,926 students across these schools, compared to 15,778 during the same period last year. The government partnerships diversify Taaleem's revenue stream and generates value with attractive margins, as the government covers the majority of costs associated with these schools. This positions Taaleem to further enhance efficiency and resource utilisation across its school portfolio, ultimately unlocking greater value for shareholders.

Outlook

Following a strong performance in 2023–2024, Taaleem is well-positioned for continued success in the coming academic year and beyond. The company remains focused on increasing enrolments, enhancing operational efficiency, and investing in new capacity and facility upgrades. This approach will allow Taaleem to achieve new financial and operational milestones as it shapes the future of K-12 education in the UAE.

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NURTURING A **SUSTAINABLE FUTURE**

Overview

At Taaleem, sustainability is a cornerstone of our strategic operations, driving efforts to minimise environmental impact, enhance energy efficiency, and instil sustainable practices across our educational network. Our 2023–2024 sustainability reporting is in accordance with Global Reporting Initiative (GRI) standards, underscoring our dedication to transparent, credible and impactful ESG initiatives. To secure long-term sustainability and meet the evolving expectations of our stakeholders, we have established an ESG strategy that is embedded across all levels of our organisation.

Our key initiatives include responsible energy management, with a focus on solar power generation, recycling programmes, and water conservation using treated sewage effluent (TSE). We engage our students in environmental stewardship, fostering a culture of participation in waste reduction, recycling, and water conservation efforts.

Beyond environmental sustainability, Taaleem is deeply committed to fostering a safe, inclusive, and supportive environment for all stakeholders. We emphasise diversity, equity, and inclusion, ensuring that every individual can thrive. Our robust Hazard and Risk Management System is managed comprehensively across all areas, ensuring that potential threats are addressed proactively.

Taaleem's dedication to community engagement is reflected in our impactful CSR initiatives, which drive educational awareness, community involvement, and development. Our School-level fundraising efforts for local charities and environmental causes highlight our commitment to fostering a culture of social responsibility and environmental stewardship.

Strong corporate governance is the foundation of our success, ensuring superior outcomes for our students, employees, and investors. We uphold the highest ethical standards through our Business Code of Conduct, transparent governance practices, and a zero-tolerance policy towards corruption. Our newly developed Enterprise Risk Management (ERM) Framework aligns with industry standards to proactively manage risks, ensuring a safe, inclusive, and sustainable environment for all stakeholders.

Through our unwavering commitment to sustainability, ethical governance, and community engagement, Taaleem is dedicated to delivering a transformative educational experience while making a positive and lasting impact on our environment and society.



ESG Performance Highlights

Towards a Sustainable Governance

100%
Non-Executive Board Members

89%
Independent Directors

11%
Female Representation at Board Level

ZERO
Incidents of Corruption

Securing Our Data

Piloted
Cybersecurity Awareness Platform

ZERO
IT Security Incidents

ZERO
Complaints on Breaches of Customer Privacy

ZERO
Leaks, Thefts, or Losses of Customer Data

Protecting our environment and biodiversity

540,817 kWh
of solar power generation at two schools

22,215 KGS
of Waste Recycled

0.76
$MtCO_2e$/person
of GHG Emission Intensity

14
Taaleem sites
Transitioned Towards Environment-Friendly Chemicals

RECYCLING INITIATIVE
of Devices Leading to Carbon Offset of 171 tons of CO_2

Workforce Diversity and Inclusion

More than
75%
Female Employees

420
Yearly Average Training Hours

20 hours
of Training per Employee

Diversity of
44
Nationalities in Workforce

Keeping Our People Safe

10,000
Training Hours on H&S for Our Employees

82.3%
Average Internal Audit Rating

ZERO
Fatality Cases

ZERO
Lost Time Injury Frequency Rate and Lost Workdays due to Illness

Engaging with Our Communities

Secondary Student at JBS Raised
15,000 AED
for the Dubai Cares Charity

Ramadan Meal
Distribution to UAE Labour Camp

Donations
to the Red Crescent for Gaza

72%
Local Suppliers

Incorporated ESG based
Vendor Tendering Process

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Establishing the Foundation for ESG Strategy

During the 2023-2024 academic year, we advanced the development of a comprehensive ESG strategy, grounded in the Taaleem ESG governance framework. This strategic effort was informed by a thorough materiality assessment, rigorous benchmarking exercises, and a detailed gap analysis. We established clear ESG targets and crafted a formal ESG policy, ensuring our strategy is both actionable and aligned with best practices in sustainability and governance.

Our Key Alignments of ESG Policy and Strategy:

Global Reporting Initiatives (GRI): GRI standards are an internationally recognised framework developed to manage the economic, environmental, social, and governance performance of businesses.

UN Sustainable Development Goals (SDGs): SDGs are a set of 17 goals adopted by the United Nations as a part of the 2030 Agenda for Sustainable Development. These goals aim to balance the economic, social, and environmental aspects of sustainable development.

Paris Agreement: The Paris Agreement aims to limit the global temperature increase to 1.5 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further.

United Nations Global Compact (UNGC): UNGC is a non-binding initiative that consists of 10 principles related to human rights, labour, the environment, and anticorruption. It encourages businesses to adopt sustainable and socially responsible policies.

Greenhouse Gas (GHG) Protocol: A widely recognised global framework for measuring, managing, and reporting on GHGs.

UAE Net Zero 2050: UAE Net Zero 2050 is a national initiative aimed at achieving net-zero emissions by 2050, making the UAE the first among MENA nations to align with the Paris Agreement's goal of reducing GHG emissions and limiting the global temperature to 1.5 degrees Celsius above pre-industrial levels.

Green Education Partnership Framework: It aims to promote a collaborative effort between schools, communities, and governmental agencies to improve environmental awareness, protect natural resources, and reduce the carbon footprint of educational institutions.

Five Pillars for Our Sustainability Commitment

Protecting Our Resources and Biodiversity | Committed to preserving natural resources and biodiversity through reasonable practices.

Engaging with Our Communities | Collaborating closely with local communities and partnering with parents to address their needs, thereby creating shared value.

Caring for Our People | With a deep commitment to the well-being of students, staff, and stakeholders, creating a nurturing environment that empowers growth and personal fulfilment.

Advancing Our Governance | Upholding unwavering ethical standards, ensuring transparent governance, accountability, and integrity at the heart of every decision made.

Scaling Our Learning Impact and Innovation | Embracing innovation and a firm commitment to expanding meaningful education.



The pillars listed above are further delineated into key performance indicators (KPIs) and targets that are measurable, realistic, and aligned with the overall sustainability-focused strategic direction of Taaleem.

Taaleem is steadfast in its commitment to embedding sustainability across the organisation, with robust oversight and accountability at every level. To realise this, we will implement comprehensive oversight structures within the Board, Management, and School Cluster levels as part of our long-term ESG Strategy.

Our Future Commitments Under ESG Strategy

Improving ESG Integration

We are committed to implementing comprehensive, company-wide initiatives through our established governance framework, aiming to seamlessly integrate ESG principles into our organisational culture. Our first step will be to procure and integrate ESG management and reporting software. This will enhance our data collection efficiency, facilitate seamless tracking and analysis of ESG metrics, and improve the accuracy of our ESG disclosures.

Maturing ESG Structure

As a next step, Taaleem will ensure ESG considerations are embedded in every aspect of the organisation, spanning capital projects, mergers and acquisitions, and daily operations. The deployment of the ESG management tool and reporting software will serve as a crucial feedback mechanism enabling the monitoring and reporting of ESG initiatives while assessing progress. Additionally, we will prioritise external third-party verification of our ESG performance and disclosures, reinforcing our commitment to continuous improvement and accountability.

Listening to Our Stakeholders

At Taaleem, we believe that our stakeholders are the cornerstone of our success. Their perspectives and insights are instrumental in guiding our strategic direction and our sustainability journey. We recognise the importance of fostering open and continuous dialogue with our stakeholders to understand their expectations, concerns, and priorities.

By incorporating stakeholder feedback, we aim to create a shared value proposition that benefits our community, our environment, and our business. Our materiality assessment process is central to this approach, enabling us to identify and prioritise the ESG issues that matter most to our stakeholders.

Our Mode of Stakeholder Engagement

- **Surveys**
- **Interviews**
- **Parents Teacher Association**

Our Diverse Range of Stakeholders

Parents | **Faculty** | **Staff** | **Investors** | **Community**

We are committed to building strong and lasting relationships with our stakeholders, and we will continue to listen, learn, and adapt to ensure that our sustainability efforts deliver tangible benefits to all.



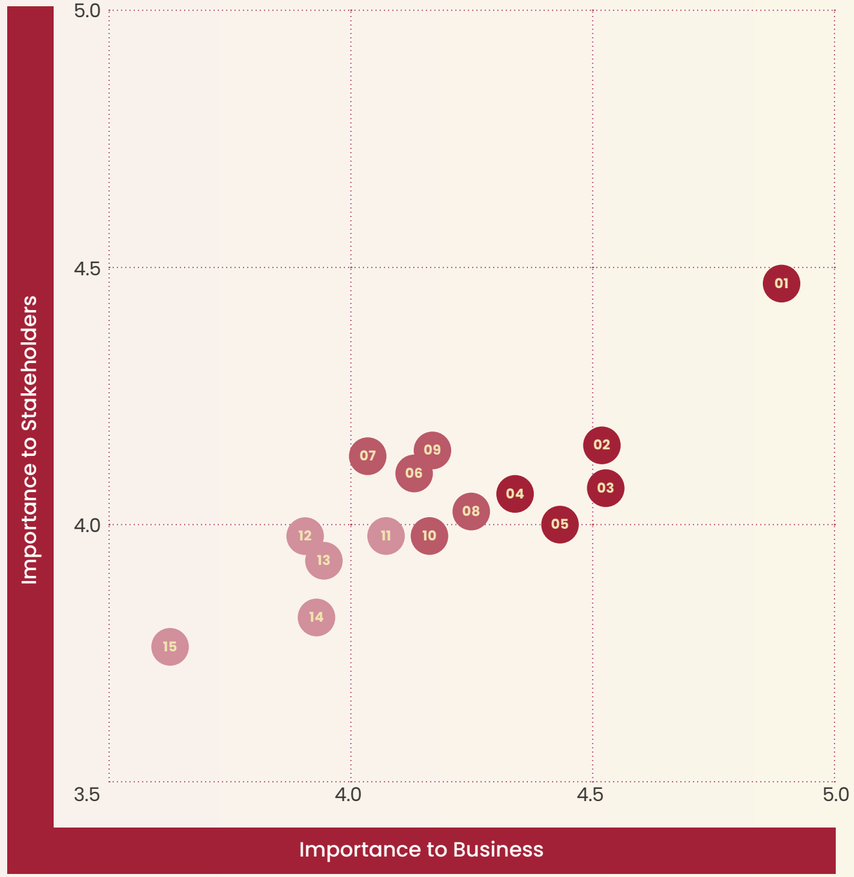
Our Material Topics

In 2023, we conducted a comprehensive materiality assessment where we identified 15 ESG issues most critical to our business and stakeholders, enabling us to allocate resources effectively to address the associated risks and opportunities. These issues were determined through a rigorous process, incorporating insights from stakeholders, industry benchmarks, and emerging trends.

Identifying material ESG topics played a crucial part in developing our ESG Policy, which we aim to implement in the coming year. The ESG Strategy and Policy will serve as a robust framework to guide Taaleem's efforts in fulfilling its ESG commitments across identified ESG topics. We believe that by focusing on these priorities, we can create a sustainable and thriving educational ecosystem that benefits our students, staff, and the community as a whole.

Rank	Materiality Grading	Material Topics
01	Most Important	Student Health, Safety, Protection, and Well-being
02		Academic Quality and Curriculum Relevance
03		Employee Development, Retention, and Well-being
04		Ethics, Governance and Compliance
05		Diversity, Equity, and Inclusion
06	Very Important	Waste Management and Recycling
07		Data Privacy and Technology
08		Parent Satisfaction
09		Water Management
10		Energy Consumption and Efficiency
11	Important	Risk Management and Business Continuity
12		Responsible Growth
13		Biodiversity and Ecosystems
14		Community Contributions
15		Responsible Procurement

"We focus on 15 material issues that were selected through a rigorous process, drawing upon insights from relevant stakeholders."



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TAALEEM'S EXECUTIVE LEADERSHIP TEAM



Alan Williamson

Chief Executive Officer (CEO)

Alan Williamson is the current CEO of Taaleem and has held this role since 2019. Alan is responsible for supervising the strategic direction of the Company, and in 2022, he led Taaleem's transformation from a private to a publicly listed company on the Dubai Financial Market (DFM). Under his tenure, the number of Taaleem's schools has grown from eight to 32, and the number of students has risen from 8,500 to over 37,000+ students. 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 and later completed 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 the Harvard 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 26 years of leadership and international experience, where he has held various senior-level roles at industry leading companies. Prior to joining Taaleem, Arnaud was the 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 also earned 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.

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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 that they are aligned with Taaleem's overarching strategy. Sam is an experienced industry executive with over 19 years of experience working in the international private school development sector.

Prior to joining Taaleem, Sam spent 10 years working at 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 successes, including the successful execution of multiple contracts awarded by the US Aid Department for the delivery of essential educational supplies to locations across Iraq to aid the reconstruction of government schools, and he secured a number of major contract awards from the Asian Development Bank for 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 also a member of the Royal Institute of Chartered Surveyors (RICS).



Rebecca Gray
Chief Education Officer (CEdO)

Rebecca Gray joined the team in 2023 and is now Taaleem's Chief Education Officer. Prior to joining Taaleem, Rebecca amassed significant experience within the education field. Rebecca's previous role was at Kings' Schools Group in Dubai, where she initially held the responsibility of Principal at Kings' School Al Barsha and was later awarded the position of Director of Education. Furthermore, Rebecca previously held the position of Deputy Headteacher at a school in Huntingdon, UK, and was the Headteacher of a Primary School in Northamptonshire, the founding Principal of a preparatory school, and the Director of Improvement and Cluster Lead for "The David Ross Education Trust", where she was responsible for whole school improvement for eight of the Trust's 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 2023-2024

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

For the 2023–2024 period, Taaleem continued to evolve and grow, building on the solid foundation laid in the previous year. While 2022-2023 was marked by the initial adaptation to new structures as a newly listed company, this year showcased the company's ability to further refine its operations within the framework.

Taaleem's corporate governance framework continued to guide the company seamlessly, ensuring full compliance with the Governance Guide, while allowing Taaleem to maintain its trajectory of well-managed transformation.

1. Procedures adopted by Taaleem to satisfy the requirements of the Corporate Governance Guide

Taaleem is committed to standards of corporate governance that are in line with UAE best practices. The Board of Directors of Taaleem ensure compliance with the corporate governance requirements applicable to joint stock companies as set out in the Governance Guide.

A. Board of Directors Compliance

The SCA Governance Rules require that at least one member of the Board of Directors should be female, and that one-third of the Board of Directors must be composed of non-executive independent directors. Taaleem's Board of Directors consists entirely of non-executive directors. The company regards eight of the nine Board members as independent members of the Board. The "Independence" status is determined in accordance with the criteria set out in the 2020 SCA Governance Rules.

Furthermore, as envisaged by the SCA Governance Rules, the Board of Directors has two permanent committees: an Audit Committee and a Nominations and Remuneration Committee.

B. Update of the Committee Terms of Reference

On 10 January 2024, the Chairman of the Board of the SCA issued Decision No. (02/RM), which updates and amends several Articles of the Corporate Governance Guide for Public Joint Stock Companies. The related amendments/ updates were in force as of 16 January 2024. To ensure continued compliance with the updated SCA Governance Guide, all Committee Terms of Reference were re-evaluated and updated in line with the changes made to the SCA Governance Guide. The updated Terms of Reference were then approved by their respective committees and the Board of Directors.

These updated terms ensure that our committees operate with clearly defined responsibilities and authority, while the revised Terms of Reference enhance the effectiveness and efficiency of our committees by clearly delineating their roles, responsibilities, and decision-making processes. This alignment with regulatory standards supports more robust and transparent governance practices, reinforcing our dedication to maintaining high standards of corporate oversight.

C. Investor Relations Policy

On 4 July 2024, Taaleem's Board of Directors approved the Investor Relations Policywhich aims to ensure transparent, accurate, and timely communication between Taaleem and its investors, aligning with best practices and regulatory standards. The Policy aims to build and maintain investor trust by committing to providing clear information about Taaleem's financial performance, strategic goals, and governance. Additionally, the policy outlines the guidelines for engaging with investors and analysts to ensure equal access to information, which reinforces Taaleem's commitment to maintaining a high standard of corporate communication.

D. Appointment of Risk Officer

Shoab Azhar joined Taaleem as the Head of Risk in January 2024, bringing with him over 18 years of distinguished experience from leading institutions like the Abu Dhabi Investment Authority (ADIA), the Central Bank of the UAE, Dubai Holding, and KPMG. Shoab is renowned for his expertise in risk management, compliance, and internal auditing. His extensive background includes developing and implementing robust risk management frameworks, conducting comprehensive risk assessments, and ensuring compliance with regulatory standards. He excels in strategic risk planning, risk mitigation, and fostering a culture of risk awareness within organisations.

In his role as Head of Risk, Shoab oversees Taaleem's risk management function and is responsible for developing an integrated risk management framework to identify, assess, and mitigate risks. He also coordinates risk management activities across Taaleem and provides senior management and the Board with risk assessments and recommendations. Furthermore, he supports in promoting a risk-aware culture through training and keeps the organisation updated on industry developments, offering independent evaluations of business plans and transactions.

Shoab holds several prestigious certifications, including Certified Risk Management Professional (CRMP), Chartered Financial Analyst (CFA), and Chartered Accountant (ACCA).

E. Enterprise Risk Management (ERM) Framework and Policy

This year, Taaleem has been working on a new Enterprise Risk Management (ERM) framework aimed at systematically identifying, assessing, mitigating, and monitoring risks that could affect the organisation's ability to meet its objectives. The framework is formed as per leading standards, such as ISO 31000 and the COSO Risk Management frameworks, and aligns with the principles set forth in the Corporate Governance Code by the SCA.

The framework organises risks into several categories: strategic; financial; operational; reputational, compliance, health, safety, and environmental (HSE); and environmental, social, and governance (ESG). It uses a risk assessment methodology that evaluates potential risks based on their impact and likelihood. Impact gauges the severity of potential consequences, while likelihood assesses the probability of occurrence. This approach helps prioritize risks and guides resource allocation and mitigation strategies. The methodology includes risk identification, analysis, evaluation, and response planning to manage and mitigate risks effectively.

By implementing these practices, the framework aims to ensure proactive risk management, enhancing Taaleem's resilience and safeguarding the organisation from potential disruptions or

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financial losses. The framework also outlines risk ownership, accountability, and consistent reporting. It is designed to align with Taaleem's risk appetite and regulatory requirements and includes mechanisms for continuous improvement and escalation processes to address emerging risks in a timely manner.

F. Board of Directors Code of Conduct and Conflict of Interest Policy

Taaleem has made further strides in enhancing its corporate governance framework, focusing on a new unified policy that integrates both the Code of Conduct and Conflict of Interest provisions. This comprehensive policy has been designed to reinforce the highest standards of ethical behaviour and decision-making across the Board. By amalgamating these critical elements, Taaleem ensures that all Board members adhere to a clear and cohesive set of guidelines that promote integrity, transparency, and accountability.

The policy emphasises rigorous ethical standards and mandates the disclosure and management of any potential conflicts of interest. This approach not only clarifies the expectations for Board members but also ensures that their actions align with Taaleem's core values and strategic objectives. The integration of these provisions into a single policy enhances Taaleem's ability to manage conflicts effectively, thereby supporting impartial and informed decision-making processes at the Board level.

G. Board Performance Evaluation

Taaleem has also introduced a structured process for conducting annual Board evaluations, which encompasses both the Board and its key committees. This year's evaluations have provided valuable insights into the performance of individual Board members and the effectiveness of our key committees. We have collected feedback that will be thoroughly reviewed to identify areas for improvement and training needs. This feedback will guide the development of targeted training programs to be implemented in the new year, ensuring that the Board and its committees continue to evolve and enhance their governance capabilities.

H. Others

To further enhance corporate governance, Taaleem has implemented several key additional measures this year. The Board and its committees approved key policies, including the ESG Policy for sustainability, the Crisis Management Policy for effective crisis response, and a new Delegation of Authority (DOA) Matrix that refines decision-making processes and aligns with regulatory standards. In addition, a new independent whistleblowing hotline has been introduced to promote transparency and accountability, allowing confidential and anonymous reporting of concerns.

Furthermore, the risk assessment process has been thoroughly reviewed, and a change in internal auditors has been undertaken. The new internal audit team brings fresh perspectives and expertise, enhancing the effectiveness of internal controls and risk management.

These initiatives collectively strengthen governance and operational effectiveness across the organisation. Detailed information regarding these initiatives will be discussed further in other sections of this report.



2. Statement of Ownership and Transactions of Board of Directors Members and Their Relatives in Taaleem during 2023–2024

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

[1] Mr. Abdul Rahman Al Shaibani is a relative of Mr. Mohammed Abdulla 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. Board Formation

A. 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. 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 Tamaiaz 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 directors is Taaleem Holdings PJSC, Office No. 105, Jumeirah Beach Road, P.O. Box 76691, Century Plaza, Dubai, UAE.



B. Women's representation on the Board of Directors

Ms. Rehab Lootah has been an important representative of women on Taaleem's Board of Directors since her appointment in October 2022. In addition to her role on the Board, Ms. Lootah serves as Chairperson of the Audit Committee and is a member of the Remuneration and Nominations Committee, as well as the Education Sub-Committee. Through her involvement in these key committees, she has provided invaluable insights on governance, internal control oversight, and Taaleem's workforce and core services.

Taaleem is committed to promoting gender equality and supporting women in leadership roles. Beyond Board representation, women at Taaleem hold prominent positions across the organisation, contributing significantly to both governance and operations. These include roles in Senior Executive Management, Board Secretary, Legal Counsel, and Department Heads, ensuring that women play an active role in shaping the company's future.

C.1. Remuneration paid to members of the Board of Directors of the Company

For the financial year ended 31 August 2023, the aggregate total remuneration paid by Taaleem to its Board of Directors for their Board-related duties was AED 11,025,300. Subject to SCA approval and the passing of the resolution at the AGM, the proposed remuneration to be paid to members of the Board of Directors for the fiscal year ending 31 August 2024 is AED 5,250,000.

C.2. Other allowances paid for attending sessions of the committees emanating from the Board, which were received by the Board Members for the fiscal year 2023/2024

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; it is driven by the achievement of the objectives set by the Board in line with the role of each committee.

FY 23/24 Committee Fees

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

C.3. Details of the additional allowances, salaries, or fees received by a Board member other than the allowances for attending the committees and their reasons

The Board members did not receive any other allowances for attending the committees other than the fees stated above.

D. The number of Board meetings held in the 2023–2024 fiscal year, along with their dates, attendance, and whether resolutions were passed

SR	Date of Meeting	Number of Attendees	Number of Attendees via proxy	Names of Absent Members	Resolution Passed (if any)
1	3 October 2023	9	0		1.Approved the Consolidated financial statements for the fiscal year ending 31 August 2023 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 AED 110 million (being AED 0.11 per share, representing 11% 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 31 October 2023, in addition to setting the agenda of the AGM.
2	11 January 2024	9	0		Approved the Interim Condensed Consolidated Financial Statement for the three-month period ending 30 November 2023.
3	29 February 2024	8	0	Mr. Ahmed Al Khayyat	

SR	Date of Meeting	Number of Attendees	Number of Attendees via proxy	Names of Absent Members	Resolution Passed (if any)
4	28 March 2024	9	0		Approved the Interim Condensed Consolidated Financial Statement for the 6-month period ending 28 February 2024.
5	6 June 2024	8	0	Mr. Adel Al Zarouni	
6	4 July 2024	7	0	Mr. Adel Al Zarouni Mr. Eyad Mashal	Approved the Interim Condensed Consolidated Financial Statement for the nine-month period ending 31 May 2024.

E. Number of the Board resolutions by passing during the 2023 fiscal year, along with its meeting convention dates

The Board of Directors did not make any resolutions by passing during the fiscal year 2023/2024.

F. Statement of Board duties and powers exercised by Board members or the executive management members during 2023 based on an authorization from the Board, specifying the duration and validity of the authorization

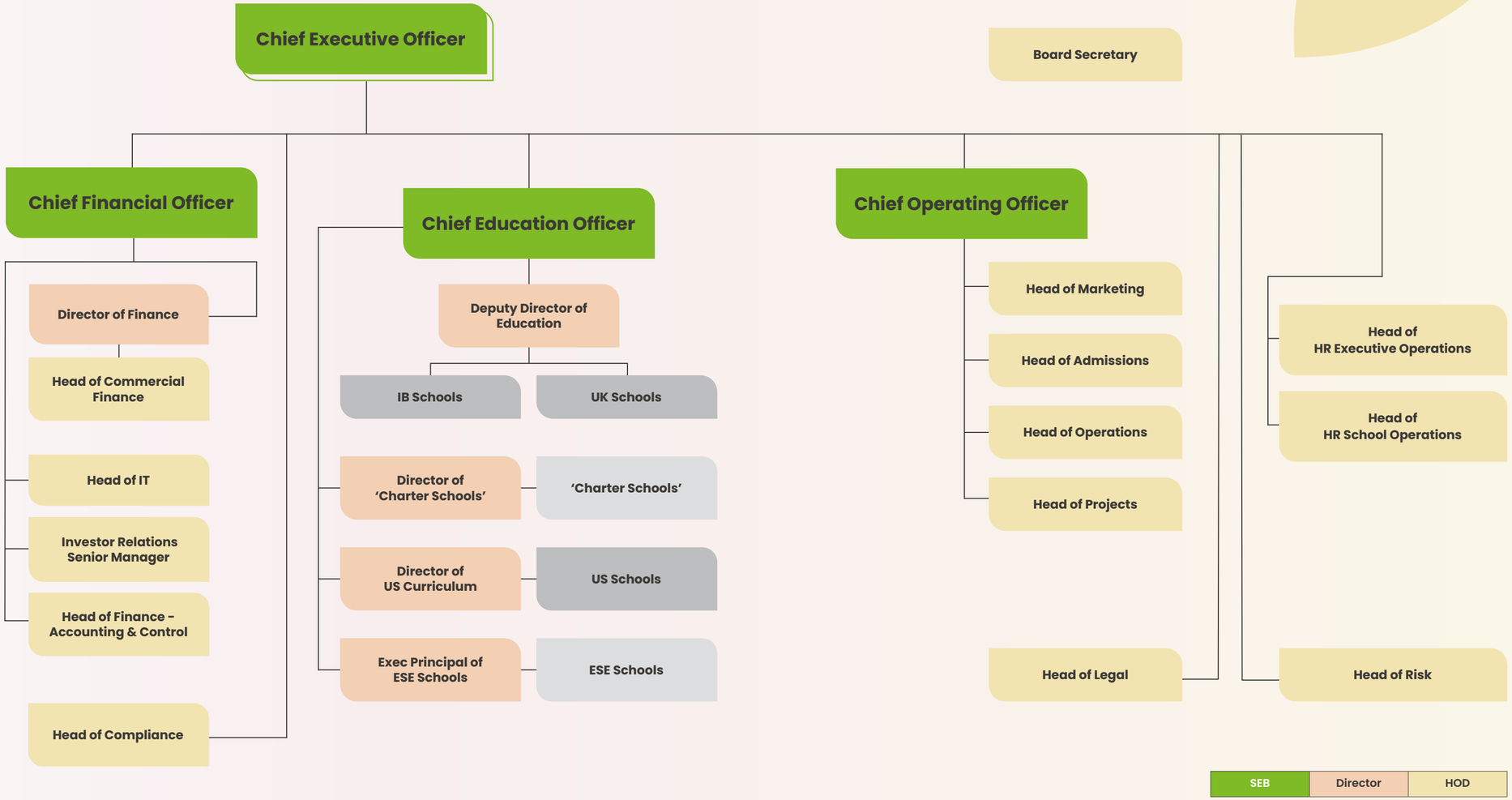
A new Delegation of Authority (DOA) policy has been implemented at Taaleem, which clearly defines the levels of authority and decision-making responsibilities and rights at different levels within the organisation. This policy outlines specific powers delegated by the Board to executive management members, 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.

G. Statement of the details of transactions made with the related parties (stakeholders) during 2023, provided that it shall include the following:

SR	Statement of Related Parties	Clarifying the Nature of Relationship	Type of Transaction	31-Aug-24
1	National Bonds Corporation	Shareholder	Investment in Sukuk deposit	164,577,342
2	National Bonds Corporation	Shareholder	Dividend payment	24,599,865
3	Knowledge Fund Establishment	Shareholder	Lease payments	2,178,838
4	Knowledge Fund Establishment	Shareholder	Dividend payment	15,001,081

H. Taaleem's Organisational Chart

TAALEEM HOLDING PJSC ORGANISATIONAL STRUCTURE





I.1. Senior Executive Board

The day-to-day management of the Company's operations is conducted by the senior management team. The current members of the senior management are as follows:

Name	Position
Alan Williamson	Chief Executive Officer
Arnaud Prudhomme	Chief Financial Officer
Samuel Truman	Chief Operating Officer
Rebecca Gray[5]	Chief Education Officer

[5] Mrs. Rebecca Gray was the Director of Education as of 1 August 2023–31 March 2024 and was promoted to Chief Education Officer as of 1 April 2024



Alan Williamson

Mr. Williamson has served as the Chief Executive Officer of the Company since 2019. He previously served as the Chief Executive Officer of a premium school's group in Dubai and led a Futures Trust learning community in the United Kingdom. Mr. Williamson has a wealth of experience as a Headmaster and Director of Schools.

Mr. Williamson holds an Honours degree in History and Russian Language from the University of Glasgow, Scotland, United Kingdom, and attended the Harvard Graduate School of Education, United States.



Arnaud Prudhomme

Mr. Prudhomme has served as the Chief Financial Officer of the Company since 2017. He has over 25 years of leadership experience internationally, including several chief financial officer roles. Mr. Prudhomme held senior corporate roles with the European Bank for Reconstruction and Development (EBRD), AXA Real Estate, and a family office in Abu Dhabi.

Mr. Prudhomme holds a master's degree in History from La Sorbonne University, France; a master's degree in Finance and Law from Sciences Po Paris; and is a graduate of the École Nationale d'Administration, Paris (the equivalent of Harvard Kennedy School – Management, Business, Finance).



Samuel Truman

Mr. Truman joined the Company in 2005 and has served as the Chief Operating Officer of the Taaleem since 2020. Mr. Truman has over 16 years of experience working in the international private school development sector. As Chief Operating Officer of Taaleem, Mr. Truman is responsible for delivering operational excellence and efficiency across the Company's portfolio of schools. He is also a member of the Company's Senior Executive Board.

Mr. Truman is a member of the Royal Institution of Chartered Surveyors (RICS). He holds a master's degree in Commercial Management and Quantity Surveying from Heriot-Watt University, Scotland, the UK, and an Executive Leadership and Management Programme qualification from Henley Business School, the UK.



Rebecca Gray

Ms. Gray took up the post of Director of Education at Taaleem in August 2023. She was promoted to the position of Chief Education Officer of Taaleem in April 2024.

Ms. Gray graduated with a degree in Psychology in 2002 and went on to complete her PGCE at the University of North London in the UK. She began her teaching career in the London Borough of Tower Hamlets, where she gained her first senior leadership post and progressed to further senior leadership responsibilities in Peterborough.

Ms. Gray became a Deputy Headteacher at a school in Huntingdon, during which time she also completed her National Professional Qualification for Headship (NPQH). Ms. Gray has since been the Headteacher of a primary school in Northamptonshire, the founding Principal of a Preparatory school, and an Improvement Cluster Lead for the David Ross Education Trust, where she led on whole school improvement for eight of the trust's schools, including primary, secondary, and special needs schools.

Ms. Gray and her family then left the UK for Dubai seeking new and exciting opportunities. She took up post within the Kings' Group in Dubai in 2016 and initially assumed the role of Principal at Kings' School Al Barsha, a large, expanding all through school offering the British curriculum to students between the ages of 3–18. Ms. Gray then held a dual role that included the Director of Education for the Kings' Group for seven years before joining Taaleem.

I.2. Statement of the senior executives in the first and second grade their jobs, and dates of their appointment, along with a statement of the total salaries and bonuses paid to them, according to the following schedule:

Name of Executive	Position Appointment Date	Total salaries and Allowances Paid for 2023/2024 (AED)	Total Bonuses Paid for 2023/2024 (AED)	Any Other Cash / in-Kind Bonuses for 2023/2024 or due in the Future
Alan Williamson – Chief Executive Officer	1/7/2019	2,241,272.50	533,170	n/a
Arnaud Prudhomme – Chief Financial Officer	18/12/2017	1,574,932.00	369,103	n/a
Sam Truman – Chief Operating Officer	1/1/2008	1,367,921.50	234,287	n/a
Rebecca Gray[6] - Chief Education Officer	1/8/2023	1,376,445.00	247,420	n/a
Faizan Zafrullah[7] - Finance and Strategy Director	15/8/2022	1,037,690.32	183,330	n/a

[6] Mrs. Rebecca Gray was promoted to Chief Education Officer in April 2024

[7] Mr. Faizan Zafarullah was promoted to Director of Finance and Strategy in June 2024

4. External Auditor

The external auditor of Taaleem was re-appointed at the Annual General Assembly on Tuesday, 31 October 2023. The appointment was conducted in accordance with UAE Company Law, Taaleem's Articles of Association, and in compliance with the Governance Guide.

The Audit Committee governs the relationship between Taaleem and the appointed external auditors.

A. Details of fees Paid to the External Auditor for the financial year 2023/2024

Name of the audit office and partner auditor	**Ernst and Young Middle East (Dubai Branch)**	
Number of years he served as the company's external auditor	**2 year**	
The number of years that the partner auditor spent auditing the company's accounts	**2 year**	
Total audit fees for 2023 in (AED)	**AED 1,573,798**	
Fees and costs of other private services other than auditing the financial statements for 2024 (AED), if any, and in case of absence of any other fees, this shall be expressly stated.	**Services Amount**	**AED**
	Advisory Services	1,788,911
	Tax & Internal Audit	1,218,076
	Valuation Services	153,526
	Total	**3,160,513**
Details and nature of the other services (if any). If there are no other services, this matter shall be stated expressly.	**As described above**	
Statement of other services that an external auditor other than the company accounts auditor provided during 2023 (if any). In the absence of another external auditor, this matter shall be explicitly stated.	**Not applicable**	

B. Statement clarifying the reservations that the company auditor included in the interim and annual financial statements for 2023 and in case of the absence of any reservations, this matter must be mentioned explicitly

The auditor's report did not provide any qualified opinion regarding the interim or annual financial statements for the year 2023/2024.

Committees of the Board of Directors

5. Audit Committee

"The Audit Committee's Chairperson acknowledges her responsibility for the committee system at Taaleem, review of its work mechanism, and ensuring its effectiveness."

The members of the Audit Committee are as follows:

Name	Position
Rehab Lootah	Chairperson
H.E. Abdullah 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.

The SCA Governance Rules require that the Audit Committee must have at least three members who are non-executive and at least two members who are independent. One of the independent members must be appointed as chairperson of the Audit Committee. All the members of the Audit Committee are required to be well-informed on financial and accounting matters, and at least one of the members is required to have prior experience or certifications in accounting, finance, or other related fields. The Audit Committee is required to meet at least four times a year.

SR	Date of Meeting	Number of Attendees	Names of Absent Members
1	Monday, 2 October 2023	3	-
2	Tuesday, 9 January 2024	3	-
3	Tuesday, 26 March 2024	3	-
4	Tuesday, 2 July 2024	3	-

6. Nominations and Remuneration Committee

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

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.

The committee is also responsible for evaluating the balance of skills, knowledge and experience, and the size, structure, and composition of the Board of Directors and its committees.

The SCA Governance Rules require that the Nominations and Remuneration Committee must comprise at least three members who are non-executive and at least two members who are independent. One of the independent members must be appointed as chairman of the Nominations and Remuneration Committee. The Nominations and Remuneration Committee is required to meet at least once a year.

SR	Date of Meeting	Number of Attendees	Names of Absent Members
1	Thursday, 21 September 2023	3	-
2	Wednesday, 3 January 2024	3	-
3	Tuesday, 23 January 2024	3	-

7. 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. The Executive Committee is required to meet at least 10 times a year.

SR	Date of Meeting	Number of Attendees	Names of Absent Members
1	Wednesday, 20 September 2023	5	-
2	Thursday, 18 January 2024	3	Mr. Amer Makki Mr. Ahmed Al Khayyat
3	Monday, 26 February 2024	3	Mr. Ahmed Al Khayyat Mr. Mohammed Al Shaibani
4	Thursday, 21 March 2024	4	Mr. Ahmad Al Khayyat
5	Thursday, 25 April 2024	5	-
6	Thursday, 23 May 2024	5	-
7	Thursday, 13 June 2024	5	-

8. 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. The Education Sub-Committee is required to meet at least seven times a year.

SR	Date of Meeting	Number of Attendees	Names of Absent Members
1	Monday, 18 September 2023	3	-
2	Tuesday, 28 November 2023	3	-
3	Thursday, 14 March 2024	2	Mr. Amer Makki
4	Thursday, 16 May 2024	3	-
5	Tuesday, 11 June 2024	3	-

9. Internal Control/Internal Audit System

A. Acknowledgment by the Board of its responsibility for the Company's internal control system, review of its work mechanism, and ensuring its effectiveness

The Board of Directors of Taaleem acknowledge their core responsibility for overseeing the Company's internal control system, which is crucial for maintaining effective governance, protecting assets, and ensuring compliance with regulatory requirements. To ensure that this responsibility is effectively managed, the Board has delegated specific oversight functions to the Audit Committee.

The Audit Committee has been entrusted with the task of closely monitoring and reviewing the internal control system, ensuring its alignment with best practices and the COSO framework. The committee's mandate includes evaluating the effectiveness of internal controls, reviewing financial reporting processes, and overseeing audit activities.

By delegating these responsibilities, the Board ensures that there is a focused and expert approach to managing internal controls and addressing any issues that may arise.

B. Key Initiatives and Implementations Related to Internal Controls During 2023–2024:

1. **Approval of a New Compliance Framework:** The Audit Committee approved a comprehensive new compliance framework, which is designed to enhance Taaleem's adherence to regulatory requirements and industry standards, ensuring that the Company operates within legal and ethical boundaries while mitigating potential compliance risks.

2. **Approval of Key Policies:** The Board and its various sub-committees have approved several key policies that are instrumental to the governance of Taaleem. Some key governance policies include:

   - **Environmental, Social, and Governance (ESG) Policy:** This policy outlines Taaleem's commitment to sustainability and social responsibility, providing a framework for managing environmental impact, social engagement, and governance practices.
   - **Crisis Management Policy:** This policy provides a structured approach for managing and responding to crises, ensuring that Taaleem is prepared to handle unexpected events effectively and minimise disruptions to operations.
   - **Delegation of Authority Matrix:** A new DOA policy has been implemented to clearly define the levels of authority and decision-making responsibilities within the organisation. This policy ensures that decisions are made at appropriate levels, promoting accountability and efficiency in operations. It incorporates key regulatory requirements, including compliance with DFM and SCA standards, and expands authority in certain areas to empower schools with localised decision-making. The DOA aligns with process-driven best practices supporting effective governance and operational coherence.

3. **Implementation of a New Whistleblowing Hotline:** In response to the need for enhanced transparency and accountability, the Audit Committee approved the establishment of a new whistleblowing hotline. Once live, this hotline will be managed independently by a third-party service provider, allowing employees and stakeholders to report concerns confidentially and anonymously. The independent management of the hotline ensures that reports are handled impartially and with utmost confidentiality.

4. **Change of Internal Auditors and Risk Assessment Refresh:** The Audit Committee undertook a significant refresh of Taaleem's risk assessment process, including a change in internal auditors. The new internal audit team brings fresh perspectives and expertise, enhancing the effectiveness of the internal audit function and further building their credibility as an effective third-line of defense. The risk assessment process for the purpose of creating an internal audit plan for the upcoming year was thoroughly reviewed and updated to better identify and address emerging risks, ensuring that Taaleem's internal control practices are robust and aligned with current best practices.

   The Board of Directors remains dedicated to ensuring that Taaleem's internal control system is robust and effective. By delegating oversight to the Audit Committee, approving a new compliance framework, implementing key policies, establishing an independent whistleblowing hotline, and refreshing the risk assessment process, the Board reinforces its commitment to maintaining high standards of governance and operational excellence.

C. Name of the department director, his qualifications, and date of appointment

At Taaleem, internal controls are managed by the Compliance and Risk Management functions, which oversee the establishment and maintenance of robust frameworks to ensure operational efficiency, compliance with regulatory requirements, and the safeguarding of assets. This team works collaboratively with various departments to identify risks, implement appropriate control measures, and promote a culture of accountability and transparency throughout the organisation.

The internal audit function at Taaleem is outsourced to a third-party provider to maximise expertise and effectiveness. From September 2023 to February 2024, this function was handled by the consulting firm Baker Tilly, which provided valuable insights into our operations. In March 2024, Taaleem transitioned to KPMG Lower Gulf Limited to gain a fresh perspective and enhance the overall value of our internal audit processes. KPMG's independent team reports directly to the Audit Committee and is responsible for assessing the effectiveness of our internal controls, risk management processes, and governance practices. Through systematic audits and thorough evaluations, KPMG not only identifies areas for improvement but also delivers actionable recommendations that drive operational performance and ensure compliance with applicable laws and policies. Over the next year, Taaleem expects KPMG's expertise to help continuously refine Taaleem's practices and help it adapt to an evolving landscape, ultimately fostering a culture of transparency and accountability within the organisation.

D. Name of compliance officer, his qualifications, and date of appointment

The Compliance function at Taaleem is led by Ms. Natasha Pardasani, who was appointed by the Board on 6 June 2023. Ms. Pardasani brings over 14 years of experience in risk assurance, including compliance, internal controls, financial reporting, risk management, and internal audits. Prior to joining Taaleem, she worked at one of the Big 4 consulting firm and in the education and logistics industries, demonstrating a proven track record in enhancing policy compliance and managing international compliance efforts.

Ms. Pardasani holds a bachelor's degree in Business Administration (Finance and Accounting) from the American University in Dubai. She is a qualified Chartered Accountant from the Association of Chartered Certified Accountants (ACCA) and holds a Certified Internal Auditor qualification from the Institute of Internal Auditors (IIA).

The Key Role of Compliance at Taaleem

The management of compliance is a critical function aimed at ensuring the Company's adherence to all applicable laws, regulations, and internal procedures. The Compliance Officer's key responsibilities include:

- **Identifying and Managing Compliance Risks:** Ensuring that compliance risks are effectively identified, assessed, and monitored across all departments within the Company.
- **Developing and Implementing a Compliance Programme:** Creating a comprehensive compliance programme and aligning annual compliance plans with the Company's strategic goals.
- **Preventing Fraud and Ensuring Adherence:** Establishing mechanisms to prevent fraud and verify adherence to policies and procedures.
- **Promoting a Culture of Compliance:** Contributing to a culture of compliance awareness and enhancing governance throughout the Company.

In the past year, the Compliance Officer has achieved several notable accomplishments:

- **Cultural Transformation:** Played a key role in cultivating a strong culture of compliance within the organisation.
- **Policy Governance Framework:** Successfully established a robust policy governance framework, improving the creation, review, and approval processes for organisational policies.
- **Compliance Framework Implementation:** Developed and implemented a comprehensive compliance framework to manage and monitor adherence to regulatory requirements.
- **Policy Approvals:** Oversaw the approval of more than 18 essential policies, ensuring alignment with legal standards, best practices, and organisational objectives.
- **Regulatory Reporting:** Facilitated timely reporting to key stakeholders on new regulations, ensuring that the organisation remains informed and adaptable to regulatory changes.
- **Internal Audit Support:** Facilitated and supported the internal audit process by coordinating with auditors, reviewing audit findings, and ensuring that appropriate corrective actions are taken to address any identified issues.

The Compliance Officer reports significant matters and irregularities to the Audit Committee as per their responsibilities defined by SCA.

E. How the Internal Control Department dealt with any major problems at the Company or those that were disclosed in the annual reports and accounts (in case of the absence of major problems, it must be mentioned that the Company did not face any problems)

We are not aware of any material problems faced by the Company that have not been disclosed in the Consolidated Financial Statements.

F. Internal Audit and the number of reports issued by the Internal Control Department to the Company's Board of Directors

Internal Audit plays a crucial role as a key third-line of defense in our organisation's risk management and governance framework. It provides independent assurance on the effectiveness of internal controls, risk management, and governance processes. Here's an overview of Taaleem's Internal Audit function for the past year:

- **Audit Providers Transition:** Throughout the year, we transitioned from Baker Tilly, who served as our internal auditors until March 2024, to KPMG. This change has been instrumental in bringing fresh perspectives and expertise to our outsourced Internal Audit function.
- **Quarterly Reporting and Follow-ups:** As a general guide, new internal audits are conducted and internal audit reports are issued every quarter, providing detailed insights into audit findings and recommendations. However, due to the transition in service providers this year, Taaleem produced two new reports on areas audited for the first time, along with four follow-up reports and one fresh risk assessment report outlining Taaleem's audit plan for the upcoming year. Each report included follow-ups on previously identified issues as well, ensuring that past concerns were addressed and resolved effectively.
- **Risk Assessment and Audit Planning:** KPMG undertook a comprehensive risk assessment process to develop the internal audit plan for the next three years. This assessment focused on identifying critical and high-risk areas within the organisation, allowing for a targeted approach to auditing that aligns with our strategic priorities and risk profile.
- **Ongoing Improvement:** The Internal Audit function has been pivotal in enhancing our control environment by providing actionable recommendations and tracking the implementation of corrective actions. This continuous oversight helps strengthen our internal controls and mitigate potential risks.

The Internal Audit team's dedication and thorough approach ensure that our organisation remains vigilant and resilient, upholding the highest standards of governance and risk management.

Internal Controls Framework

Effective internal controls are essential for ensuring the integrity of our financial reporting, operational efficiency, and compliance with regulations. Based on the SCA's guidance on implementing an internal control framework, management has recently initiated a strategic initiative to enhance our internal control processes.

Here's an overview of the key developments:

- **Diagnostic Study Initiation:** Management has recently started a diagnostic study to evaluate and strengthen the existing internal control framework. This initial phase aims to identify any gaps or areas for improvement to ensure that our controls are robust and aligned with best practices. The study and its subsequent actions are expected to continue into the upcoming year.
- **Alignment with External Auditors:** As part of this process, management is collaborating closely with external auditors. This alignment involves integrating the auditors' assessments, materiality scoping, and recommendations into our internal control enhancements, ensuring a comprehensive approach to improving our control environment.
- **Framework Implementation:** The diagnostic study will lead to a thorough review of current controls, assessing their design and operational effectiveness, and implementing necessary enhancements. This initiative is set to enhance our internal control framework and support our governance and risk management objectives.
- **Ongoing Monitoring and Improvement:** Management is committed to continuously monitoring and refining the internal control framework. The implementation of improvements will be an ongoing process, incorporating feedback from the diagnostic study and external auditors to ensure sustained effectiveness and compliance.

This initiative marks the beginning of a significant effort to strengthen our internal control environment, with continued focus and development expected throughout the upcoming year.

10. Details of the violations committed during 2023, explaining their causes, how to address them, and how to avoid their recurrence in the future

Taaleem did not commit significant Governance Guide violations during 2023–2024.

11. Statement of cash and in-kind contributions made by the Company during 2023–2024 in developing the local community and preserving the environment

Taaleem made social contribution amounting to AED 359,813 for the year ended 31 August 2024.

12. General Information

A. Statement of the company share price in the market (closing price, highest price, and lowest price) at the end of each month during the fiscal year 2023/2024:

SN	Month End	Closing Price	Highest Price	Lowest Price
1	Oct-23	3.58	3.68	3.54
2	Nov-23	3.62	3.71	3.57
3	Dec-23	3.67	3.75	3.61
4	Jan-24	3.59	3.67	3.55
5	Feb-24	3.54	3.64	3.50
6	Mar-24	3.57	3.65	3.51
7	Apr-24	3.6	3.69	3.53
8	May-24	3.59	3.62	3.55
9	Jun-24	3.61	3.65	3.57
10	Jul-24	3.63	3.68	3.59
11	Aug-24	3.59	3.62	3.55

B. Statement of the Company's comparative performance with the general market index and sector index to which the Company belongs during 2023/2024:

SN	Year	General Market Index	Sector Index	Taaleem
1	2023/2024	21.7	33	33

C. Statement of the shareholders' ownership distribution as of 31/08/2024 (individuals, companies, governments) classified as follows: local, Gulf, Arab, and foreign.

Ser.	Shareholders classification	Percentage of Owned Shares			
		Individuals	Companies	Government	Total
1	LOCAL	41.89%	0.54%	0.06%	42.50%
2	ARAB	11.71%	0.02%	-	11.73%
3	GULF	2.81%	0.98%	-	3.79%
4	FOREIGN	39.86%	2.12%	-	41.98%
	Grand Total	96.27%	3.67%	0.06%	100.00%

D. Statement of shareholders owning 5% or more of the Company's capital as on 31/08/2023 according to the following schedule:

Ser.	Name	Number of Owned Shares	Percentage of Owned Shares of the Company's Capital
1	NATIONAL BONDS	224,061,494	22.41
2	KNOWLEDGE FUND	136,373,465	13.64
3	ITG FAMILY OFFICE LIMITED	72,494,720	7.25
4	AHMAD SAAD MOHD. FAWZI AL KHAYYAT	61,920,000	6.19
5	NORGES BANK	52,339,310	5.23

E. Statement of how shareholders are distributed according to the volume of property as on 31/08/2023 according to the following schedule:

Ser.	Share(s) Ownership	Number of Shareholders	Number of Owned Shares	Percentage of Owned Shares of the Capital
1	Less than 50,000	4,459	12,471,138	1.25%
2	From 50,000 to less than 500,000	186	30,479,471	3.05%
3	From 500,000 to less than 5,000,000	98	139,418,781	13.94%
4	More than 5,000,000	31	817,630,610	81.76%
	Total	4,774	1,000,000,000	100.00%

F. Investor Relations Contact Information

Title	Senior Investor Relations Manager
Name	Mrs. Nora Ghannam
Email	nghannam@taaleem.ae
Contact Number	+971501142365
Investor Relations Website	https://www.taaleem.ae/investor-relations/overview/

G. Statement of the special decisions presented in the General Assembly held during 2023-2024 and the procedures taken in their regard

Taaleem did not present any special decisions or resolutions at its General Assembly held on 31 October 2023.

H. Board Secretary

Mrs. Marine Aoudi was appointed as Taaleem's Board Secretary on 20 October 2022. She holds a bachelor's degree in Law from the University of Wales, a postgraduate qualification from Nottingham Law School, and a bachelor's degree in Philosophy from McMaster University, where she achieved a perfect score in Critical Thinking. With over 17 years of legal experience, Ms. Aoudi has been instrumental in several landmark UAE legal cases across various courts and arbitrations. Before Taaleem, she served as the in-house Legal Counsel and Board Secretary for a local holding company for 11 years, overseeing their comprehensive legal matters. In 2023, she became a Certified Board Secretary from Hawkamah Institute.

In her role at Taaleem, Ms. Aoudi coordinates with Senior Executive Management and the Board, ensuring compliance with corporate governance, drafting resolutions and Board-meeting minutes, and maintaining adherence to disclosure requirements, blackout periods, and insider trading policy.

I. Emiratisation

Taaleem's Emiratisation rate for the fiscal year 2023–2024 is 19.1%.

J. Innovative projects and initiatives 2023–2024

Awards Achieved for Excellence

The Jebel Ali School (JAS) was the recipient of multiple excellence awards this year: The Leading Parent Partnership Award, which recognises parents' participation and engagement in school life; The Wellbeing Award rewards schools that have made achievements in supporting the health and wellbeing of their school community; and finally, the Inclusion Award, which honours schools for their inclusion model and acknowledges the efforts of exemplary professionals in the education system who support students with special educational needs. This initiative seeks to inspire change and improve the quality of services provided to children of determination, as well as to enable educators and schools to have a greater societal impact.

The Waste Lab Composting Initiative

The initiative was implemented at Jebel Ali School (JAS) and aims to create an opportunity for every food scrap to become a solution rather than a burden on our society and environment.

MND24 Swimathon

The Jebel Ali School (JAS) community took part in the 24-hour swimathon to raise awareness of motor neuron disease and the MND24 global initiative.

F1 in Schools

The Jebel Ali School (JAS) participated in the F1 in schools global programme, an educational programme aimed at changing students' perspectives on STEM (science, technology, engineering, and mathematics) subjects. It offers a dynamic and engaging platform for young learners aged nine to 19 to delve into the worlds of engineering, science, technology, marketing, and Formula 1.

Alliance of Sustainable Schools

The Jebel Ali School (JAS) and 'Dubai Schools' are working with The Alliance for Sustainable Schools to accelerate the transition to a sustainable future by working together to catalyse systems change in the sustainability of school food, school buses, school uniforms, school buildings, and education for sustainability.

Dulsco Recycling Drive

'Dubai Schools' Al Barsha collaborated with Dulsco on a recycling drive, providing students with a valuable learning experience. The initiative underscored the significance of recycling and its impact on the environment, aligning perfectly with the school's mission to cultivate responsible global citizens.

Healthy lunchbox ambassadors

'Dubai Schools' Al Barsha participated in the School Lunchbox' programme, which includes several innovative awareness activities that aim to provide parents with the necessary skills to prepare their kids' lunchboxes and encourage them to eat healthy foods and avoid calorie-rich ones. The initiative is part of the Ministry of Health and Prevention's ongoing efforts to organise awareness programmes aimed at promoting preventive behaviours and sound practices among children.

Schools Across the Ocean – COP28 project

'Dubai Schools' participated in the Schools Across the Ocean initiative, which connected 14 coastal schools in the British Isles and UAE schools in a unique online learning opportunity. Students used poetry and artwork to appeal to policymakers and world leaders at the UN's COP28 climate change conference about the plight of the world's ocean.

Young Investors

The three 'Dubai Schools' joined the Young Investor programme, which was launched by The Knowledge Fund Establishment and National Bonds, a UAE-based savings and investment company. The programme is the Middle East's first financial education initiative designed to inculcate financial literacy among youth.

Inclusion Quality Mark and Centre of Excellence

DBS Jumeirah Park is the first school in the UAE to achieve the Inclusion Quality Mark and earn Centre of Excellence status for inclusion. The Inclusion Quality Mark (IQM) is a tool that helps schools and educational settings improve their inclusivity. It certifies good inclusive practices and reflects the ideas of our local community, schools, parents, and children's services staff.

Tournament of Minds

The Tournament of Minds is an esteemed Australian educational competition that aims to enhance pupils' critical and creative thinking skills. Five schools from Dubai and Abu Dhabi participated in the tournament's latest edition, with over 90 pupils forming 13 teams, fostering a competitive spirit and collaborative environment. After six weeks of intensive preparation and presentations before a judging panel, Dubai British School Jumeirah Park's team claimed first place.

Harvard University Wellbeing Action Research Project

The Greenfield International School (GIS) Primary School leadership team recently completed the Collaborative Action Research Programme with the support of Harvard University and under the umbrella of the IB Organization. This programme is part of the Wellbeing in Schools Project, and it allowed the school to learn new practices for improving students' wellbeing.

Staff Wellbeing Project with Safe Hands

Greenfield International School (GIS) joined a project by Safe Hands, part of the Blue Sky Thinking Group, which is one of the UAE's leading providers of wellness initiatives and first aid and emergency response training programs.

GIS at the COP28 Challenge

COP28 launched an international schools competition to raise awareness among high school students across the world on the risks of climate change.

Financial Literacy Programme with Squirrel Education

Greenfield International School (GIS) joined the programme, which aims to develop sound financial skills through repetition and practice at a young age for students to benifit from and carry into their adult life.

ASDAN Leadership Certificate with AGT Students

Students at Greenfield International School (GIS) joined the Leadership Short Course, which is ideal for students who are interested in developing and demonstrating the skills and qualities required to be an effective leader. It can be used to develop leadership skills in a wide range of contexts, including sports and interest groups and educational leadership roles.

Simply Bottles Recycling Challenge

Students at Greenfield International School (GIS) led the Simply Bottles Initiative. The goal of the recycling challenge is to increase recycling rates of plastic water bottles by encouraging students to recycle as many plastics water bottles as they can. The initiative also provides a platform for students to create their own recycling drives by collecting plastic, not just from the school but also at their homes, neighbourhoods, and local communities.

Solar Car Race Competition

The American Academy for Girls (AAG) won second place at a solar car race for high school students that aimed to showcase students' innovative designs for vehicles powered solely by the sun. Assessed on their car's speed, engineering, creativity, and sustainability, 30 teams of students from 15 high schools across the UAE competed in the race.

ADNOC STEM for Life

The American Academy for Girls (AAG) joined ADNOC's STEM programmes, which are impacting over 16,000 students across 81 schools and five universities in the UAE.

Climate Fresk

The Jumeira Baccalaureate School (JBS) became a certified trainer school for Fresk. Climate Fresk is a powerful tool for providing a quality climate education. This initiative was initiated by the Chair of SAB and inspired the parents and teachers of students from Grade 9 to 11 to become trainers in climate workshops. This further encouraged more students to participate in the workshops, including students from other schools in Dubai.

Quality Mark Plus Award for Character Education

Jumeira Baccalaureate School (JBS) is the first school outside of the UK to receive this prestigious award. Character education teaches the acquisition and strengthening of virtues, and Jumeira Baccalaureate School (JBS) believes that character education and the IB's educational philosophy are a natural fit.



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

Date: 03 October 2024

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CORPORATE GOVERNANCE REPORT

AUDIT COMMITTEE REPORT

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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

The Audit Committee's annual report highlights Taaleem's commitment to maintaining strong financial oversight and governance. The report provides an in-depth review of significant financial issues addressed during the year, including revenue recognition, asset impairment, and compliance with new accounting standards. It also outlines the committee's thorough evaluation of the external auditor's independence and performance, key actions taken to address any internal control deficiencies, and oversight of related party transactions, all aimed at ensuring transparency and financial accuracy.

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 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. 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.

C. 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.

D. Compliance with New Accounting Standards
The impact of newly implemented accounting standards was examined to ensure their smooth integration into our financial processes. The committee worked closely with management and external auditors to address any challenges, ensuring ongoing compliance.

E. End-of-Service Benefits
Management conducted a comprehensive review of the IAS 19 actuarial valuation concerning employee end-of-service benefits. Key financial assumptions, including discount rates, salary growth rates, and employee turnover, were reviewed in consultation with the appointed actuary to ensure alignment with industry best practices and the economic environment. The Audit Committee evaluated the financial impact of these valuations on the consolidated financial statements, ensuring the books reflect the most accurate information. Furthermore, the Audit Committee has ensured that Taaleem remains fully compliant with UAE Labor Law regarding end-of-service gratuity, which has been accurately integrated into the Company's financial reporting process.

By addressing these critical matters with diligence and rigor, 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

The independence and effectiveness of the external audit process are 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 such as 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 selection procedure. This involves a detailed review of the auditor's qualifications, relevant experience, and past performance, ensuring that the selected auditor has both the independence and expertise required to deliver a high-quality audit.

Since being listed, Ernst & Young Middle East has been serving as Taaleem's external auditor for the past two years. During this time, they have consistently demonstrated a high level of competence and professionalism, contributing to the reliability and robustness of our financial reporting.

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

The Audit Committee has recommended the reappointment of Ernst & Young Middle East as the Company's external auditor for the upcoming financial year. This recommendation is based on their consistent quality of service, strong understanding of the company's business operations, and strict adherence to relevant regulatory standards.

The Board of Directors have accepted this recommendation, acknowledging Ernst & Young's proven ability to deliver thorough and reliable audits, which enhance the Company's financial transparency and integrity. We continue to emphasise the importance of the strong working relationship and effective communication established with the external auditor, as well as the cost-efficiency of retaining a familiar and highly competent auditing firm.

This decision 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 Ernst & Young Middle East regarding their independence annually.

For the 2023–2024 financial year, the committee has reviewed and approved both audit and non-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

The Audit Committee (AC) ensures that management takes prompt and effective actions to address any deficiencies or weaknesses in internal control or risk management. Through the Head of Compliance at Taaleem, who facilitates the Internal Audit process with an independent third party provider, the committee has taken several steps during the year to enhance oversight and accountability:

A. Increased Reporting Frequency
The AC has increased the frequency of reporting on open high-risk issues to monthly periodicity. This ensures that significant deficiencies are promptly identified and addressed.

B. Timely Actions
Management is required to act on a timely basis to rectify identified deficiencies. The AC closely monitors the progress and effectiveness of these actions.

C. Probing and Questioning Delays
Any points with delayed timelines are probed and questioned by the AC. While the AC allows management adequate time to complete necessary actions, they also challenge them to ensure that the risk is effectively mitigated.

D. Ensuring Risk Mitigation
The AC actively ensures that significant deficiencies are immediately addressed and that appropriate measures are taken to mitigate risks. This includes regular follow-ups and updates from management on the status of corrective actions.

By implementing these measures, the AC demonstrates a commitment to maintaining robust internal control and risk management frameworks, thereby safeguarding the organisation's assets and reputation.

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

The AC ensures thorough review and discussion of all reports issued by the Internal Audit (IA) provider, regardless of the overall report rating or individual issue rating. The AC's commitment to rigorous oversight is evidenced by the following practices:

A. Comprehensive Review
All internal audit reports, irrespective of the report rating, are shared with and reviewed by the AC. This includes detailed commentary on the findings, recommendations, and the context of each report.

B. Detailed Discussions on High- and Medium-Risk Issues
For issues rated as high- and medium-risk, the AC engages in detailed discussions during its quarterly meetings with the IA provider. These discussions cover both new audits conducted during the quarter and open follow-up points from previous audits.

C. Determining the Root Cause
The AC, through discussion with the internal audit provider and management, evaluates whether the identified issues arise from major failures or weaknesses in internal control. This involves analysing the underlying causes and determining if systemic changes are required to prevent recurrence.

D. Follow-Up and Accountability
The AC ensures that management provides updates on the status of corrective actions for high- and medium-risk issues. This continuous follow-up process ensures accountability and timely resolution of significant deficiencies, if any.

7. Plan in the event of fundamental deficiencies in the areas of risk management and internal control systems

In the event of fundamental deficiencies in risk management and internal control systems, Taaleem's Audit Committee implements a structured and comprehensive corrective treatment plan. It is important to note that during the year, there were no fundamental deficiencies identified that would have a critical impact on the financials or reputation of the organisation. However, the AC remains vigilant and prepared to address any such issues should they arise.

A. Immediate Action and Increased Oversight
Upon the identification of significant deficiencies, the AC mandates that management takes immediate corrective actions. The frequency of reporting on open high-risk issues is increased, with the AC closely monitoring progress to ensure timely resolution.

B. Facilitating Internal Audit Process
The Head of Compliance plays a crucial role in facilitating the internal audit process, ensuring that the IA provider's reports are comprehensive and actionable. This enhanced facilitation during 2023/2024 has led to more effective identification and remediation of deficiencies, including closure of multiple high- and medium-risk open audit issues.

C. Quarterly Audits and Updates
With four new internal audits conducted annually, the internal auditor presents a new report each quarter, alongside status updates on open and follow-up actions. This quarterly reporting ensures that the AC stays informed of both new issues and the progress of ongoing corrective measures.

D. Detailed Discussions on High- and Medium-Risk Issues
High- and medium-risk issues are discussed in detail during AC meetings. These discussions not only cover new audits but also follow up on previously identified issues to ensure that corrective actions are effectively implemented.

E. Accountability and Timely Resolution
The AC probes and questions any delays in the corrective action timeline, balancing the need to give management time to complete necessary actions while challenging them to ensure risk mitigation. This rigorous follow-up process holds management accountable for resolving deficiencies promptly.

F. Improvement of Processes and Policies

The compliance process, which reports to the AC, uses the findings from internal audits to improve organisational processes and policies. This proactive approach ensures that identified deficiencies are not only corrected but also leveraged as opportunities to enhance the overall control environment and operational efficiency of the Company. Additionally, Taaleem has proactively drafted and signed off on 20+ new policies during the year. These policies span critical areas, such as discounts in schools, ESG, disaster and crisis management, compliance framework, conflict of interest, and more. These new policies aim to improve processes and focus on best practices, further strengthening our risk management and internal control systems.

G. Holistic Risk Assessment Exercise

To ensure a focused and strategic approach to internal audits, Taaleem conducted a comprehensive holistic risk assessment exercise this year. This assessment has helped identify and prioritise high-risk areas and key focus areas for the internal audits of the upcoming year, ensuring that our internal audit efforts are effectively aligned with the most critical risks facing the organisation.

8. Committee's review of related-party transactions

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 Taaleem employees, are managed in compliance with applicable regulations. Transactions with these related parties include lease payments, investments in sukuk deposits, and provided compensation and/or tuition-fee discounts.

To ensure compliance, all related-party transactions follow the established 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 2024. 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 Decree 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 International Financial Reporting 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 138 million for the year ended 31 August 2024, compared with AED 117.3 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 29th 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 120 million payout (AED 0.12 per share or 86.9% of profit for the year ended 31 August 2024 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 2024 amounts to AED 1,713 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 2024.

Transactions with related parties

The consolidated financial statements disclose significant related party transactions and balances in note 21. All transactions are carried out as part of our normal course of business and 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.

DIRECTORS' REPORT (continued)

Subsequent events

Other than as disclosed in Note 33, 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. Amer Al Khayyat	Board Director (resigned on 31st August 2023)
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 (appointed on 1st September 2023)

Auditors

Ernst and Young Middle East (Dubai Branch) ("EY") were appointed as external auditors for the Group for the year ended 31 August 2024. 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

DocuSigned by:
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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 2024, 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 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

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 Standard Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the consolidated financial statements in 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 judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of the 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. 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 IFRSs. Given its magnitude and the underlying inherent risk, we consider recognition of revenue in the appropriate period to be a key audit matter. Refer Note 3.1 for the revenue recognition policy and Note 16.1 for the disclosures on revenue recognised during the year ended 31 August 2024.	We performed the following procedures in relation to revenue recognition: • Read the Group's revenue recognition accounting policy and assessed whether it is in accordance with the requirements of IFRSs. • Obtained the Group's processes and underlying controls to recognise tuition fees revenue, and performed walkthrough over the design of those controls on a sample basis. • Performed analytical review procedures on the School's tuition fees revenue to assess and examine the movements of tuition fees revenue during the year by School. • On a sample basis, tested whether the tuition fees revenue recognised were recorded in the correct school term by verifying 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 recognised in accordance with the requirements of IFRSs. • On a sample basis, tested whether the underlying calculation for discounts given to students are in accordance with the contractual arrangements and duly approved. • Ensured that the disclosures in the consolidated financial statements are appropriate in accordance with the requirements of IFRSs.

Other Information

The Board of Directors are responsible for the other information. The other information comprises the Directors Report and does not include the consolidated financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information.

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 IFRSs, and in compliance with the applicable provisions of the Articles of Association of the Company and the UAE Federal Decree 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.

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with 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.

Report on Other Legal and Regulatory Requirements

Further, as required by the UAE Federal Decree Law No. 32 of 2021, we report that for the year ended 31 August 2024:

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 UAE Federal Decree Law No. 32 of 2021 and the Articles of Association of the Company;
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 2024, if any, are disclosed in note 1 to the consolidated financial statements;
vi) note 21 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 year ended 31 August 2024, any of the applicable provisions of the UAE Federal Decree 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 as at 31 August 2024; and
viii) note 18 reflects the social contributions made during the year ended 31 August 2024.

For Ernst & Young

Anthony O'Sullivan
Registration No. 687

3 October 2024

Dubai, United Arab Emirates

Consolidated statement of financial position

As at 31 August 2024

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

	Notes	2024 AED	2023 AED
Assets			
Non-current assets			
Property and equipment	8 (i)	1,360,755,792	1,168,872,964
Investment property	8 (ii)	10,297,647	10,868,123
Intangible assets	7	35,770,918	38,445,326
Goodwill	6	239,997,759	239,997,759
Right-of-use assets	28(i)	260,256,095	211,434,597
Net investment in finance lease	28(i)	3,260,205	3,623,459
Capital advances	8(i)(g)	19,254,670	18,894,549
		1,929,593,086	**1,692,136,777**
Current assets			
Fees and other receivables	9	78,371,135	48,167,956
Wakala deposits	10	360,046,500	475,147,917
Cash and cash equivalents	11	373,965,479	227,544,412
		812,383,114	**750,860,285**
Total assets		**2,741,976,200**	**2,442,997,062**
Equity and liabilities			
Equity			
Share capital	24	1,000,000,000	1,000,000,000
Statutory reserve	26	542,459,941	542,459,941
Own shares	25	(5,935,113)	(10,511,347)
Own shares reserve	25	(23,005,781)	(31,057,144)
Retained earnings		199,963,447	170,512,734
Total equity		**1,713,482,494**	**1,671,404,184**
Liabilities			
Non-current liabilities			
Interest bearing loans and borrowings	12	139,000,000	27,000,000
Lease liabilities	28(ii)	275,408,040	215,798,988
Deferred income on government grant	14	42,606,665	44,939,998
Debentures payable	15	10,884,100	18,054,911
Retentions payable	15	835,129	1,978,934
Provision for employees' end of service benefits	13	39,014,933	32,969,372
Deferred tax liabilities	32	27,338,083	-
		535,086,950	**340,742,203**

	Notes	2024 AED	2023 AED
Current liabilities			
Trade and other payables	15	127,893,373	117,617,340
Fees received in advance	16.2	328,281,594	292,313,089
Interest bearing loans and borrowings	12	1,178,508	219,909
Lease liabilities	28(ii)	17,013,944	18,367,004
Deferred income on government grant	14	2,333,333	2,333,333
Income tax provision	32	16,706,004	-
		493,406,756	**430,850,675**
Total liabilities		**1,028,493,706**	**771,592,878**
Total equity and liabilities		**2,741,976,200**	**2,442,997,062**

These consolidated financial statements were approved by the Board of Directors on 3 October 2024 and signed on their behalf 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 2024

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

	Notes	2024 AED	2023 AED
Revenue	**16.1**	**945,243,349**	**818,574,062**
Finance and other income			
Rental income	8(i),8(ii)	1,631,784	1,561,668
Income from deferred government grant	14	2,333,333	2,333,333
Finance income	22	30,698,650	25,504,711
Other income	20.2	7,159,563	3,717,772
Total finance and other income		**41,823,330**	**33,117,484**
Expenses			
Operating costs	17	(552,816,719)	(482,917,930)
General and administrative expenses	18	(132,799,718)	(138,161,814)
Amortisation of intangible assets	7	(2,674,408)	(2,674,408)
Depreciation on property and equipment	8(i)	(79,779,556)	(69,160,108)
Depreciation on investment property	8(ii)	(570,476)	(570,476)
Amortisation of right-of-use assets	28(i)	(17,357,486)	(14,214,681)
Finance costs	23	(19,022,247)	(26,653,536)
Total expenses		**(805,020,610)**	**(734,352,953)**
Profit for the year before tax		**182,046,069**	**117,338,593**
Current income tax expense	32	(16,706,004)	-
Deferred income tax	32	(27,338,083)	-
Profit for the year		**138,001,982**	**117,338,593**
Earnings per share			
Basic and diluted, profit for the year attributable to ordinary equity holders of the Company (in AED per share)	31	0.14	0.13

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

Consolidated statement of comprehensive income

For the year ended 31 August 2024

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

	2024 AED	2023 AED
Profit for the year	138,001,982	117,338,593
Other comprehensive income *Other comprehensive income that may/(will not) be reclassified to profit or loss in subsequent periods (net of tax)*	-	-
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	**138,001,982**	**117,338,593**

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 2024

(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 2022	750,000,000	63,297,202	-	-	120,674,141	933,971,343
Total comprehensive income for the year	-	-	-	-	117,338,593	117,338,593
Issuance of share capital (net) (Note 24)	250,000,000	479,162,739	-	-	-	729,162,739
Own shares (Note 25)	-	-	(10,511,347)	(31,057,144)	-	(41,568,491)
Dividends (Note 27)	-	-	-	-	(67,500,000)	(67,500,000)
As at 31 August 2023	1,000,000,000	542,459,941	(10,511,347)	(31,057,144)	170,512,734	1,671,404,184
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 25)	-	-	4,576,234	8,051,363	-	12,627,597
Dividends (Note 27)	-	-	-	-	(110,000,000)	(110,000,000)
Dividends from own shares	-	-	-	-	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**

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

Consolidated statement of cash flows

For the year ended 31 August 2024

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

	Notes	2024 AED	2023 AED
Operating activities			
Profit for the year before tax		182,046,069	117,338,593
Adjustments for:			
Depreciation on property and equipment	8(i)	79,779,556	69,160,108
Depreciation on investment property	8(ii)	570,476	570,476
Amortisation of right-of-use assets	28(i)	17,357,486	14,214,681
Amortisation of intangible assets	7	2,674,408	2,674,408
Provision for employees' end of service benefits	13	13,996,814	12,629,226
Allowance for impairment on fees and other receivables	9	3,256,739	5,398,219
Gain on disposal of property and equipment	20.2	(131,433)	(48,229)
Finance income	22	(30,698,650)	(25,504,711)
Finance costs	23	19,022,247	26,653,536
Income from deferred government grant	14	(2,333,333)	(2,333,333)
Income from unwinding of debentures payable	20.1	(688,736)	(711,040)
Other non-cash items		4,605	860,690
Operating cash flows before changes in working capital		**284,856,248**	**220,902,624**
Changes in working capital:			
Change in fees and other receivables		(31,888,203)	30,400,552
Changes in restricted cash		(6,242,374)	(12,113,721)
Change in fees received in advance		35,968,505	39,335,918
Change in trade and other payables		11,454,026	14,276,229
Cash flows generated from operations		294,148,202	292,801,602
Payment of employees' end of service benefits	13	(7,951,253)	(9,103,205)
Net cash flows from operating activities		**286,196,949**	**283,698,397**
Investing activities			
Additions to property and equipment, net of retentions payable	8(i)	(269,047,001)	(75,168,049)
Capital advances		(360,121)	(18,894,549)
Proceeds from disposal of property and equipment		179,398	48,229
Receipts from sub-lessor		554,079	-
Changes in Wakala deposits, net		115,101,417	(475,147,917)
Acquisition of subsidiary, net of cash acquired	6(a)	-	(33,500,000)
Interest received		30,384,841	25,098,499
Net cash flows used in investing activities		**(123,187,387)**	**(577,563,787)**
Financing activities			
Proceeds from issuance of shares, net	24	-	729,162,739
Sale / (acquisition) of own shares through liquidity provider, net	25	12,627,597	(41,568,491)
Proceeds from bank borrowings	12	112,000,000	54,000,000
Repayment of bank borrowings	12	-	(358,553,897)
Payments of principal portion of lease liabilities	28(ii)	(24,285,072)	(21,485,859)
Interest paid		(4,232,716)	(13,943,536)
Dividends paid	27	(110,000,000)	(67,455,000)
Repayment of debentures		(8,940,678)	(14,010,352)
Net cash flows (used in) / from financing activities		**(22,830,869)**	**266,145,604**
Net increase / (decrease) in cash and cash equivalents		**140,178,693**	**(27,719,786)**
Cash and cash equivalents at the beginning of the year		200,266,602	227,986,388
Cash and cash equivalents at the end of the year	**11**	**340,445,295**	**200,266,602**

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

Pursuant to the resolution passed in the extra-ordinary general meeting 29 August 2022, the shareholders had amongst others resolved the following:

(i) conversion of the legal status of the Company from a Private Joint Stock Company to a Public Joint Stock Company through an Initial Public Offering ("IPO").
(ii) to increase the Company's authorised share capital from AED 750 million to AED 1 billion (at par value) by way of issuance of new shares part of the IPO process.

On 22 November 2022, the Security and Commodities Authority ("SCA") (UAE) approved the Company's application for the offering and issuance of 250 million new shares representing 25% percent of the Company's authorised share capital (Note 24).

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 legal formalities in this regard were completed on 29 November 2022.

The Company's shareholding and principal activities of the subsidiaries (collectively referred to as the "Group") 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

* 100% Owned by two shareholders of the Parent 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).

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

School operations

Taaleem LLC and Taaleem Holdings Sole Proprietorship LLC are 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 School Jumeriah 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")

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

* During the year ended 31 August 2024, Raha International School establishment has been converted to a Sole Proprietorship LLC and is a fully owned subsidiary of Taaleem Management LLC.

** During the year ended 31 August 2024, Raha International School Khalifa-A establishment has been converted to a Sole Proprietorship LLC and is a fully owned subsidiary of 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 for an initial period of 3 years. This agreement was renewed during 2021-22 for a successive 2 years upon completion of the initial period with an option for further extension by another 5 years.
- During 2020-21, the above-mentioned management agreement was amended to manage and operate two additional charter schools in Abu Dhabi, UAE commenced from academic year 2021-22.
- Further, the Group entered into a new operating and management agreement dated 31 May 2022 with ADEK, (which superseded the original agreement) and incorporates a total of nine schools including the original six plus three new schools commenced from 1 September 2022 for an initial period of 2 years. The Group has an option to renew this agreement for 2 years upon completion of the initial period, with an option for further extension by another 5 years.
- During 2022-23, the above-mentioned agreement was amended to manage and operate one additional school in Abu Dhabi, UAE from Academic year 2023-24.
- During the year ended 31 August 2024, the above-mentioned agreement was amended to manage and operate one additional school in Abu Dhabi, UAE from 1 January 2024.
- During the year ended 31 August 2024, the Group entered into a new operating and management agreement dated 10 October 2023 with ADEK, to manage and operate four Nurseries commenced from 1 September 2023 for an initial period of 2 years. The Group has an option to renew this agreement for 2 years upon completion of the initial period, with an option for further extension by another 4 years.
- 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 2021, to manage and operate two schools of TEC in the Emirates of Dubai, Dubai School Corporation LLC Al Barsha ("DSB") and Dubai School Corporation LLC Mirdif ("DSM"), starting 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 the schools are constructed is leased by TEC and not recharged to the Group. The Group will be responsible for operations and maintenance required during the agreement period.

- Pursuant to the novation agreements entered into between the Group, TEC and Knowledge Fund Establishment (KFE) during 2022, 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 (DSN) vide agreement dated 20 June 2022, from the academic year 2022-23.
- During the year ended 31 August 2024, the Group obtained a trade license for DSAK (Br of Taaleem Management LLC), designated as "Dubai School – Al Khawaneej".
- 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) commenced from academic year 2022-23.
- During 2022-23, the Group was awarded to manage and operate four additional schools namely LBHS School (Fujairah), WAHS School (Eastern Sharjah), OBAS School (Ajman) and SMGS School (Sharjah) from academic year 2023-24.
- 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 2024 (2023: Nil).

2. Basis of preparation

2.1. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), and the applicable provisions of the Company's Articles of Association and UAE Federal Decree 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 Group'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 2023, except as follows:

(a) New IFRS standards, interpretations and amendments in issue and effective

The following new IFRS standards, interpretations and amendments, which became effective as on 1 January 2023 (unless otherwise stated), have been adopted in these consolidated financial statements:

- IFRS 17 Insurance Contracts
- Definition of Accounting Estimates - Amendments to IAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
- International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12

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.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgments provide guidance and examples to help entities apply materiality judgments to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's consolidated financial statements.

(b) Standards, amendments and interpretations in issue but not effective

The new and amended standards and interpretations that are issued, but not yet effective, as at year end are disclosed below:

- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback (effective for reporting periods beginning on or after 1 January 2024);
- Amendments to IAS 1: Classification of liabilities as current or Non-current (effective for annual reporting periods beginning on or after 1 January 2024); and
- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7 (effective for annual reporting periods beginning on or after 1 January 2024).

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

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 comm encement 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 20 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	20-30
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 30 years.

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 of 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.

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.

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.

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.

The Group has no financial assets classified as fair value through profit or loss as at the reporting date.

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 does not have financial liabilities classified as fair value through profit or loss as at the reporting date.

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 of 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, 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 and bank balances that derived directly from its operations.

The main risks arising from the Group's financial instruments are 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.

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 2024 would decrease / increase by AED 701 thousand (31 August 2023: profit for the year will decrease / increase by AED 136 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:

	2024 AED	2023 AED
Fees and other receivables (excluding prepayments and VAT receivables) (Note 9)	44,588,388	17,677,827
Wakala deposits (Note 10 and 11)	396,051,150	545,260,785
Cash at banks and sukuk deposits (Note 11)	337,914,476	157,369,435
	778,554,014	**720,308,047**

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 2024

	Less than 3 months AED	3 to 12 months AED	1 to 5 years AED	>5 years AED	Total 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**

At 31 August 2023

	Less than 3 months AED	3 to 12 months AED	1 to 5 years AED	>5 years AED	Total AED
Interest bearing loans and borrowings; including interest	465,750	2,205,307	18,582,648	14,999,557	36,253,262
Debentures payable	1,683,363	5,050,090	17,749,212	328,055	24,810,720
Lease liabilities	4,699,849	18,180,594	96,504,593	332,976,887	452,361,923
Trade and other payables	-	110,861,531	-	-	110,861,531
Total	**6,848,962**	**136,297,522**	**132,836,453**	**348,304,499**	**624,287,436**

Changes in liabilities arising from financing activities

2023-24

	1 September 2023 AED	Cash flows AED	Others AED	31 August 2024 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**

2022-23

	1 September 2022	Cash flows	Others	31 August 2023
	AED	AED	AED	AED
Interest bearing loans and borrowings, net	332,422,210	(318,497,433)	13,295,132	27,219,909
Lease liabilities	201,000,269	(21,485,859)	54,651,582	234,165,992
Debentures payable	38,147,962	(14,010,352)	673,110	24,810,720
Total	**571,570,441**	**(353,993,644)**	**68,619,824**	**286,196,621**

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 2024 and 31 August 2023. Capital comprises the share capital, statutory reserve, own shares, own shares reserve and retained earnings, and is measured at AED 1,713,482,494 as at 31 August 2024 (31 August 2023: AED 1,671,404,184).

Fair value estimation

Financial instruments comprise financial assets and financial liabilities.

Financial assets mainly consist of fees and other receivables, wakala deposits, bank balance and sukuk deposits. Financial liabilities mainly consist of interest-bearing loans and borrowings, debentures payable, lease liabilities 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. 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.

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.

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

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.

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.

6. Goodwill and business combination

	2024 AED	2023 AED
Acquisition through business combination:		
- Taaleem LLC and Taaleem Management LLC		
(referred together as "Taaleem acquisition") [Note (a) below]	204,932,063	204,932,063
- Jebel Ali School [Note (b) below]	35,065,696	35,065,696
	239,997,759	**239,997,759**

Taaleem acquisition: 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.

(a) Taaleem acquisition:

On 1 September 2007, the Group had 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.

(b) Acquisition of Jebel Ali School (JAS)

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.

The total consideration for the acquisition was AED 233.5 million. Of this, AED 200 million was settled at the time of acquisition and the balance amount AED 33.5 million had been agreed to be settled during the year 2022-23. Accordingly, fair value of purchase consideration as of acquisition date i.e. 26 May 2022 was considered as AED 231.9 million. There were no non-controlling interests arising on this acquisition and no contingent considerations. The Group's management settled AED 33.5 million towards such acquisition during the year 2022-23.

The fair value of net assets acquired amounted to AED 166,734,304. The excess of the fair value of the purchase consideration amounting to AED 231,900,000 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 and other intangible assets, 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 2024-25 and estimated thereafter for an additional four year period in conjunction with the five year strategic plan being 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. Any reasonably possible changes to the assumptions will not lead to an impairment. The key assumptions used in the value-in-use calculations are as follows:

	2024		2023	
	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 1,166.5 million (31 August 2023: AED 1,182.5 million) and JAS acquisition was assessed to be AED 357.3 million (31 August 2023: AED 246.6 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	Student relationships	Below market leases	Total
	AED	AED	AED	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**
Accumulated amortisation:				
At 1 September 2022	18,611,546	11,311,662	29,957,058	59,880,266
Amortisation for the year	-	2,149,992	524,416	2,674,408
At 31 August 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**
Net carrying value:				
At 31 August 2024	**-**	**25,262,516**	**10,508,402**	**35,770,918**
At 31 August 2023	-	27,412,508	11,032,818	38,445,326

The intangible assets recognised on acquisition of Taaleem and JAS were as follows:

a. Brand and curriculum: The individual schools managed and operated by Taaleem LLC, 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 2024 and 2023.

b. Student relationships: Taaleem LLC 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.

   Further in earlier years, the Group has recognised student relationships amounting to AED 30,100,000 on acquisition of Jebel Ali School (Note 6) and the net carrying value as at 31 August 2024 is AED 25,262,516 (31 August 2023: AED 27,412,508).

c. Below market leases: Taaleem LLC 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 2024, the net carrying value is AED 10,508,402 (31 August 2023: AED 11,032,818).

Refer Note 6 for details of test of impairment of CGUs relating to Taaleem and JAS acquisition.

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
Cost:								
At 1 September 2022	201,298,121	1,159,116,699	73,627,204	77,027,785	134,517,445	1,621,899	2,726,133	1,649,935,286
Additions	-	309,567	13,902,617	10,528,530	18,354,370	91,257	34,568,318	77,754,659
Disposals and write offs	-	-	-	(2,252,640)	(17,438,149)	(87,658)	-	(19,778,447)
At 31 August 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 (Note (e))	-	143,594,347	7,377,823	20,904,577	3,263,615	-	(175,140,362)	-
Disposals and write offs	-	-	-	-	(1,799)	(452,855)	-	(454,654)
At 31 August 2024	**201,298,121**	**1,303,343,113**	**112,205,868**	**154,335,866**	**163,316,188**	**2,130,530**	**42,537,507**	**1,979,167,193**
Accumulated depreciation:								
At 1 September 2022	-	299,147,332	25,865,981	52,597,912	110,957,306	1,088,342	-	489,656,873
Charge for the year	-	39,677,099	6,292,825	8,969,426	14,006,960	213,798	-	69,160,108
Disposals and write offs	-	-	-	(2,252,640)	(17,438,149)	(87,658)	-	(19,778,447)
At 31 August 2023	-	338,824,431	32,158,806	59,314,698	107,526,117	1,214,482	-	539,038,534
Charge for the year	-	40,482,742	7,851,252	14,161,137	16,966,928	317,497	-	79,779,556
Disposals and write offs	-	-	-	-	(1,799)	(404,890)	-	(406,689)
At 31 August 2024	**-**	**379,307,173**	**40,010,058**	**73,475,835**	**124,491,246**	**1,127,089**	**-**	**618,411,401**
Net carrying value:								
At 31 August 2024	**201,298,121**	**924,035,940**	**72,195,810**	**80,860,031**	**38,824,942**	**1,003,441**	**42,537,507**	**1,360,755,792**
At 31 August 2023	**201,298,121**	**820,601,835**	**55,371,015**	**25,988,977**	**27,907,549**	**411,016**	**37,294,451**	**1,168,872,964**

(a) Land comprises of a granted land in Mirdif, Dubai in addition to five freehold plots of land which are located in Jumeirah Islands, Jumeirah Park, Al Thanayah fourth, Emirates Hills and Dubai Studio City respectively. All these plots of land (except Dubai Studio City) 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.

(b) Buildings mainly include the costs of construction, extension and refurbishment of six school buildings namely AAG, RIS, GIS, JBS, RIS-KA, DBS-J and the Company, which are constructed on leasehold land. School buildings of UIS (phases 1, 2 and 3) are constructed on granted land. DBF school building, DBS-JP school building and Dubai Studio City staff residential building are constructed on acquired 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.

(c) 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 14).

(d) During 2014, 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, the Group's management has earned a rental income of AED 390,138 (31 August 2023: AED 320,022) from leasing a few retail outlets which are part of the building used for staff accommodation.

(e) Capital work-in-progress (CWIP) represents cost primarily incurred towards construction and expansion of schools in UAE. During the year, the Group has completed the construction activities of the school building and premises of Dubai British School Jumeira and accordingly CWIP amounting to AED 175,140,362 has been capitalized. Further, the Group has capitalised borrowing cost amounting to AED 3,637,762 (31 August 2023: AED 607,676), incurred on the borrowings availed towards the construction of the Dubai British School Jumeira for the year ended 31 August 2024 (Note 12).

(f) During the year, the Group started the construction activities of the school building and premises of Dubai British School Mira. Further, the Group has capitalised borrowing cost amounting to AED 169,391 (31 August 2023: Nil), incurred on the borrowings availed towards the construction of the Dubai British School Mira for the year ended 31 August 2024 (Note 12).

(g) 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 Dubai British School Jumeira.

Of this, an amount of AED 18,763,405 has been transferred to capital work-in-progress during the year ended 31 August 2024 (31 August 2023: AED 2,968,401). As at 31 August 2024, advances amounted to AED 131,144 (31 August 2023: AED 18,894,549). The school construction and development is completed during the year 2023-24.

b) During the year ended 31 August 2024, the Group has paid advance of AED 4,375,943 (31 August 2023: Nil) towards the construction of additional classrooms in Greenfield International School ("GIS").

Of this, an amount of AED 3,360,217 has been transferred to capital work-in-progress during the year ended 31 August 2024. As at 31 August 2024, advances amounted to AED 1,015,726. The construction and development activities are expected to be completed during the year 2024-25.

c) During the year ended 31 August 2024, the Group has paid advances of AED 19,360,493 towards the construction and development of the school building and premises for Dubai British School Mira.

Of this, an amount of AED 1,252,693 has been transferred to capital work-in-progress during the year ended 31 August 2024. As at 31 August 2024, advances amounted to AED 18,107,800. The school construction and development activities are expected to be completed during the year 2024-25.

(h) 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 19.5 million based on the fair value less cost of disposal which is the higher than the value in use. 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 11%;
- 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 13%.

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) growth in student enrollment forecasted 5.7% in academic year 2024-25, and year on year growth in range of 1.6% to 2.5% until academic year 2028-29, and constant thereafter; and (b) growth in tuition fees in range of 2.6% to 3% until academic year 2028-29 (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 previous year, the Group has sub-leased one of the school building to a third party for a period of 15 years.

	2024 AED	2023 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	6,234,848	5,664,372
Charge for the year	570,476	570,476
As at end of the year	**6,805,324**	**6,234,848**
Net carrying value:		
At 31 August	**10,297,647**	**10,868,123**

Following items are recognised in the consolidated statement of profit or loss relating to investment property:

	2024 AED	2023 AED
Rental income	**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. Fees and other receivables

	2024 AED	2023 AED
Fees receivable	4,656,226	4,618,046
Less: allowance for impairment of fees receivable	(4,036,487)	(4,211,063)
Net fees receivable (a)	619,739	406,983
Other receivables	5,090,437	5,524,646
Less: allowance for impairment of other receivables	(4,453,068)	(2,862,084)
Net other receivables (b)	637,369	2,662,562
Net fees and other receivables (a + b)	1,257,108	3,069,545
Prepayments*	15,611,910	12,090,222
VAT receivables	18,170,837	18,399,907
Deposits and advances**	43,331,280	14,608,282
	78,371,135	**48,167,956**

As at 31 August 2024, fees and other receivables with a nominal value of AED 8,489,555 (31 August 2023: AED 7,073,147) were impaired. Movements in the allowance for impairment of fees and other receivables were as follows:

	2024 AED	2023 AED
Balance at the beginning of the year	7,073,147	2,771,762
Charge for the year (Note 18)	3,256,739	5,398,219
Recovery (Note 20.2)	(1,579,913)	(775,166)
Written off	(260,418)	(321,668)
Balance at the end of the year	**8,489,555**	**7,073,147**

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 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**

31 August 2023

	Current	0-365 Days	>365 Days	Total
Expected credit loss rate	-	44%	100%	70%
Estimated total gross carrying	-	5,478,985	4,663,707	10,142,692
Expected credit loss	-	2,409,440	4,663,707	7,073,147
Net fees and other receivables	**-**	**3,069,545**	**-**	**3,069,545**

*Prepayments include AED 10.5 million (31 August 2023: AED 10.4 million) paid towards staff accommodation including advance house rent allowance.

**During the previous year, the Group has provided advance of AED 45 million to the liquidity provider to buy and sell its own shares in conjunction with an agreement entered by the Group. As at 31 August 2024, the amount held by liquidity provider amounts to AED 17.5 million (31 August 2023: AED 3.4 million) (Note 25).

10. Wakala deposits

	2024 AED	2023 AED
Wakala deposits*	396,051,150	545,260,785
Less: Wakala deposits – original maturity less than 3 months (Note 11)	(36,004,650)	(70,112,868)
	360,046,500	**475,147,917**

Wakala deposits are placed with a local bank carrying profit mark-up rates ranging 4.00% to 5.50% (31 August 2023: 2.30% to 5.50% per annum).

*Out of the total IPO proceeds, 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. The Group has earned an interest income amounting to AED 21,531,369 from the Wakala deposits (31 August 2023: AED 21,428,548) (Note 22).

11. Cash and cash equivalents

	2024	2023
	AED	AED
Cash in hand	46,353	62,109
Cash at banks	81,926,811	57,369,435
Sukuk deposits (Note 21)*	255,987,665	100,000,000
Wakala deposits (Note 10)	36,004,650	70,112,868
	373,965,479	**227,544,412**
(Less): Restricted cash**	(33,520,184)	(27,277,810)
Cash and cash equivalents for the purpose of consolidated statement of cash flows	**340,445,295**	**200,266,602**

*Out of the total IPO proceeds, 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 without penalty 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 8,853,472 from the Sukuk deposits (31 August 2023: AED 3,669,951) (Note 21 and 22).

**The cash and cash equivalents disclosed above and in the consolidated statement of cash flows include AED 33,520,184 (31 August 2023: AED 27,277,810) 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.

12. Interest bearing loans and borrowings

	2024	2023
	AED	AED
As at beginning of the year	27,219,909	332,422,210
Add: finance costs charged for the year (Note 23)	1,384,162	12,687,456
Add: Borrowing cost capitalized during the year (Note 8(i)(e) and 8(i)(f))	3,807,153	607,676
Add: loans drawn down (i and ii)	112,000,000	54,000,000
Less: finance costs paid for the year	(4,232,716)	(13,943,536)
Less: loans repaid during the year	**-**	**(358,553,897)**
As at the end of the year	140,178,508	27,219,909
Less: Current portion (relates to accrued interest)	(1,178,508)	(219,909)
Non-current portion	**139,000,000**	**27,000,000**

(i) During the year, the Group had drawn down an additional borrowing of AED 92,000,000 from the existing Ijarah facility for the purpose of construction activities of school building and premises of Dubai British School Jumeira. The amount is repayable in a bullet payment due in April 2026.

During the previous year, the Group had drawn down an additional borrowing of AED 54,000,000. Out of such amount, an amount of AED 27,000,000 was drawn towards the repayment of deferred consideration against the acquisition of JAS. This loan had been fully prepaid during the previous year.

Further, the remaining amount of AED 27,000,000 was drawn down for the purpose of construction activities of school building and premises of Dubai British School Jumeira. The amount is repayable in a bullet payment due in April 2026.

(ii) During the year, the Group obtained a new Islamic Covered Drawing (ICD) facility amounting to AED 130,000,000 million for the purpose of construction activities of school building and premises of Dubai British School Mira. The amount is repayable in a bullet payment due in July 2027. As of 31 August 2024, AED 20,000,000 has been utilized from this facility.

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 2023: 3 months EIBOR plus a profit mark-up per annum), which is payable on quarterly basis.

Borrowing costs amounting to AED 3,807,153 (31 August 2023: AED 607,676) have been capitalised as a part of qualifying assets during the year (Note 8(i)(e) and 8(i)(f)). 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 Hebaih Second, Dubai (Dubai Studio City building) for AED 88.2 million in favor of the bank.
- Plot No. 3923 (676-2451), Al Hebiah 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.

(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 and DBS-M.

(d) Assignment notice in Bank standard format, in respect of Point of Sale (POS) assignment 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) Account Pledge Agreement in respect of account/s required herein.

The Group is required under the above facilities to comply with the following financial covenants:

a) To maintain minimum DSCR of 1.4x at all times;
b) Maximum net debt / EBITDA of 4x; and
c) Maintain gearing ratio maximum of 1x at all times.

13. Provision for employees' end of service benefits

	2024	2023
	AED	AED
As at beginning of the year	32,969,372	29,443,351
Add: provision for the year (Note 19)	13,996,814	12,629,226
Less: payments made during the year	(7,951,253)	(9,103,205)
As at the end of the year	**39,014,933**	**32,969,372**

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.

14. Deferred income on government grant

	2024 AED	2023 AED
At beginning of the year	47,273,331	48,745,974
Add: modification during the year	-	860,690
Less: transferred to profit or loss	**(2,333,333)**	**(2,333,333)**
As at the end of the year	44,939,998	47,273,331
Less: Current portion of deferred income on government grant	(2,333,333)	(2,333,333)
Non-current portion of deferred income on government grant	**42,606,665**	**44,939,998**

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)(c)).

15. Trade and other payables

	2024 AED	2023 AED
Trade payables	44,599,017	58,352,331
Accruals and other payables	60,938,282	52,464,200
Debentures payable	16,461,916	24,810,720
Retentions payable	17,568,387	1,978,934
Dividends payable	45,000	45,000
	139,612,602	**137,651,185**
Less:		
Long-term retentions payable	(835,129)	(1,978,934)
Long-term debentures payable	(10,884,100)	(18,054,911)
	127,893,373	**117,617,340**

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 2024, the debentures payable amounted to AED 2.9 million (31 August 2023: AED 3.5 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 2024, the debentures payable pertaining to Jebel Ali School amounted to AED 13.6 million (31 August 2023: AED 21.3 million).

16.1. Revenue

	2024 AED	2023 AED
Gross tuition fees	907,686,729	794,828,163
(Less): Discounts*	(17,166,198)	(15,054,720)
Net tuition fees	890,520,531	779,773,443
Management fees**	16,888,149	10,433,704
Application fees (on initial admission)	2,113,330	1,877,129
Other operating income (Note 20.1)	35,721,339	26,489,786
	945,243,349	**818,574,062**

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

	2024 AED	2023 AED
Timing of revenue recognition		
Services transferred over time	938,889,526	813,267,671
Services transferred at a point in time	6,353,823	5,306,391
Total revenue from contracts with customers	**945,243,349**	**818,574,062**

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 19).

**Management fee is earned from ADEK and ESE under the service agreement. Management fee includes fixed management fee of AED 7,302,003 (31 August 2023: AED 4,490,000) and variable management fee of AED 9,586,146 (31 August 2023: AED 5,943,704).

16.2. Contract balances

	2024 AED	2023 AED
Fees and other receivables (Note 9)	1,257,108	3,069,545
Fees received in advance	**328,281,594**	**292,313,089**

The amount of revenue recognised from fees received in advance at the beginning of the year is AED 292,313,089 (31 August 2023: AED 252,570,233).

17. Operating costs

	2024 AED	2023 AED
Staff costs and other benefits (Note 19)	498,850,970	438,243,466
School supplies	31,651,795	26,545,094
Lease rent and service charges (Note 28(iii))	8,338,967	6,319,061
Bank charges	6,284,457	5,023,360
Others (mainly visa, training and development)	7,690,530	6,786,949
	552,816,719	**482,917,930**

18. General and administrative expenses

	2024 AED	2023 AED
Staff costs and other benefits (Note 19)	30,809,155	29,838,757
Water and electricity charges	21,690,990	19,575,846
Repairs and maintenance	24,106,298	18,357,371
Janitorial and security	14,540,116	14,023,260
Legal and professional	11,696,529	14,895,644
Marketing and advertisement	10,031,681	7,926,656
Board remuneration, compensation and other benefits (Note 21)	5,250,000	11,025,300
Impairment loss on fees and other receivables (Note 9)	3,256,739	5,398,219
Printing and stationery	3,206,992	2,909,114
Travel and communication	2,410,161	2,014,415
Office rent (Note 28(iii))	1,002,314	753,417
Others (mainly events, insurance, bank charges, penalties)	4,798,743	11,443,815
	132,799,718	**138,161,814**

The Group has made social contribution amounting to AED 359,813 for the year ended 31 August 2024 (31 August 2023: AED 230,641).

19. Staff costs and other benefits

	2024 AED	2023 AED
Salary and allowances	395,097,016	353,559,382
Staff accommodation (Note 28(iii))	84,988,670	68,629,137
Staff - discount on tuition fees	35,577,625	33,264,478
Employees' end of service benefits (Note 13)	13,996,814	12,629,226
	529,660,125	**468,082,223**
Staff costs are included in:		
Operating costs (Note 17)	498,850,970	438,243,466
General and administrative expenses (Note 18)	30,809,155	29,838,757
	529,660,125	**468,082,223**

20.1. Other operating income

	2024 AED	2023 AED
Transport income	15,501,638	12,381,505
Income - sports activity	14,645,555	9,467,979
Commission - uniforms	2,862,558	2,455,165
Commission - cafeteria	1,377,935	974,097
Debenture income	688,736	711,040
Income from conferences	644,917	500,000
	35,721,339	**26,489,786**

20.2. Other income

	2024 AED	2023 AED
Bad debt recoveries (Note 9)	1,579,913	775,166
Gain on disposal of property and equipment	131,433	48,229
Miscellaneous income (mainly reversals of liabilities no longer required)	5,448,217	2,894,377
	7,159,563	**3,717,772**

21. Related party transactions and balances

Related parties includes the Group's significant shareholders as disclosed in Note 24, 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:

Entity with significant influence over the Group:	2024 AED	2023 AED
National Bonds Corporation ("NBC")		
Profit from sukuk deposits (Note 22)	8,853,472	3,669,951
Cash dividends paid	(24,599,865)	(15,552,012)
Sukuk deposits made during the year, net	(155,723,870)	(84,000,000)
Knowledge Fund ("KF")		
Rent payment	(2,178,838)	(369,386)
Cash dividends paid	(15,001,081)	(12,273,612)
Tuition fees received from Board of Directors, net of discounts	154,338	185,137

Compensation to key management personnel

	2024 AED	2023 AED
Short-term employee benefits	8,357,033	5,360,500
Provision for employees' end of service benefits	235,980	139,452
Tuition fee discounts	564,510	631,971
Executive Committee and Audit Committee compensation	1,150,000	1,500,000
Board remuneration, compensation and other benefits (Note 18)	5,250,000	11,025,300
	15,557,523	**18,657,223**

(b) Related party balances

Due from related parties

	2024 AED	2023 AED
National Bonds Corporation		
Sukuk deposits (Note 11)	**255,987,665**	**100,000,000**
Knowledge Fund		
Trade receivables	**315,664**	**138,140**

(c) Share capital

As at 31 August 2024, the shareholding includes 9.62% of shares in the Company held by the Board of Directors comprising 96,245,362 shares (31 August 2023: 9.63%, comprising 96,255,362 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 2024, the Group has not recognised any provision for expected credit losses relating to amounts owed by the related parties (31 August 2023: Nil).

22. Finance income

	2024 AED	2023 AED
Profit from wakala deposits (Note 10)	21,531,369	21,428,548
Profit from sukuk deposits (Note 21(a))	8,853,472	3,669,951
Finance income from sub-lease	190,825	200,134
Other finance income	122,984	206,078
	30,698,650	**25,504,711**

23. Finance costs

	2024 AED	2023 AED
Finance costs on lease liabilities (Note 28(ii))	16,357,475	11,249,612
Finance costs on interest bearing loans and borrowings (Note 12)	1,384,162	12,687,456
Unwinding of liability towards debentures payable	1,280,610	1,516,121
Unwinding impact of deferred payment for acquisition of Jebel Ali School (Note 6(b))	-	1,200,347
	19,022,247	**26,653,536**

Borrowing costs amounting to AED 3,807,153 (31 August 2023: AED 607,676) have been capitalised as a part of qualifying assets during the year (Note 8(i)(e), 8(i)(f) and Note 12).

24. Share capital

	2024 AED	2023 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")

Name of shareholder	2024 % shareholding	2023 % shareholding
National bonds sole proprietorship PSC	22.41%	22.41%
Knowledge fund establishment	13.64%	13.64%
ITG Office limited (formerly Al Mal Capital PJSC)	7.25%	7.43%
Ahmad Saad Mohd Fawzi Al Khayyar	6.19%	6.19%
Norges Bank	5.23%	4.74%
Commercial investment group LLC	-	7.25%

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.

25. Own shares

During 2022-23, the Group had engaged a third-party licensed Market Maker 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 2024, the Market Maker held 5,935,113 (31 August 2023: 10,511,347) of the Company's shares on behalf of the Group at par value and the Group recorded the premium paid over and above par value as own shares reserve of AED 23.01 million (31 August 2023: AED 31.06 million), which is classified under equity as at 31 August 2024.

Further, accumulated loss (net) of AED 6.78 million has been recognised until 31 August 2024 and netted off against own shares reserves (31 August 2023: accumulated gain (net) of AED 1.96 million). The advance receivable from liquidity provider as at 31 August 2024 amounts to AED 17.5 million (31 August 2023: receivable of AED 3.4 million). The dividends from own shares earned during the year ended 31 August 2024 amounts to AED 1.45 million (31 August 2023: Nil).

26. Statutory reserve

In accordance with the U.A.E. Federal Decree 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.

27. Dividends

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 (2023: Dividend of AED 0.09 per share amounting to AED 67,500,000 on 28 October 2022). Of this, dividend amounting to AED 110,000,000 was paid during the year ended 31 August 2024 (2023: of this, dividend amounting to AED 67,455,000 was paid during the year ended 31 August 2023).

28. Leases

The Group leases land and buildings. Lease terms and rental calculations vary between different lease agreements. The leases typically run between 20 to 50 years.

i. Right-of-use assets

	2024 AED	2023 AED
At the beginning of the year	211,434,597	177,130,827
Additional lease assets	66,183,589	48,518,451
Lease modifications	(4,605)	-
Amortisation charge for the year	(17,357,486)	(14,214,681)
At the end of the year	**260,256,095**	**211,434,597**

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 2024, the carrying value of net investment in finance lease amounting AED 3,260,205 (31 August 2023: AED 3,623,459).

ii. Lease liabilities

	2024 AED	2023 AED
At the beginning of the year	234,165,992	201,000,269
Additional lease liabilities	66,183,589	43,401,970
Finance costs on lease liabilities (Note 23)	16,357,475	11,249,612
Less: payments made against lease liabilities	**(24,285,072)**	**(21,485,859)**
At the end of the year	292,421,984	234,165,992
Less: current portion of lease liabilities	(17,013,944)	(18,367,004)
Non-current portion	**275,408,040**	**215,798,988**

During the year ended 31 August 2024, the Group entered into a new land lease agreement for construction of a school in Dubai. The lease commenced on 29 January 2024 and has a lease term of 30 years.

iii. Amounts recognised in the consolidated statement of profit or loss

	2024 AED	2023 AED
Amortisation of right-of-use assets	17,357,486	14,214,681
Finance cost on lease liabilities (Note 23)	16,357,475	11,249,612
Expense relating to short term leases and low value assets (recognition exemption under IFRS 16)*	94,329,951	75,701,615
	128,044,912	**101,165,908**

*Expense relating to short term leases and low value assets recorded in the consolidated statement of profit or loss are as under:

	2024 AED	2023 AED
Staff accommodation (Note 19)	84,988,670	68,629,137
Lease rent and service charges (Note 17)	8,338,967	6,319,061
Office rent (Note 18)	1,002,314	753,417
	94,329,951	**75,701,615**

iv. Amounts recognised in the consolidated statement of cash flows

	2024 AED	2023 AED
Total cash outflows for leases (excluding cash outflow relating to recognition exemption for short-term leases and low value assets)	**24,285,072**	**21,485,859**

29. Contingencies and capital commitments

	2024 AED	2023 AED
(a) Capital commitments	148,182,646	127,489,321
(b) Bank guarantees	**293,765,207**	**209,695,692**

As at 31 August 2024, the Group's capital commitments relates to its on-going construction of Dubai British School, Jumeira, Dubai British School, Mira and Greenfield International School in Dubai, UAE.

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 Emirates Schools Establishment in relation to the underlying management agreement for operation of schools.
(iii) guarantees issued by the Group in favor of Knowledge Fund Establishment in relation to the construction of Dubai British School, Jumeirah.

30. 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 Group has 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 under the purview of the chief operating decision maker.

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 operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. Transactions between segments, if any, are conducted at mutually agreed terms and conditions and are fully eliminated on consolidation.

Geographic segments

As at 31 August 2024, all of the business activities and operations of the Group are in the UAE.

Primary segment information

Segmental information is presented below:

Year ended 31 August 2024 (In AED):

	School operations	Corporate head office	Consolidated
Revenue			
External customers	**945,243,349**	**-**	**945,243,349**
Finance and other income			
Finance income	30,698,650	-	30,698,650
Other income	7,159,563	-	7,159,563
Income from deferred government grant	**2,333,333**	**-**	**2,333,333**
Expenses			
Staff costs	(520,502,602)	(9,157,523)	(529,660,125)
Operating costs and general and administrative expenses	(149,556,312)	(6,400,000)	(155,956,312)
Depreciation, impairment and amortisation	(100,381,926)	-	(100,381,926)
Finance costs	(19,022,247)	-	(19,022,247)
Segmental profit	**195,971,808**	**(15,557,523)**	**180,414,285**

Year ended 31 August 2023 (in AED):

	School operations	Corporate head office	Consolidated
Revenue			
External customers	**818,574,062**	**-**	**818,574,062**
Finance and other income			
Finance income	25,504,711	-	25,504,711
Other income	3,717,772	-	3,717,772
Income from deferred government grant	**2,333,333**	**-**	**2,333,333**
Expenses			
Staff costs	(461,950,300)	(6,131,923)	(468,082,223)
Operating costs and general and administrative expenses	(140,472,221)	(12,525,300)	(152,997,521)
Depreciation, impairment and amortisation	(86,619,673)	-	(86,619,673)
Finance costs	(26,653,536)	-	(26,653,536)
Segmental profit	**134,434,148**	**(18,657,223)**	**115,776,925**

Corporate head office is not an operating segment and comprises mainly administrative and payroll costs relating to the certain key management personnel which are not assigned to the "School operations" segment.

	2024 AED	2023 AED
Reconciliation of profit		
Segment profit	180,414,285	115,776,925
Rental income	1,631,784	1,561,668
Profit for the year before tax	**182,046,069**	**117,338,593**

Other segment information

Segment assets and liabilities comprise all assets and liabilities reflected in the consolidated statement of financial position as at 31 August 2024 and 2023. This is entirely attributable to the "School operations" segment. All such assets (including capital expenditure) and liabilities are relating to the Group's operations in UAE.

31. 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 2024 and 2023, there were no shares which were dilutive in nature.

The information necessary to calculate basic and diluted earnings per share is as follows:

	2024 AED	2023 AED
Profit for the year attributable to equity holders of the Company (AED)	**138,001,982**	**117,338,593**
Weighted average number of shares*	**990,950,162**	**932,794,555**
Attributable to the shareholders:		
Basic and diluted earnings per share (AED per share)	**0.14**	**0.13**

*the weighted number of ordinary shares takes into account the weighted average effect of changes in own shares during the year.

32. 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:

	2024 AED
Current income tax	
Current income tax expense	(16,706,004)
Deferred tax	
Deferred income tax expense relating to origination and reversal of temporary differences	(27,338,083)
Income tax expense reported in the consolidated statement of profit or loss	**(44,044,087)**

Following is the reconciliation of current income tax expense and accounting profit:

	2024 AED
Accounting profit for the period before tax	182,046,069
At the UAE statutory tax rate of 9% charged during the year	**(16,384,146)**
Adjustments in respect of standard deduction as per the Law*	67,500
Non-deductible expense for tax purpose:	
Entertainment expense (50% allowed as per the Law)	(68,190)
Fines and penalties (disallowed as per the Law)	(40,124)
Adjustment on historical business combinations	(281,044)
At the effective current income tax rate of 9.18%	**(16,706,004)**

*As per the UAE CT law, maximum standard deduction applicable for each tax group is AED 375,000. The standard deduction applicable for the two tax groups considered by the Group amounts to AED 750,000 on which tax rate at 9% amounts to AED 67,500.

As at 31 August 2024, income tax provision amounts to AED 16,706,004 (31 August 2023: Nil).

The deferred tax liability comprises of the following temporary differences:

	2024 AED
Goodwill	21,599,798
Other intangible assets	3,254,781
Other fair value adjustments (mainly relates to property and equipment)	2,483,504
As at 31 August	**27,338,083**

	2024 AED
Reconciliation of deferred tax liabilities, net:	
As at 1 September 2023	-
Tax expense recognised during the year*	(27,694,215)
Tax benefit due to amortisation during the year	356,132
As at 31 August 2024	**(27,338,083)**

*The deferred tax liability is recognised in relation business combinations undertaken by the Company in UAE prior to the effective date of the enactment of the UAE CT law.

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.

33. Subsequent events

Subsequent to the year, the Board of Directors of the Company has proposed a cash dividend of AED 120 million (AED 0.12 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.

34. Comparative information

Certain comparative figures have been reclassified to conform to the presentation adopted in these consolidated financial statements. Such reclassifications do not affect the previously reported consolidated profit or equity.

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