

Digital Infrastructure for Education Systems

Delivering measurable learning outcomes
through AI-enabled infrastructure.

About This Digital-First Integrated Annual Report

Alef Education Holding PLC presents its second Integrated Annual Report in a digital-first format. Drawing on the principles of the Integrated Reporting Framework of the IFRS Foundation, the report provides a connected view of strategy, platform capability, governance, and financial performance within a single coherent narrative.

The report is anchored by the Value Creation Model introduced this year, which connects strategy, operations, and financial performance within a unified framework for understanding how Alef Education creates, sustains, and expands value.

Designed for digital navigation, the report enables readers to move seamlessly between strategy, performance, and capital outcomes while maintaining an integrated line of sight across the business.

The AI-Powered Annual Report Reading Assistant (AIPARA) further enhances the experience through intelligent search and contextual guidance.

A complete PDF-twin is available for download, printing, and archiving.

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Financial Performance and Capital Position

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FY2025 Highlights

Revenue: **AED 769.5 Mn.**
(+1.4% YoY)

Operating Expenses: **AED 218.8 Mn.**
(-10% YoY)

EBITDA: **AED 550.7 Mn.**
(+7% YoY)

EBITDA Margin: **71.6%**
(+360 bps YoY)

Net Profit: **AED 481.1 Mn.**
(+8% YoY)

Net Profit Margin: **62.5%**
(+350 bps YoY)

Cash and Equivalents: **AED 619.5 Mn.**
(+56% YoY)

Debt: **0**

Shareholder Returns

Guaranteed FY2025 dividend:
AED 135 Mn.

Dividends proposed out of 2025 net profits:
AED 433 Mn.
(Subject to shareholder approval at the AGM)

Payout ratio:
90% of annual net profit

Dividend yield as of 5 February market price:
~10%

The Group maintains a strong liquidity position and a debt-free balance sheet, providing flexibility to invest in platform development, international expansion, and sustained shareholder returns.

Alef Education delivered resilient performance in FY2025, supported by long-term institutional contracts, expanding B2B and B2G activity, and the scalability of its integrated platform model.

Operating Footprint

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Alef Education operates an integrated AI-powered learning platform serving public and private education systems across the UAE and selected international markets.

Group Platform Scale (FY2025)		Public Sector (UAE – ADEK)		Private Schools (UAE – B2B)	
1.8 Mn. + registered students	17K + schools served	73,000+ students supported	Long-term mandate extended to 2033	183 schools	36% UAE private-school market coverage
79K + teachers supported	3 countries live			122,000+ paying students	
B2B and B2G Expansion			Miqyas Al-Dhad – National Arabic Language Assessment Platform		
8 contracts signed in FY2025	AED 64.4 Mn. total contract value secured	Active multi-country engagement across MENA and selected international markets	Field tested across 110,000 students	204 schools	9 countries First commercial contract secured ahead of planned Q1 2026 launch

Awards and Recognition



2025 CODiE Award
 Best Science Instructional Solution (K–8)



GESS Education Award 2025
 Best Digital Educational Resource/Product



Included in
MSCI UAE
 Small Cap Index

Our Journey

From Platform Pioneer to Education Infrastructure Partner

Since its establishment in 2016, Alef Education has evolved from a single-school pilot into a publicly listed education technology company operating as a long-term infrastructure partner to public and private education systems across multiple markets.

Our DNA

We are founded on the belief that every learner deserves the opportunity to fulfill their unique potential, and our business is redefining education and empowering learners and educators at every step.



Vision

Education redefined — where every learner and educator fulfills their unique potential.



Mission

Making education accessible to all and improving outcomes through AI-powered personalized learning and the latest pedagogical frameworks rooted in data science.

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Foundation (2016–2018)

Proof of Concept and Early Public Adoption

- UAE Ministry of Education agreement to deploy Alef Platform in Abu Dhabi public schools
- Platform adaptability validated across curricula



Institutionalisation (2019–2022)

Long-Term Mandate and Product Expansion

- Long-term ADEK contract signed
- Expansion into Indonesia
- Launch of Arabits



Strategic Scaling and IPO (2023–2024)

Platform Expansion and Public Listing

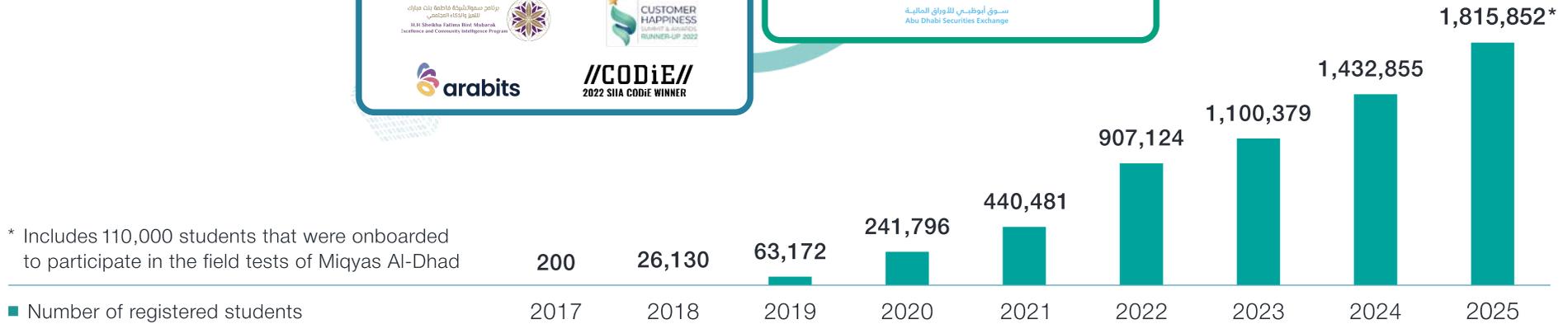
- Launch of Alef Pathways
- Expansion into Morocco
- Successful IPO on ADX (June 2024)
- Miqyas AI-Dhad initiated via JV with MetaMetrics®



Infrastructure and International Expansion (2025–2026)

Operating Leverage and Assessment Infrastructure Readiness

- 8 contracts signed (AED 64.4m total contract value)
- Inclusion in MSCI UAE Small Cap Index
- ADEK mandate extended to 2033
- Miqyas AI-Dhad validated across 110,000 students in 9 countries
- Planned Q1 2026: Commercial launch of Miqyas AI-Dhad



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Chairman's Message

Building Trusted Education Infrastructure



H.E. Abdulhamid M. Saeed Alahmadi
Chairman

2025 marked an important year in Alef Education's development as a publicly listed education technology company and a trusted partner to national education systems.

Our strategy remains clear: to operate as integrated education infrastructure embedded within public and private systems, delivering measurable learning outcomes underpinned by strong governance and disciplined growth.

The extension of the ADEK mandate through 2033 reinforces the durability of our institutional partnerships and the strength of our operating model. This long-term visibility enables continued investment in platform capability, product innovation, and international expansion while supporting an attractive and sustainable return profile for shareholders.

During the year, Alef broadened its capabilities across both instruction and assessment. The development and validation of Miqyas Al-Dhad represent an important advancement in Arabic language assessment infrastructure. At the same time, our core learning and analytics platform continues to serve students daily, generating insights that strengthen classroom outcomes and system performance.

Board oversight remains focused on governance, risk management, and long-term sustainability. Artificial intelligence, data protection, cybersecurity, and regulatory compliance remain central priorities as the platform expands across jurisdictions.

Alef Education operates at the intersection of education, technology, and public policy. Our responsibility therefore extends beyond financial performance. We remain committed to strengthening human capital development across the systems we serve while delivering consistent and sustainable returns to shareholders through prudent capital stewardship.

The Board remains confident in the Group's direction and in the resilience of a model built on institutional trust, scalable technology, and disciplined execution. As Alef continues to scale, our focus remains clear: strengthening education systems through trusted digital infrastructure while delivering sustainable long-term value for our shareholders.

xx March, 2026

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CEO's Message

Scaling a Unified Platform



Geoffrey Alphonso
Chief Executive Officer

Alef Education's progress in 2025 reflects the strength of a unified platform supporting both public and private education systems.

Our focus during the year was on execution: enhancing core capabilities, deepening existing partnerships, and selectively expanding into new markets. We signed eight contracts across B2B and B2G segments, securing AED 64.4 Mn. in total contract value, while strengthening our international engagement pipeline.

The Alef Platform stands out for its integration. Learning delivery, continuous assessment, analytics, and decision support are all built into one unified system. This architecture preserves data continuity, strengthens insight quality, and supports measurable learning progress at scale.

Continued development of platform capabilities, AI-enabled learning, assessment, and analytics, and curriculum-aligned content reinforces our commitment to improved educational outcomes. Meanwhile, Miqyas AI-Dhad has advanced from development to large-scale validation, establishing the foundation for commercial launch in 2026.

Growth decisions remain deliberate. We prioritise depth within systems before breadth across geographies, focusing on long-term institutional engagement and sustained integration rather than short-term expansion.

Alef Education's solutions are delivered through a configurable platform architecture that integrates learning, assessment, and analytics within a unified system. This design enables adaptability across diverse education environments while sustaining operational efficiency, scalability, and margin discipline.

As we look ahead, our priorities remain clear: strengthening platform capability, expanding selectively where institutional alignment exists, maintaining service quality, and delivering sustainable value.

We enter the next phase of growth with strong liquidity, a clear strategic direction, and a platform that continues to mature as it scales. With strong institutional partnerships and a scalable operating model, we are well positioned to continue delivering measurable educational impact and sustainable growth.

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CFO's Message

Resilient Financial Performance and Disciplined Capital Allocation



Amit Choudhary
Chief Financial Officer

Alef Education delivered resilient financial performance in FY2025, supported by long-term contractual visibility, operating efficiency, and the scalability of its technology platform.

Revenue reached AED 769.5 Mn., while EBITDA increased to AED 550.7 Mn., representing a margin of 71.6% and reflecting the operating leverage inherent in the Group's platform model. Net profit for the year was AED 481.1 Mn., reflecting disciplined cost management and the operating leverage inherent in the Group's platform architecture.

The Group remains debt-free and closed the year with cash and equivalents of AED 619.5 Mn. This liquidity provides flexibility to invest in platform capability, support international expansion, and sustain shareholder returns.

Dividend and Shareholder Returns

In line with the Group's stated dividend policy, total dividends of AED 433.0 Mn. were proposed for FY2025, representing a 90% payout ratio of annual net profit.

An interim dividend of AED 209.0 Mn. was distributed during the year, and a final dividend of AED 224.0 Mn. has been proposed, subject to shareholder approval at the AGM.

The dividend is supported by earnings and operating cash flows. The Group's recurring revenue profile and long-term public-sector mandates enhance cash flow predictability, enabling sustained distributions alongside continued reinvestment.

Capital Allocation Framework

Alef Education's capital allocation framework remains focused on three priorities: continued investment in platform development, AI capability, and assessment infrastructure; selective expansion into new markets through system-level engagement; and distribution of dividends in line with policy.

Operating leverage remains a defining characteristic of the Group's platform architecture. As the platform scales, incremental revenue contributes disproportionately to profitability due to the largely fixed nature of the underlying technology infrastructure. This structural feature supports margin resilience while preserving reinvestment capacity.

The extension of the Abu Dhabi Department of Education and Knowledge (ADEK) mandate through 2033 further strengthens revenue visibility and underpins medium-term planning.

Alef Education enters the next financial year with a strong balance sheet, high earnings quality, and a clear capital framework that supports both growth and sustained shareholder returns. Alef Education's financial strength reflects the scalability of our solutions and the durability of our institutional partnerships, providing a strong foundation for continued investment and shareholder value.

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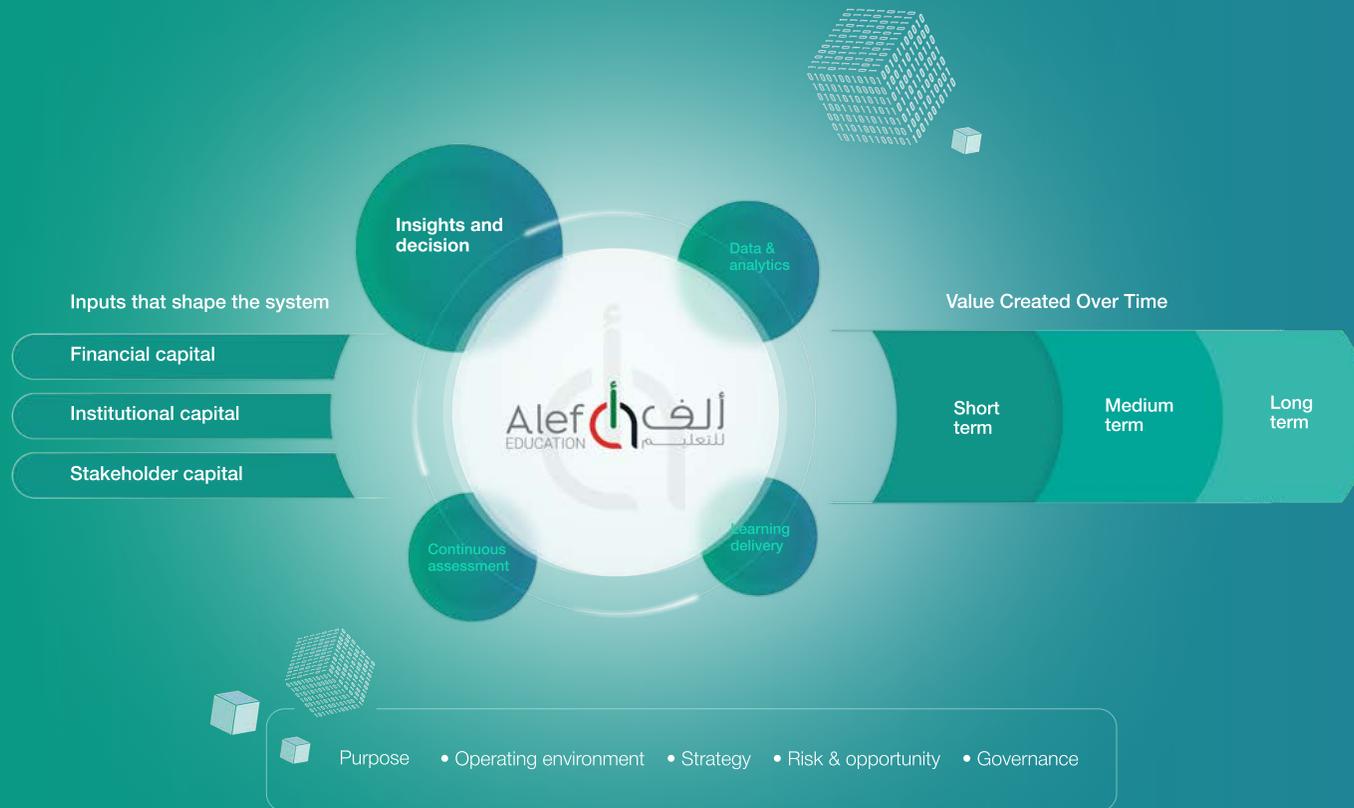
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Value Creation Model

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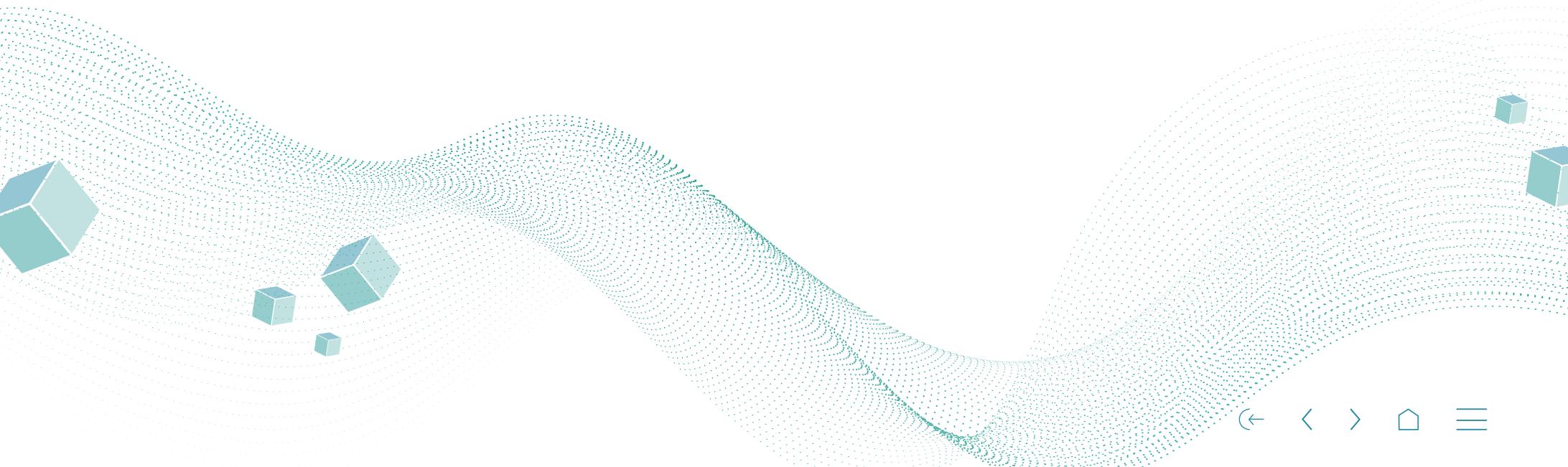
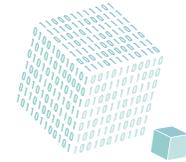
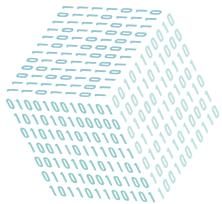
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A System Designed to Expand Value Over Time

Alef Education operates AI-enabled digital infrastructure for education systems that generates sustainable value for students and teachers, education authorities, shareholders, and wider society.

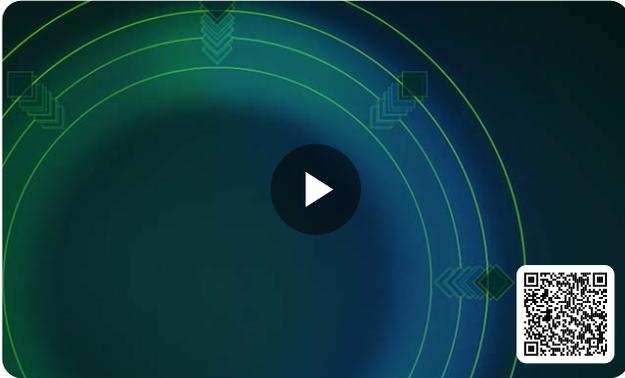
The model integrates financial capital, institutional capital, and stakeholder capital within a single scalable architecture that aligns learning delivery, assessment, and system insight.

Value is created through embedded, long-term system integration. As delivery cycles repeat, insight compounds, institutional reliance deepens, and financial durability strengthens alongside measurable educational progress.



How the Architecture Works

The Capital Foundations



Alef Education's architecture is built on three reinforcing forms of capital: financial, institutional, and stakeholder. Financial capital provides continuity through long-term mandates and recurring revenue, enabling sustained investment in platform development and AI capability. Institutional capital integrates proprietary technology, curriculum alignment, assessment science, and ministry-level experience within a single backbone. Stakeholder capital reflects deep system integration across students, teachers, and authorities. Together, these inputs create a stable foundation from which learning delivery generates data, and data strengthens system reliance.

The Learning and Insight Engine



At the core of the architecture is a unified engine that integrates learning delivery, continuous assessment, data aggregation, and actionable insight. Instruction is embedded within curriculum workflows, assessment operates alongside daily learning, and performance data flows seamlessly across classroom and system levels. Artificial intelligence enhances personalisation while remaining governed within defined pedagogical parameters. These components function as one coherent architecture, preserving continuity between instruction, measurement, and decision-making across academic cycles.

Value Compounds Over Time



The architecture strengthens as it operates. Each deployment generates data; accumulated data refines insight; refined insight improves outcomes and deepens institutional trust. Over successive academic cycles, mandates extend, system integration broadens, and operational leverage increases. Value is therefore not realised at activation but compounds through continuity. As reliance deepens, renewal visibility strengthens and financial durability aligns with measurable educational progress. The model is designed not for episodic deployment, but for long-term system integration.

Inputs that Shape the System

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Financial Capital

- Equity Funded
- High Cash Reserves
- No External Debt
- Strong and Predictable Cash Flow

The Group remains debt-free and closed the year with AED 619.5 Mn. in cash and equivalents. The extension of the ADEK mandate through 2033 enhances planning visibility and supports a clear capital allocation framework.

Financial capital underpins continuity. It enables sustained investment in platform development, AI capability, assessment infrastructure, and selective geographic expansion, while maintaining balance sheet strength.

Long-Term Mandates Supporting Continuity

Alef Education's financial foundation is anchored in recurring public-sector mandates and subscription revenues within the private segment.

In FY2025, the Group delivered:

Revenue: AED 769.5 Mn.	EBITDA Margin: 71.6%	Net Profit: AED 481.1 Mn.
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Institutional Capital

Technology, Standards, and System Legitimacy

Institutional capital reflects more than technology ownership. It represents the integration of proprietary architecture, curriculum alignment, assessment science, AI capability, sector expertise, and formal institutional relationships.

Platform and Standards Infrastructure

Alef Education's solutions are aligned with internationally recognised measurement frameworks, including:

<p>Quantile® measures for mathematics</p>	<p>Lexile® measures for reading and language</p>
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Selected solutions align with recognised evidence standards, including ESSA Tier 2 and Tier 3 classifications.

Independent research has demonstrated measurable improvements in diagnostic performance, including:

<p>5.67% improvement in Quantile scores among users of the Pathways solution</p>	<p>4.18% improvement associated with AI-supported instruction</p>
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These validations strengthen credibility with ministries, regulators, and institutional partners, reinforcing system-level confidence.

Human and Sector Expertise

Alef Education's multidisciplinary teams include curriculum specialists, subject matter experts, psychometricians, AI engineers, data scientists, and public-sector deployment specialists. This integrated capability enables implementation across complex education ecosystems while maintaining curriculum alignment, performance measurement integrity, and regulatory compliance.

Institutional Relationships and Ecosystem Alignment

Alef Education collaborates with:

- Ministries of Education and national authorities
- International assessment and standards organisations
- Academic and research institutions
- Strategic partners such as MetaMetrics® in the development of Miqyas Al-Dhad

These relationships ensure platform evolution remains aligned with policy frameworks, pedagogical standards, and national education priorities.

Institutional capital therefore reflects recognised standards alignment, sector expertise, and structured collaboration with system-level actors.



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Stakeholder Capital

Embedded at System Scale

System-Embedded Relationships at Scale

Alef Education's Stakeholder Capital reflects the depth, continuity, and scale of its relationships across the education ecosystem, including ministries, authorities, private school groups, educators, students, and families. These relationships are embedded within operating education systems rather than structured as stand-alone deployments.

As at FY2025, the platform supports:

<p>1.8 Mn. + registered students</p> <p>79K + teachers</p> <p>17K + schools</p>	<p>623K + students under the core UAE mandate</p> <p>36% coverage of UAE private schools</p> <p>Operations live in three countries</p>
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Stakeholder capital is reinforced through:

- Long-term institutional mandates and recurring government partnerships
- Deep integration within Abu Dhabi's public education system
- Real-time data and analytics supporting school leadership decision-making
- Large-scale validation of Miqyas Al-Dhad across 110,000 students in nine countries

These system-level relationships generate recurring engagement, operational insight, renewal visibility, and product refinement within data-rich deployment environments. They provide a durable foundation for revenue continuity and structured international expansion.

Stakeholder capital is therefore relational, data-enabled, and system-embedded, strengthened by institutional trust, demonstrated outcomes, and operating continuity at scale.

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Stakeholder Outcomes



Students

Engaging and interactive learning experiences tailored to individual needs.

A unified, student-centric experience with an adaptable delivery system, engaging and creative course material, and robust feedback and remediation processes.

Teachers

Data-rich feedback that allows for adaptation of teaching strategies to achieve outcomes.

Integrated application that reduces administrative burden and provides real-time, holistic insights on student progress and outcomes.

Industry decision-makers

Wide-ranging toolset of AI-powered analysis that offers valuable insights against educational KPIs.

Real-time, AI/ML-powered, dashboards for everything from reporting to trend tracking, research, analysis, predictive modeling, and efficacy studies.

Parents / guardians

Better understanding and engagement with a learner’s educational journey, and improved connectivity with the education system and institutions.

Real-time access (through the Alef Guardian App) to learner tasks, performance, and progress; routine analytical insights; and integration with school communication channels.

School administrators

Comprehensive data and insights that provide a holistic perspective and allow for informed decision-making.

Simplified oversight of overall school performance, customized report generation, and AI-aided analysis of a multitude of data-points.

The Alef Platform

The Product Ecosystem



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The Alef Platform is delivered through a structured ecosystem of solutions, each operating within the shared architecture.

	Alef Pathways	Alef Assessments	Abjadiyat	arabits	مقاييس الضاد Miqyas AlDhad	Toki	Alef Academy
Purpose	Adaptive learning pathways supporting diagnostic-based progression across core subjects.	Baseline, growth, and diagnostic assessment tools embedded within the platform.	Arabic literacy foundation for early learners.	Digital Arabic language learning solution for international learners.	Arabic language proficiency and text measurement platform.	AI-enabled instructional support and examination preparation.	Professional development and teacher enablement.
Differentiator	Alignment with Quantile® and Lexile® measures; AI-supported personalisation embedded within curriculum workflows.	Continuous assessment integrated directly into learning workflows.	Early childhood focus integrated within the broader learning lifecycle.	Scalable Arabic instruction adaptable across geographies and curricula.	A first-of-its-kind Arabic language measurement infrastructure that moves Alef Education beyond classroom instruction into standards calibration, national benchmarking, and cross-system comparability.	Curriculum-aligned artificial intelligence embedded within the platform environment.	Professional learning aligned with platform-generated performance insights.
Scale Evidence	Demonstrated 5.67% improvement in diagnostic scores among active users.	Large-scale deployment within the UAE public education system.	Adopted across UAE public and private education segments.	International deployment footprint across multiple markets.	Validated across 110,000 students in nine countries, with commercial launch planned for Q1 2026.	Demonstrated measurable improvement in student performance outcomes.	Deployed across system-level implementations to support teacher engagement.
Strategic Role	Deepens instructional capability within mandates and supports cross-subject expansion.	Strengthens data continuity and national benchmarking capability.	Extends platform coverage into foundational literacy stages.	Supports cross-border expansion and cultural alignment strategy.	Positions Alef Education within national assessment infrastructure, extending beyond classroom instruction into standards calibration.	Enhances personalisation and strengthens competitive positioning.	Improves adoption, strengthens retention, and reinforces long-term system integration.

The Alef Platform

Why Alef Education is Structurally Different

An Integrated Education Infrastructure. Not a Point Solution.

Alef Education operates as system-level education infrastructure rather than a provider of isolated digital tools.

While many education technology solutions address individual components of the learning process—such as content delivery, assessment, analytics, or tutoring—as stand-alone products, Alef Education integrates these capabilities within a unified architecture designed for institutional deployment.

This structural integration creates durable advantages.

End-to-End Continuity

Instruction, assessment, analytics, and decision support operate within one coherent system. Data flows seamlessly from classroom activity to system-level reporting, eliminating fragmentation and preserving measurement integrity across academic cycles.

Standards-Based Measurement

Alignment with internationally recognised frameworks, including Quantile® and Lexile®, enables consistent benchmarking across grades and subjects. Assessment capability is embedded within instruction rather than layered on externally, strengthening data continuity and comparability.

Embedded Artificial Intelligence

Artificial intelligence is integrated within curriculum workflows and governed through structured controls. Personalisation, automated question generation, and recommendation engines operate within defined pedagogical and regulatory parameters, enhancing learning without compromising oversight.



Authority-Anchored Deployment

Alef engages at ministry and system levels, enabling coordinated implementation across public education networks. Long-term mandates provide operational stability, deeper integration, and continuity of service.

Scalable, Configurable Architecture

The platform adapts across curricula, languages, and regulatory environments without duplicating infrastructure. Expansion occurs through configuration rather than parallel builds, preserving architectural coherence as scale increases.

Designed for Depth Before Breadth

Alef prioritises sustained system integration over rapid geographic expansion. Growth is driven by long-term institutional engagement, data continuity, and structured professional enablement rather than transactional adoption.

This approach reinforces retention, strengthens outcome measurement, and enhances renewal visibility.

Alef Education's differentiation does not lie in isolated features. It lies in the coherence of its architecture; a unified platform designed to operate as national education infrastructure.

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Value Creation Across Time Horizons

Short-Term Value

System Activation, Visibility, and Contractual Delivery

In the initial phase, value is created when an education system is activated on the Alef Platform. Curriculum-aligned instruction and embedded assessment are deployed across defined grades and schools, enabling structured digital learning at scale.

Embedded assessment provides near real-time visibility into participation, coverage, and early learning signals. Authorities gain assurance on delivery and reach; teachers receive actionable classroom feedback.

Financial value at this stage is driven by defined scope execution and predictable revenue recognition under multi-year mandates, supporting stability and continuity.

These outcomes contribute to SDG 4 – Quality Education by enabling structured access and measurable participation at scale.

As at FY2025, the platform supports:

1.8 Mn. +
registered students

79K+
teachers

17K+
schools

623K+
students under the core UAE
mandate

122K+
paying students across 36% of UAE private schools



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Value Creation Across Time Horizons

Medium-Term Value

Instructional Improvement, Equity Signals, and Operating Leverage

Across repeated academic cycles, value shifts from activation to instructional effectiveness.

As data accumulates, authorities can identify persistent learning gaps, evaluate interventions, and refine delivery models using longitudinal insight. Measurable performance improvements, including a 5.67% increase in Quantile scores among users of Alef Pathways and a 4.18% uplift associated with AI-supported instruction, demonstrate how sustained engagement strengthens outcomes.



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At this stage, equity becomes observable. System-level data enables comparison across schools, regions, and learner groups, supporting evidence-led policy refinement.

Financially, deeper adoption generates operating leverage. Expansion across additional grades, subjects, or cohorts is achieved primarily through configuration and reuse of the existing architecture rather than parallel development.

In FY2025:

Revenue reached
AED 769.5 Mn.

EBITDA margin expanded to
71.6%

8 contracts
 were secured, representing

AED 64.4 Mn.
 in total contract value

These outcomes align with SDG 9 (Industry, Innovation and Infrastructure) and SDG 10 (Reduced Inequalities).

Value Creation Across Time Horizons

Long-Term Value

Cohort Outcomes, Standards Leadership, and Institutional Continuity

Over the long term, value extends beyond delivery into standards infrastructure and system adaptability.

Longitudinal learning and assessment data support curriculum refinement, cohort tracking, and evidence-based reform without disrupting existing delivery frameworks.

Miqyas Al-Dhad strengthens this long-term proposition by establishing Arabic language measurement infrastructure.

As at FY2025:

Miqyas Al-Dhad

Field Tested across
110,000 students

Spanning in
9 countries

Commercial launch planned for
Q1 2026

As Alef Education becomes embedded within system planning and measurement processes, partnerships endure through renewals, mandate extensions, and adjacent deployments. Continuity is driven by institutional integration rather than switching costs.

Financially, this translates into recurring revenue visibility, sustained profitability, and high payout sustainability — reflected in the 90% payout ratio in FY2025.

These outcomes align with SDG 17 – Partnerships for the Goals.



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Value Creation Across Time Horizons

Aligning Impact and Financial Performance

Across all horizons, Alef Education's model aligns educational progress with financial sustainability.

Delivery builds confidence. Confidence enables deeper adoption. Deeper adoption generates richer insight. Insight strengthens renewal and expansion.

By operating as long-term education infrastructure rather than a point solution, Alef Education creates value that accumulates, compounds, and endures.

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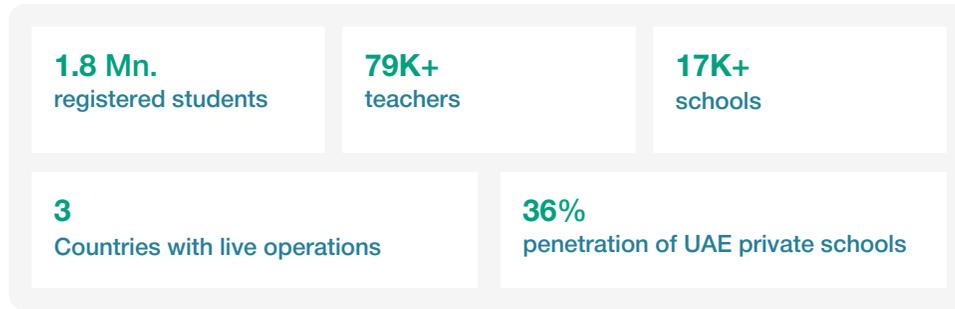
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Growth and Market Expansion

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- 31 Expanding the Addressable Market

Established Commercial Scale

As at 31 December 2025, the Alef Platform supports:



Within the UAE:

281,090
students under authority-led mandates

341,984
students registered across private schools

Internationally:

1,064,134
students registered in Indonesia

registered students across Morocco, KSA, and Oman

110,000
students field tested under Miqyas Al-Dhad across nine countries

Portfolio Diversification

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Registered students by operating pillar (FY2025):



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This distribution demonstrates commercial diversification beyond a single mandate and a balanced mix across authority, institutional, and emerging assessment infrastructure segments.

Contract Execution and Backlog Visibility

During FY2025:

- Eight new contracts secured
- AED 64.4 Mn. in total contract value
- Contracts spanning domestic and international markets

Approximately AED 49 Mn. remains to be recognised in future periods, supporting structured medium-term revenue visibility.

Revenue coverage is therefore underpinned by signed mandates and defined delivery schedules rather than speculative assumptions.

Structured Pipeline Progression

Alef Education maintains a structured and actively managed pipeline of opportunities across priority geographies and segments. The pipeline spans early-stage engagements, pilot deployments, advanced negotiations, and near-term contract finalisations.

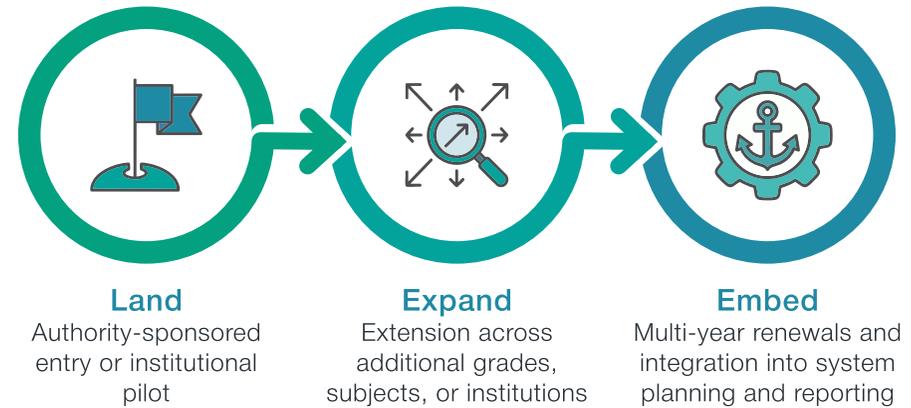
Opportunities are evaluated against clearly defined strategic, financial, and operational criteria, including alignment with government reform priorities, scalability within centralised education systems, implementation readiness, and long-term contractual visibility.

Progression through the pipeline is milestone-driven, with defined validation gates covering technical integration, pedagogical alignment, regulatory compliance, and commercial structuring. This disciplined approach ensures that growth remains selective, margin-conscious, and operationally executable.

The current pipeline reflects continued engagement across both B2G and B2B channels, supported by ongoing discussions with ministries, regulators, and institutional partners. While conversion timing varies by jurisdiction, the breadth and maturity of engagements provide structured visibility for medium-term expansion.

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Revenue durability is achieved through embedded integration rather than transactional deployment.



International Expansion

Proof of Scale Beyond the UAE

International deployment is operational, not exploratory.

1,064,134

students in Indonesia

7,479

Active deployments across multiple regions

110,000

Miqyas Al-Dhad validations across nine countries

Indonesia demonstrates the platform’s ability to operate at national scale across distinct curriculum, language, and governance environments.

Geographic Diversification

Deployments span Southeast Asia, North Africa, the Gulf Cooperation Council (GCC), and North America, operating across:

Multiple curriculum frameworks

Distinct regulatory regimes

Arabic and non-Arabic instructional contexts

Authority-led and institutional segments

Diversification reduces reliance on any single market while preserving efficiency through a unified core platform.

Multi-Channel Entry Model

International growth follows a structured pathway combining:

Authority-led mandates

Institutional B2G engagements

Targeted B2B partnerships

Pilots progressing toward system mandates

This approach enables controlled scaling and risk-managed conversion.

Expanding the Addressable Market

Alef Education's addressable opportunity expands across three structural dimensions: geography, system depth, and product scope.

Geographic Expansion

With operations live across three countries and pipeline activity spanning additional regions, the platform demonstrates transferability across curriculum frameworks, regulatory environments, and language contexts, without architectural fragmentation.

Vertical Expansion Within Systems

Opportunity deepens within existing markets through:

- Additional grade levels
- Additional subjects
- Additional institutions
- Adjacent learner segments

Within the UAE, 36% private-school penetration indicates remaining headroom. Similar structured deepening applies in international markets following initial mandate entry.

Vertical expansion increases lifetime mandate value and strengthens renewal durability.

Product Scope Expansion

Alef Education's opportunity extends beyond instructional delivery.

The platform now operates across:

- Learning delivery
- Continuous assessment
- Data analytics and decision support
- Teacher professional development
- Standards infrastructure (Miqyas Al-Dhad)

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Miqyas Al-Dhad expands Alef Education into Arabic language measurement infrastructure, a segment structurally adjacent to but distinct from instructional software.

This evolution increases relevance within national education systems.



Expanding the Addressable Market

Integrated Market Positioning

Because expansion across geography, depth, and product scope occurs within a unified architecture, growth compounds rather than fragments.

Alef Education's opportunity expands through:

- Entry into new systems
- Deepening within mandates
- Extension into adjacent infrastructure layers

This structured model supports scalable growth while preserving architectural coherence.

Capital-Efficient International Scaling

International deployments leverage the same unified architecture used domestically. Incremental scale is achieved through configuration and reuse rather than parallel builds, supporting:

- Margin resilience
- Shared technology investment
- Cross-market learning transfer
- Sustainable reinvestment capacity

Growth with Control

Alef Education's expansion is:

- Commercially driven
- Stage-governed
- Architecturally unified
- Geographically diversified
- Capital-efficient

Growth is structured, conversion-led, and anchored in system integration.

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System-level Impact and Sustainable Value

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Alef Education operates at the intersection of digital infrastructure, public policy, and human capital development. Its societal contribution extends beyond platform deployment to strengthening education systems, embedding measurable accountability, and supporting long-term economic participation.

Societal value is generated through sustained system integration rather than isolated interventions. Platform-scale deployment, structured assessment, teacher enablement, operational reliability, and governance discipline combine to deliver durable institutional impact across multiple education ecosystems.

Alef Education's impact aligns directly with four priority United Nations Sustainable Development Goals: SDG 4 (Quality Education), SDG 9 (Industry, Innovation, and Infrastructure), SDG 10 (Reduced Inequalities), and SDG 17 (Partnerships for the Goals).

System-level Impact and Sustainable Value

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Impact at a Glance Dashboard

 <p>System Scale</p> <ul style="list-style-type: none"> 1.8Mn.+ Students 79,487 Teachers 17,633 Schools 623,074 UAE Core mandate students 36% UAE Private school coverage 7 Country deployments 	 <p>Learning Impact</p> <ul style="list-style-type: none"> +5.67% Quantile improvement +4.18% AI-supported uplift 110,000+ Students validated (Miqyas Al-Dhad) 9-Country Validation footprint
 <p>Service and Reliability</p> <ul style="list-style-type: none"> NPS: 65% (↑ from 61%) CSAT: 98% (↑ from 91%) SLA: Up to 100% 	 <p>Environmental</p> <ul style="list-style-type: none"> 1,800 kg E-Waste recycled 2,693 kg CO₂ reduced

Pillar 1 - Strengthening Education at Scale

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Education Quality and Measurable Outcomes

As at FY2025, Alef Education supports more than 1.8 Mn. registered students, 79,000 + teachers, and 17,600 + schools, including 623,000 + students under the UAE core mandate and 36% coverage of UAE private schools, with deployments across three countries.

Embedded assessment and analytics provide continuous visibility into participation, progression, and attainment across entire systems. Performance is measured longitudinally, enabling authorities to monitor improvement over time rather than relying on periodic evaluation.

Independent research demonstrates measurable academic impact, including a 5.67% increase in Quantile scores among users of Alef Pathways and a 4.18% uplift associated with AI-supported instruction. These improvements reflect structured integration of adaptive learning within curriculum-aligned frameworks.

Miqyas Al-Dhad further strengthens system-level quality assurance by establishing a calibrated Arabic language benchmarking framework validated across nine countries and more than 110,000 students, supporting consistent literacy measurement across jurisdictions.

Quality education at scale is therefore reinforced by measurable outcomes, structured assessment architecture, and system-wide visibility.



Reducing Inequalities Through Data Visibility

Alef Education’s longitudinal analytics infrastructure enables authorities to identify disparities across schools, regions, cohorts, and learner profiles. This visibility supports targeted intervention and evidence-based policy formulation.

Shared digital infrastructure standardises curriculum delivery and performance benchmarking, reducing variability in instructional quality across public and private systems. Device donation initiatives and partnerships supporting underprivileged students extend access beyond digitally advantaged populations, strengthening equitable participation.

By embedding analytics within national education systems, Alef contributes to narrowing structural performance gaps and improving inclusive access across diverse linguistic and socioeconomic contexts.



Operational Reliability Dashboard

Analytics

Visibility Across Schools/Regions/ Cohorts



Targeted Intervention



Reduced Performance Gaps

Pillar II - Infrastructure Reliability and Institutional Trust

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9 INDUSTRY, INNOVATION AND INFRASTRUCTURE Digital Infrastructure and Operational Resilience

Alef Education functions as shared digital infrastructure supporting curriculum delivery, national benchmarking, system-level analytics, and standards alignment. Infrastructure capability is embedded within governance and reporting frameworks, reinforcing institutional resilience rather than episodic digital adoption.

Year-end service performance reflects operational maturity at scale. During the period, 1,707 training sessions were delivered, alongside 1,243 classroom observations and advisory visits, and 1,049 school visits. Alef Academy recorded 9,405 active users, reinforcing structured teacher enablement.

Platform reliability strengthened despite scale expansion. Incidents declined to 8,217 from 9,578 in the prior-year comparison, while 10,691 service requests were managed. Client SLA achievement remained consistently high, including 100% for ADEK and Indonesia, approximately 98.5% for MoE NE, approximately 99.0% for NCE, and approximately 99.5% for UAE private schools.

Customer sentiment improved during the year, with Net Promoter Score increasing from 61% to 65%, overall Customer Satisfaction sustained at 98%, and Training CSAT at 98.5%.

Operational metrics demonstrate increasing system stability and service maturity as deployment scale expands.

17 PARTNERSHIPS FOR THE GOALS Long-Term Institutional Partnerships

Alef Education operates through structured, multi-year collaboration with ministries, regulators, and institutional partners. Partnerships are built around curriculum alignment, regulatory compliance, structured reporting, and sustained performance monitoring rather than transactional technology implementation.

The extension of the ADEK mandate through 2033 reflects durable institutional integration within Abu Dhabi’s public education system. Institutional continuity, near-perfect SLA performance, and measurable learning improvement reinforce long-term trust.

Partnership durability supports predictable renewal cycles, structured expansion pathways, and policy-aligned growth across jurisdictions.

Pillar II - Infrastructure Reliability and Institutional Trust

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Operational Reliability Dashboard

1,707 Training Sessions	1,243 Classroom Observations
1,049 School Visits	9,405 Alef Academy Active Users
8,217 (↓ from 9,578) Incidents	10,691 Service Requests

Customer Sentiment Trend

61% → 65% NPS	91% → 98% CSAT	98.5% Training CSAT
-------------------------	--------------------------	-------------------------------

SLA Performance Table

Abu Dhabi Public Schools	100%
Indonesia	100%
Northern Emirates Public Schools	~98.5%
UAE Private Schools	~99.5%

Pillar III - Human Capital and Responsible Operations

Human Capital Development - External and Internal

Alef Education's societal contribution extends to both the education systems it serves and its own workforce.

Externally, teacher enablement is reinforced through structured professional development, classroom advisory visits, and active engagement within Alef Academy learning communities. Teacher capability development strengthens instructional quality and supports sustained platform adoption.

Internally, the Company targets 50% female representation across the organisation, supports UAE national employment programmes, and maintains 100% completion of mandatory compliance and information security training. Workforce well-being initiatives include school-fee assistance programmes and recurring professional development opportunities.

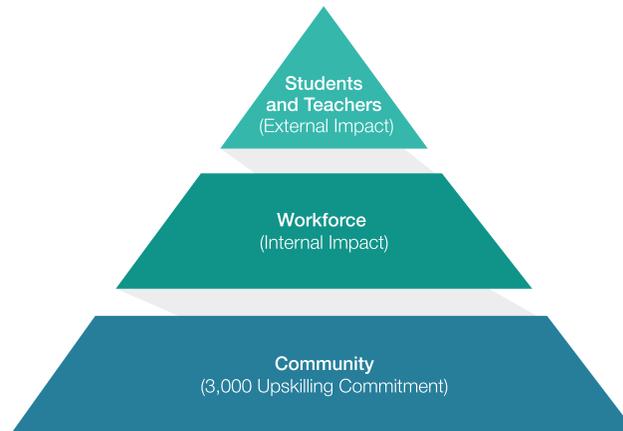
Beyond the organisation, Alef Education has committed to upskilling 3,000 community members in sustainability-related learning initiatives, extending its human capital contribution beyond direct commercial activity.

Human capital development is therefore addressed across system, organisational, and community levels.

Human Capital Dual Impact Pyramid

Key metrics:

- 50% Female Representation Target
- 100% Compliance Training Completion
- UAE National Employment Support



Environmental Stewardship and Responsible Operations

Responsible growth incorporates environmental discipline. During the year, Alef Education recycled over 1,800 kg of electronic waste and reduced an estimated 2,693 kg of CO₂ emissions. Energy efficiency initiatives and reduced business-travel emissions contributed to measurable environmental improvement.

Alef Education received Gold and Platinum certifications from EnviroServe for responsible IT asset disposal. The Company continues to track greenhouse gas emissions, develop a formal environmental policy, explore green cloud computing initiatives, assess carbon-offset opportunities, and strengthen electronic recycling and device donation programmes.

Environmental oversight is embedded within operational planning and ESG monitoring processes.

Pillar III - Human Capital and Responsible Operations

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1,800 kg E-Waste Recycled	2,693 kg CO ₂ Reduced	Gold and Platinum EnviroServe Certifications
Governance Shield		
ISO 27001 Certified	100% Code of Conduct Signatory	100% Mandatory Training Completion
Board Independence		

AI Governance Layer:

- Curriculum Alignment
- Data Protection
- Ethical Safeguards

Governance and Responsible Innovation

Strong governance underpins institutional trust. Alef Education maintains board independence in line with regulatory requirements, ISO 27001 certification for information security, 100% Code of Conduct signatory compliance, and full completion of mandatory ethics and data protection training.

Artificial intelligence deployment operates within defined governance parameters to ensure curriculum alignment, data protection safeguards, transparency, and responsible instructional application. ESG oversight mechanisms continue to evolve, embedding sustainability criteria within risk management and strategic decision-making processes.

Impact Embedded within the Value Creation Architecture

Alef Education's societal contribution is not peripheral to its business model; it is embedded within its value creation architecture.

As educational outcomes improve and institutional integration deepens, renewal visibility strengthens, operational insight expands, and platform relevance increases. Durable partnerships, measurable performance improvement, operational reliability, environmental discipline, and governance integrity reinforce long-term institutional positioning.

Societal impact and financial sustainability are therefore structurally aligned.

Impact → Financial Durability Loop

Education Outcomes

Institutional Trust

Renewal Visibility

Financial Sustainability

Reinvestment in System Impact

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The stewardship context defines the conditions, controls, and oversight within which Alef Education’s strategy is executed. It does not restate the strategy; rather, it explains how the Group manages complexity, balances competing priorities, and safeguards long-term resilience.

Alef Education operates within public-sector education systems shaped by policy priorities, demographic trends, technological change, and fiscal considerations. Effective stewardship requires balancing educational outcomes with operational reliability, regulatory compliance, and financial sustainability.

This section outlines how the Board and management exercise oversight across these dimensions.



Stewardship and Governance Context

Operating Environment

Alef Education engages primarily with government-led education systems. Delivery is influenced by national education strategies, curriculum frameworks, public funding cycles, and formal procurement processes. Mandates are typically multi-year and carry high expectations around continuity, performance, and compliance.

The operating environment is shaped by structural dynamics, including:

- Increasing demand for measurable learning outcomes and system-wide visibility
- Growing emphasis on data-informed decision-making within education authorities
- Rapid advances in digital learning technologies, including artificial intelligence
- Heightened expectations around data protection, localisation, and cybersecurity
- Evolving regulatory frameworks governing public-sector technology deployment

Education systems also face demographic shifts, fiscal constraints, and labour market transformation. These dynamics elevate the importance of scalable, resilient, and standards-aligned digital infrastructure.

Within this context, Alef Education supports authorities in strengthening system capability while operating within defined policy, governance, and budgetary frameworks.

Strategy Execution and Governance

Alef Education's strategy is guided by long-term system relevance, architectural coherence, and execution reliability. Growth is pursued through structured expansion rather than opportunistic entry.

Core strategic principles include:

- Operating a single, configurable platform across diverse education systems
- Anchoring engagement at system and authority level
- Deepening adoption within mandates before geographic expansion
- Maintaining capital discipline to support reinvestment and resilience

Execution is overseen through defined governance structures, Board-level supervision, and regular performance review. Strategic decisions are assessed against risk appetite, capital allocation priorities, and long-term value creation objectives.

Data Privacy and Cybersecurity

Student data integrity and confidentiality are foundational to public-sector trust.

Alef Education maintains data protection frameworks aligned with applicable regulatory requirements in each jurisdiction of operation. Controls include:

- Role-based access management
- Encryption of sensitive data
- Infrastructure security monitoring
- Defined incident response protocols

Where required, data localisation requirements are implemented in accordance with national policy.

Oversight of data governance practices forms part of the Board's stewardship responsibilities, reflecting the centrality of trust in institutional partnerships.

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Artificial Intelligence Governance

Artificial intelligence capabilities are embedded within Alef Education's platform architecture to support personalisation, assessment, and instructional insight.

Governance principles ensure that AI tools:

- Operate within curriculum-aligned parameters
- Support educators rather than replace professional judgement
- Maintain transparency in instructional application
- Comply with defined ethical and regulatory standards

AI functionality is subject to ongoing monitoring and validation, aligned with emerging regulatory guidance.

Responsible innovation is treated as a governance obligation, ensuring technological advancement strengthens educational integrity and public confidence.

Public-Sector Compliance and Institutional Integrity

Engagements are governed by formal procurement frameworks and contractual compliance obligations characteristic of public-sector environments.

Delivery frameworks are designed to ensure:

- Adherence to service-level agreements
- Continuity across academic cycles
- Transparent reporting to education authorities
- Alignment with national curriculum and assessment standards

Multi-year mandates require sustained performance, operational reliability, and prudent cost management.

Institutional trust is reinforced through consistency of execution and compliance with regulatory and contractual frameworks.

Risk and Opportunity Oversight

The Board recognises that Alef Education's operating environment presents both risk and opportunity.

Key risk considerations include:

- Policy and regulatory change
- Implementation complexity across large-scale deployments
- Data security and privacy obligations
- Artificial intelligence governance and technological evolution
- Concentration within long-term institutional mandates

These risks are mitigated through phased deployment, structured oversight, contractual clarity, diversified engagement channels, and financial resilience supported by a debt-free balance sheet.

Opportunities arise from:

- Growing demand for system-wide digital infrastructure
- Increased emphasis on standards-based assessment
- Extension across grades, subjects, and geographies
- Expansion into adjacent infrastructure domains such as language measurement and calibration

The Board regularly evaluates the balance between risk and opportunity to ensure that growth remains controlled, evidence-led, and aligned with long-term stewardship responsibilities.

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Financial Review

FY2025 reflects the continued growth of Alef Education's operating model.

The Group delivered stable revenue growth, margin expansion, and strong cash generation while maintaining a debt-free balance sheet and distributing 90% of net profit to shareholders.

The financial profile highlights three structural characteristics of Alef Education:

- Revenue durability anchored in long-term system mandates
- Operating leverage embedded within a unified platform architecture
- Strong cash conversion supporting reinvestment and shareholder returns

Performance in FY2025 demonstrates that scale, efficiency, and capital discipline can operate concurrently within the Group's model.

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Financial Highlights and Revenue Performance

Revenue for the year ended 31 December 2025 amounted to AED 769.5 Mn., compared to AED 759.0 Mn. in FY2024, representing 1.4% year-on-year growth.

While revenue growth was moderate, it reflects stability within multi-year government mandates and structured contract execution rather than short-term volume expansion.

During the year, eight new contracts were secured with an aggregate value of AED 64.4 Mn., of which approximately AED 49 Mn. remains to be recognised in future periods. This backlog provides medium-term revenue visibility under defined delivery schedules.

Revenue by Segment

Segment	31 December 2025 AED Mn.	31 December 2024 AED Mn.
Education Solutions	671.9	659.7
Support and Services	97.6	99.3
Total Revenue	769.5	759.0

Revenue composition remains concentrated in Education Solutions, reflecting the central role of the core platform model. Support and Services remained broadly stable year-on-year, indicating continuity across deployments.

Profitability and Operating Leverage

A defining feature of FY2025 performance was margin expansion.

EBITDA increased to AED 550.7 Mn., up 7% year-on-year, with EBITDA margin improving to 71.6% (FY2024: 68.0%).

This improvement reflects:

- Operating leverage from platform reuse
- Efficiency gains following restructuring initiatives
- Stable revenue mix anchored in long-term mandates

The Group's unified architecture enables incremental revenue growth without proportional increases in operating cost, supporting margin resilience.

Net profit reached AED 481.1 Mn., up 8% year-on-year, with net profit margin improving to 62.5% (FY2024: 59.0%). Increased interest income and operating efficiency more than offset the impact of newly introduced corporate income tax.

EBITDA and Margin

Metric	31 December 2025	31 December 2024
EBITDA (AED Mn.)	550.7	516.1
EBITDA Margin	71.6%	68.0%

Net Profit and Margin

Metric	31 December 2025	31 December 2024
Net Profit (AED Mn.)	481.1	447.5
Net Profit Margin	62.5%	59.0%

Cost Management and Platform Investment

Total operating expenses declined to AED 218.8 Mn., compared to AED 242.9 Mn. in FY2024. This reflects targeted cost optimisation and operating efficiency initiatives.

Importantly, cost reductions were achieved while maintaining investment in core platform capability.

Product and platform development expenditure amounted to AED 59.4 Mn. (FY2024: AED 123.5 Mn.). The reduction reflects completion of prior development cycles and improved efficiency, rather than a withdrawal from innovation.

Internally generated intangible assets increased to AED 193.5 Mn., representing cumulative investment in platform infrastructure and content capability.

Financial Review

Metric	31 December 2025 AED Mn.	31 December 2024 AED Mn.
Operating Expenses	218.8	242.9
Product Development	59.4	123.5
Total Intangible Assets	193.5	171.9

Cash Flow and Financial Position

Operating cash flow increased significantly to AED 676.5 Mn., reflecting strong profitability and improved working capital management.

Cash and cash equivalents rose to AED 619.5 Mn., up from AED 396.3 Mn. in FY2024. The Group maintained a debt-free balance sheet throughout the year.

Total equity increased to AED 830.3 Mn., supported by retained earnings.

Metric	31 December 2025 AED Mn.	31 December 2024 AED Mn.
Operating Cash Flow	676.5	334.8
Cash and Equivalents	619.5	396.3
Total Equity	830.3	758.3

Metric	31 December 2025 AED Mn.	31 December 2024 AED Mn.
Long-Term Debt	Nil	Nil

The strengthened liquidity position enhances flexibility to support platform enhancement, international expansion, and shareholder distributions.

Capital Allocation and Shareholder Returns

Alef Education declared total dividends of AED 433 Mn. for FY2025, representing a 90% payout ratio of annual net profit.

The dividend is fully supported by earnings and operating cash flow. The balance between reinvestment and distribution reflects the maturity and resilience of the Group's financial profile.

Capital allocation priorities remain:

- Sustained platform capability
- Financial resilience
- Predictable shareholder returns

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Outlook

Alef Education enters the next phase with a scalable platform model, margin resilience, strong liquidity, and structured revenue visibility.

Operating leverage, defined backlog, and disciplined capital allocation position the Group to sustain long-term value creation while funding continued innovation and measured international expansion.

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Governance Framework

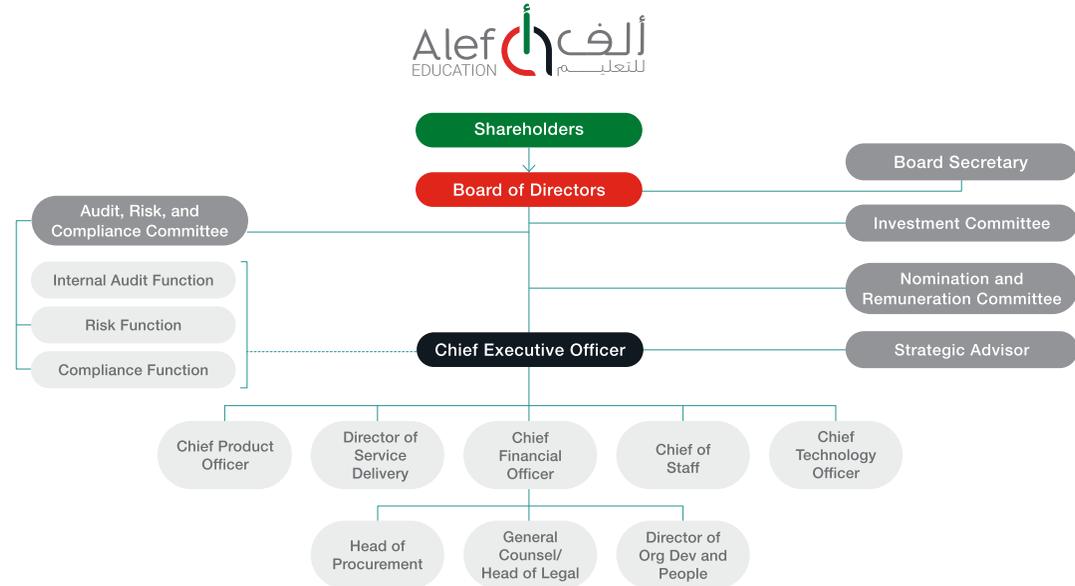
Alef Education’s long-term sustainability, and our ambition to transform education, are anchored in robust governance practices. This is an area in which we hold ourselves to the highest standards, particularly with regard to transparency, accountability, and ethical conduct. These principles have consistently underpinned the way the Group conducts its activities, and we consider them essential to building trust and delivering sustainable value to all stakeholders.

We have established rigorous corporate governance standards aligned with international best practices, sector-specific regulatory requirements, and applicable legislation across the jurisdictions in which the Group operates. Beyond compliance, we remain committed to the continuous enhancement of our governance framework across the Group. Our policies, processes, Board charters, and codes of conduct are subject to regular review and refinement, ensuring alignment with evolving regulatory expectations, emerging risks and opportunities within the EdTech landscape, and the changing priorities of our stakeholders.

This Corporate Governance Report provides a comprehensive overview of the Group’s governance structures, practices, and outcomes, assessed against the principles and guidelines prescribed by the Securities and Commodities Authority (SCA), now renamed as the Capital Market Authority (CMA), being the competent regulator for listed companies in the United Arab Emirates.

For our shareholders, the sections that follow, together with the detailed Corporate Governance Report, reflect our steadfast commitment to transparency and accountability. We encourage you to review them in detail. We are confident that our governance framework provides a strong and resilient foundation for the Group’s sustained growth and long-term success. We welcome your feedback on our governance practices and on any other aspect of our activities.

Our governance framework is structured to uphold accountability, fairness, transparency, and responsibility, while safeguarding the interests of our shareholders and broader stakeholders. It clearly delineates the roles and responsibilities of key oversight bodies, establishes defined reporting lines, and sets out how policies, standards, and guidelines are implemented consistently across the Group.



Governance Framework

The Board of Directors of the Company (Board) provides overall oversight and strategic direction for the Group's operations and activities. Constituted at the holding company level, the Board sets out the strategic framework and safeguards the effective governance of the Group, ensuring that activities are conducted in a transparent, accountable, and disciplined manner.

Executive Management, led by the Chief Executive Officer, is responsible for the day-to-day management of all the Group's operating entities, and for implementing the strategy approved by the Board.

Specialised Board committees assist the Board in the discharge of its responsibilities and the exercise of ongoing oversight. These committees operate under formally approved charters and policies that clearly define their mandates and delegated authority. Where appropriate, the Board may delegate specific responsibilities to its committees or other designated parties, while retaining ultimate accountability.

We endeavour to ensure that the Board, its committees, and the Executive Management consistently uphold the core values and standards that define Alef Education Holding PLC, fostering a governance culture grounded in integrity, accountability, and responsible leadership across the Group.

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Regulatory Framework

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As an Abu Dhabi Global Market (ADGM) incorporated entity listed on the Abu Dhabi Securities Exchange (ADX), Alef Education Holding PLC operates within a clearly defined regulatory framework. In discharging its duties, the Board acts in accordance with:

- The ADGM Companies Regulations 2020;
- The Corporate Governance Guide for Public Joint Stock Companies issued under Chairman of SCA Board Decision No. 3/R.M of 2020 (as amended), as administered by the CMA (SCA Corporate Governance Guide);
- The ADX Listing Rules;
- The Company's Articles of Association; and
- Its approved Board Charter and governance policies.

References to "CMA" throughout this Corporate Governance Report refer to the Capital Market Authority (formerly the Securities and Commodities Authority) of the United Arab Emirates.

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Board Responsibility

The responsibilities of the Board extend across multiple dimensions of the business, encompassing governance and strategic oversight, performance management, financial stewardship, as well as the oversight of risk management, internal controls, and assurance processes.

The Board is the highest governing authority of the Company and bears ultimate responsibility for its governance, strategic direction, and long-term sustainability. The Board operates within the regulatory framework described above.

Governance Oversight

The Board is entrusted with upholding high standards of governance across the Group. Its responsibilities include overseeing the corporate governance framework, promoting transparency, and fostering a culture of integrity throughout the Group.

The Board's governance responsibilities include:

- **Regulatory Compliance:** The Board ensures compliance with applicable laws, regulations, and governance standards. It reviews and approves key policies and remains apprised of legislative and regulatory developments that may affect the Group's activities.
- **Ethical Standards:** The Board promotes a strong ethical culture by ensuring that appropriate code of conduct and governance policies are established and consistently applied across the Group.

- **Stakeholder Engagement:** The Board considers the interests of shareholders and broader stakeholders in its deliberations, supporting transparent communication and responsible decision-making.
- **Succession Planning:** The Board oversees executive succession planning to ensure leadership continuity and the long-term sustainability of the Group.

Strategic Oversight and Performance Monitoring

The Board plays a pivotal role in defining the strategic direction of the Group, ensuring that its objectives are aligned with the interests of shareholders and supportive of long-term sustainable growth. The Board sets the strategic direction of the Group and oversees its effective implementation. It monitors financial performance, reviews key business outcomes, and ensures that appropriate risk management and internal control frameworks are in place.

The Board regularly evaluates the Group's performance against approved objectives and key benchmarks, providing strategic guidance and constructive oversight to Executive Management.

Financial Oversight

The Board is responsible for overseeing the financial stewardship of the Group and safeguarding its long-term financial resilience.

- **Budget Approval:** Reviewing and approving the annual budget to ensure alignment with the Group's strategic objectives, and monitoring performance against approved financial plans.
- **Financial Reporting:** Overseeing the integrity and accuracy of quarterly and annual financial statements, ensuring compliance with applicable accounting standards and regulatory requirements.
- **Internal Controls:** Ensuring that effective internal control frameworks are established and maintained to safeguard assets and support reliable financial reporting across the Group.
- **Risk Management:** Overseeing the identification and assessment of strategic and tactical risks at the enterprise level, and ensuring that appropriate mitigation measures and controls are in place.

Board Responsibility

Assurance

The Board ensures the effectiveness of the Company's Internal Audit function as an independent and risk-focused assurance provider within the organisation. It oversees the development and implementation of robust internal control and risk management frameworks aligned with recognised standards. This includes reviewing and approving the Company's risk appetite and overseeing the risk management strategy and related assurance processes.

Committee function

The Board establishes Board committees, appoints their members, approves their respective charters, and delegates responsibilities to support the effective discharge of the Board's oversight functions.

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Board Composition

The Board comprises seven (7) members, including six (6) Independent Directors and one (1) Non-Independent Director. The composition of the Board is in full compliance with the applicable provisions of the SCA Corporate Governance Guide and maintains a majority of independent representation to ensure objective judgement and effective oversight.

Collectively, the Board brings together a broad spectrum of skills, professional expertise, and sector experience aligned with the Group's strategic priorities and the nature of its operations. This diversity of perspective enhances the quality of deliberations, supports balanced decision-making, and strengthens the Board's ability to discharge its fiduciary responsibilities in the best interests of the Company and its shareholders.

Board members are elected for a term of three (3) years, in accordance with the Company's Articles of Association and applicable regulatory requirements.

Consistent with the Company's commitment to diversity and inclusive leadership, female representation comprised approximately 43% of the Board during 2025, with three (3) female directors serving in office.

Profiles of the Board of Directors



His Excellency Abdulhamid Saeed Alahmadi

His Excellency Abdulhamid Saeed Alahmadi is the Chairman of Endowments and Minors Funds Authority in the Emirate of Abu Dhabi.

His Excellency serves as Chairman of the Board and Non-Executive Director of Alef Education Holding PLC. He is a member of the Board of Directors of Mubadala Investment Company, Emirates Red Crescent and Al Ain Holding. He is also the Chairman Al Nahdha Investment Company.

His Excellency was the Governor of the Central Bank of the United Arab Emirates, Group CEO of First Abu Dhabi Bank, and served as the CEO, Managing Director and Board

Member of First Gulf Bank, along with various key positions in Citibank. He also served as Chairman of Abu Dhabi Capital Group and Managing Director of Reem Investment.

In addition, his Excellency served as a Director in various UAE government and government-related entities which include Abu Dhabi Developmental Holding Company PJSC (ADQ), Emirates Investment Authority (EIA), Abu Dhabi Securities Exchange (ADX) and Emirates Integrated Telecommunications Company (Du).

His Excellency holds a Bachelor's degree in Business Administration from the University of Arizona (USA).

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H.E. Ahmed Ali Mohamed Abdulla Al Sayegh

His Excellency Ahmed Ali Al Sayegh serves as Vice Chairman and Non-Executive Director of Alef Education Holding PLC. He brings extensive experience in government policy, economic development, energy, and financial services.

H.E. Ahmed Ali Al Sayegh was appointed Minister of Health and Prevention in September 2025.

He currently serves as Managing Director of Dolphin Energy. He also serves as Chairman of the Federal Authority for Ambulance and Civil Defense and Deputy Chairman of Emirates Nature – WWF.

H.E. Ahmed Ali Al Sayegh previously held several senior leadership positions, including Chairman of Abu Dhabi Global Market (ADGM), Founding Chairman of Abu Dhabi Future Energy Company (Masdar), Founding Board Member of Etihad Aviation Group, Board Member of Mubadala Development Company, Chairman of First Gulf Bank, and Deputy Chairman of Abu Dhabi National Oil Company (ADNOC), and Abu Dhabi Investment Company (Invest AD).

He holds a bachelor's degree in economics from Lewis & Clark College, United States of America.



H.E. Noura Mohamed Helal Soroor Al Kaabi

H.E. Noura Bint Mohammed Al Kaabi has served as a Minister of State at the Ministry of Foreign Affairs. She also serves as Chairperson of the UAE National Orchestra, Commissioner of the UAE Expo Office, Secretary-General of the Kalimat Foundation, and Non-Executive Director of Alef Education. These roles complement her current efforts to promote mutual understanding and strengthen people-to-people ties through initiatives that celebrate our shared humanity and advance culture and education as vital bridges for collective progress.

H.E. Noura Bint Mohammed Al Kaabi has undertaken significant efforts to strengthen the global presence of the United Arab Emirates. She has played a pivotal role in fostering constructive dialogue, understanding, and collaboration across the globe. Among her most notable achievements was representing the UAE on the UNESCO Executive Board, as well as leading the UAE's participation in UNESCO's 'Revive the Spirit of Mosul' initiative, a global project dedicated to the restoration of cultural and heritage sites in Iraq.

Her contributions to strengthening international cultural relations have been internationally recognized. She was awarded the Chevalier of the French Order of the Legion of Honor as well as the Chevalier of the French Order of Merit and received the Diplomatic Service Medal – Ghanghwa Medal from the Republic of Korea.

H.E. Noura Bint Mohammed Al Kaabi previously served as a Minister of Culture and Youth and Minister of State for Federal National Council Affairs. She also served as Commissioner-General of the UAE Pavilion at Expo 2020 Dubai, as President of Zayed University, as Chairperson of the National Commission for Education, Culture, and Science, and as Chairperson of the Board of Directors of the Abu Dhabi National Exhibition Center. Her Excellency played a vital role in empowering creative communities in the UAE during her tenure as Chairperson of the Board of Directors of Abu Dhabi Media and as the Chairperson of the Media Zone Authority in Abu Dhabi (twofour54).

H.E. Noura Bint Mohammed Al Kaabi holds a Bachelor of Arts in Management Information Systems from the United Arab Emirates University and pursued postgraduate studies in Executive Leadership at the London Business School.

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H.E. Jameela Salem Musabbah Humaid Al Mheiri

H.E. Jameela Al Muhairi serves as a Non-Executive Director of Alef Education Holding PLC. She brings over two decades of experience in the education sector, spanning policy development, regulatory oversight, and institutional leadership.

H.E. Jameela Al Muhairi served as Minister of State for Public Education from February 2016 to 2022. During her tenure, she played a significant role in advancing public education policy and strengthening educational governance frameworks within the United Arab Emirates.

Earlier in her career, H.E. Jameela Al Muhairi served as a member of the Board of Directors of the Knowledge and Human Development Authority (KHDA) in Dubai, where she oversaw the development and implementation of a comprehensive school inspection system for Dubai schools, established pursuant to a resolution issued by H.H. Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of the Executive Council of Dubai.

H.E. Jameela Al Muhairi joined the United Arab Emirates Ministry of Education in 2004 and subsequently served as Director of Dubai Knowledge Village from 2007 to 2014, contributing to the advancement of education quality and

sector development. She also served as Director of the Dubai Education Council and is a Board Member of Dubai Cares Foundation.

She is a graduate of the United Arab Emirates University, where she studied Management.



Mr Omar Abdulla Mohamed Albaity Al Hashmi

Omar Abdulla Al Hashmi serves as a Non-Executive Director of Alef Education Holding PLC. He brings extensive experience in utilities, infrastructure, asset management, and strategic transformation.

Mr. Al Hashmi currently serves as Chief Executive Officer of TAQA Distribution, where he leads the company's strategic agenda and oversees end-to-end operational performance. With deep expertise in the energy sector and a disciplined, results-driven leadership approach, he focuses on strengthening operational excellence and delivering sustainable growth, with a clear commitment to long-term value creation for customers, stakeholders, and the wider community.

Earlier in his career, Mr. Al Hashmi served as Chief Executive Officer of TAQA's Transmission and Distribution Business, a role he assumed in January 2024, where he oversaw the company's transmission and distribution assets and

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Ms Rima Ahmed Salim AlMokarrab Almheiri

H.E. Rima Al Mokarrab serves as a Non-Executive Director of Alef Education Holding PLC. She brings extensive experience in public policy, strategic advisory, and institutional development within the Emirate of Abu Dhabi.

H.E. Al Mokarrab currently serves as Executive Director of Strategic Affairs at the Executive Affairs Authority (EAA), a government entity mandated to provide strategic policy advice to H.H. Sheikh Mohamed bin Zayed Al Nahyan, President of the United Arab Emirates.

She is the Chairwoman of Tamkeen LLC, an entity responsible for delivering projects that enhance Abu Dhabi's social, cultural, and educational landscape. She also serves as the vice chair of Zayed University Board of Trustees.

H.E. Al Mokarrab serves on the Board of Trustees of New York University and is a Board Member of the Emirates Centre for Strategic Studies and Research. She is also an honorary trustee on the ASC Board of trustees. She serves on the boards of the design commission, Abu Dhabi, the Mohamad Bin Zayed University of Artificial Intelligence Board of Trustees and the Anwar Gargash Diplomatic Academy Board of Trustees. She previously served on the Board of the UAE Space Agency.

Prior to the EAA, Ms. Al Mokarrab practiced law at an international law firm based in New York. She earned a Bachelor

of Arts in Government (magna cum laude) from Harvard University, a Master of International Affairs from Columbia University School of International and Public Affairs, and a Juris Doctor from Columbia University Law School.



Dr Saeed Abdulla Mohamed Bin Mutlaq Alghfeli

Dr. Saeed Alghfeli serves as a Non-Executive Director of Alef Education Holding PLC. He brings more than 25 years of experience in digital transformation, technology strategy, and innovation across both public and private sector institutions.

Dr. Saeed Alghfeli currently serves as Head of Technology Portfolio at Abu Dhabi Capital Group (ADCG), where he is responsible for providing leadership, strategic guidance, and oversight to the Group's technology companies and investments.

Throughout his career, Dr. Saeed Alghfeli has held several senior leadership positions in the United Arab Emirates, including the Director General of the Identity Authority. He has served as a Board Member of multiple government agencies and strategic institutions, including the Telecommunications Regulatory Authority, Daman, the Data & Statistics Center – Abu Dhabi, Al Etihad Credit Bureau, and the Monitoring & Control Center, InHealth Information Technology and 500 Global.

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Nomination and Appointment

The nomination and appointment of Board members are conducted in accordance with the Company's Articles of Association, approved Corporate Governance Manual, and the applicable provisions of the SCA Corporate Governance Guide.

Candidates are evaluated against established eligibility and suitability criteria, including:

- Relevant industry and leadership experience;
- Professional competence and qualifications;
- Integrity and ethical standing;
- Absence of conflicts of interest; and
- The ability to devote sufficient time to fulfil Board responsibilities.

The nomination process includes a comprehensive review of professional credentials and required declarations, together with formal vetting procedures. Where nominations are submitted by legal entities, official nomination letters are obtained. The Company's Nomination and Remuneration Committee (NRC) oversees the evaluation process and submits its recommendations to the Board and, where applicable, to the General Assembly for approval.

Independence of Board Members

The independence of Board members is assessed in accordance with the criteria set out in the SCA Corporate Governance Guide and the Company's approved governance policies. Each Independent Director provides an annual written declaration confirming continued independence and compliance with applicable regulatory standards

The NRC reviews and monitors independence status on an ongoing basis, including an assessment of any relationships, transactions, or circumstances that may impair objectivity. Board members are required to promptly disclose any change in circumstances that may affect their independence.

The Board operates independently from Executive Management, ensuring a clear separation between oversight and executive functions.

Conflict of Interest

The Company has established formal procedures to identify, disclose, and manage actual or potential conflicts of interest at the Board level.

Board members are required to:

- Disclose any direct or indirect interest in matters presented to the Board;

- Refrain from participating in deliberations or voting on matters in which they have a conflict; and
- Avoid the misuse of confidential information or position for personal benefit.

A Conflict-of-Interest Register is maintained by the Board Secretary and is updated periodically to record disclosed interests and the corresponding Board actions. These procedures are detailed in the Company's approved Corporate Governance Manual.

Induction and Continuing Professional Development

The Company has established a structured induction programme for newly appointed Board members to ensure they are fully informed of their roles and responsibilities. The induction programme covers:

- The Group's vision, strategy, and business model;
- Governance framework and Board procedures;
- Key financial, legal, and regulatory obligations; and
- Risk management and internal control structures.

Board Procedures and Processes

In addition, the Board undertakes periodic training based on an annual training needs assessment. This assessment considers regulatory developments, emerging sectoral risks, and any skill gaps identified through performance evaluations. Board members are encouraged to participate in continuing professional development programmes to enhance their effectiveness.

Performance Evaluation

The Company conducts an annual evaluation of the performance of the Board, its members, and its committees. This evaluation is carried out by the NRC or by the Board Chairman, with the support of the Board Secretary, as appropriate.

In addition, the Board may appoint an independent professional entity, with no interests in or relationships with the Company, its Board members, or Executive Management, to conduct a Board performance evaluation if necessary.

Key Responsibilities Undertaken in 2025

During the financial year ended 31 December 2025, the Board undertook and approved, the following matters in accordance with its Charter and applicable regulatory requirements:

- Reviewed and approved the Company's quarterly financial statements prior to disclosure to the market;
- Approved the appointment of KPMG as the Company's statutory external auditor, subject to the required regulatory and General Assembly approvals;
- Reviewed and approved updates to the Company's corporate governance policies to ensure alignment with applicable CMA requirements and best practice standards;
- Approved the appointment of a new Board Secretary and Senior Regulatory Compliance Manager; and
- Approved the appointment of a new Chief of Staff as part of the Company's Executive Management framework.

Board Meetings and Attendance

In accordance with the SCA Corporate Governance Guide and the Company's governance framework, the Board meets four (4) times annually at a minimum.

Board meetings are conducted in accordance with approved procedures governing notice, quorum, agenda circulation, documentation, and minute-taking.

The Board Secretary, Mikhael El Hachem, appointed on 1 August 2025, serves as the rapporteur for Board meetings and is responsible for ensuring proper documentation of proceedings and compliance with procedural requirements.

During 2025, the Board convened five (5) meetings. The below table presents the details of meeting dates, attendance, and proxy participation:

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Board Member Name	10 February 2025	30 April 2025	30 July 2025	29 November 2025	10 December 2025
H.E. Abdulhamid Mohammed Saeed Alahmadi (Chairman and Non-Executive Director)	Yes	Yes	Yes	Nominated and assigned H.E. Ahmed Ali Al Sayegh as his proxy	Yes
H.E. Ahmed Ali Al Sayegh (Vice Chairman and Non-Executive Director)	Yes	Yes	Yes	Yes	Yes
H.E. Noura Bint Mohammed Al Kaabi (Non-Executive Director)	Yes	Yes	Yes	Yes	Yes
H.E. Jameela Al Muhairi (Non-Executive Director)	Yes	Yes	Yes	Yes	Yes
Omar Abdulla Al Hashmi (Non-Executive Director)	Yes	No	No	Yes	Yes
Rima Al Mokarrab (Non-Executive Director)	Yes	Yes	Yes	Yes	Yes
Dr. Saeed Alghfeli (Non-Executive Director)	Yes	Yes	Yes	Yes	Yes

Board Committee Reports

Audit, Risk, and Compliance Committee (ARCC)

ARCC Mandate and Role

The Audit, Risk, and Compliance Committee (ARCC) supports the Board in overseeing the effectiveness of internal control and risk management frameworks. Its mandate includes safeguarding the integrity of financial reporting, overseeing internal audit and assurance, risk management and compliance functions, and overseeing the engagement and independence of the Company's external auditor.

ARCC Members as at 31 December 2025

1. Mr. Omar Abdulla Al Hashmi – Chairperson;
2. H.E. Rima Al Mokarrab – Member; and
3. Dr. Saeed Alghfeli – Member.

The ARCC's key responsibilities include:

- (a) Reviewing and monitoring the integrity of the Company's financial statements;
- (b) Assessing the scope of non-audit services provided by external auditors and advising on their appointment;
- (c) Overseeing the relationship with external auditors and evaluating the effectiveness of the external audit process;
- (d) Reviewing the adequacy and effectiveness of internal control systems and risk management frameworks; and
- (e) Considering applicable laws and regulations, including ADGM, CMA, and ADX requirements.

Notwithstanding the ARCC's role, the Board retains ultimate responsibility for reviewing and approving the Company's annual report and financial statements.

Members of the ARCC acknowledge their accountability for overseeing the systems and controls within its remit, evaluating their operational effectiveness, and ensuring their

adequacy. The ARCC Chairperson further recognises responsibility for overseeing the ARCC's policies, reviewing its procedures, and ensuring the overall effectiveness of its functions.

ARCC Composition and Meetings

In accordance with its Charter, the ARCC comprises a minimum of three (3) Non-Executive Board Members and a maximum of five (5) members, of whom at least two (2) are Independent Board Members. The ARCC is chaired by an Independent Director and meets no fewer than four (4) times annually.

ARCC meetings are conducted in accordance with formal governance procedures, including the circulation of agendas and supporting documentation in advance.

Details of the five (5) ARCC meetings held during 2025, and member attendance and proxy participation are disclosed in the table below:

ARCC Member Name	4 February 2025	23 April 2025	23 July 2025	22 October 2025	25 November 2025
Mr. Omar Abdulla Al Hashmi (Chairperson)	Yes	Yes	Yes	Yes	Yes
H.E. Rima Al Mokarrab	Nominated and assigned Dr. Saeed Alghfeli as her proxy	Yes	Yes	Yes	Yes
Dr. Saeed Alghfeli	Yes	Yes	Yes	Yes	Yes

Board Committee Reports

Key ARCC Focus Areas in 2025

During the financial year ended 31 December 2025, the ARCC undertook the following key matters within its mandate:

- Endorsed the Company's corporate governance policies, ensuring continued alignment with applicable regulatory requirements and governance best practices;
- Reviewed and approved the Company's Risk Appetite Statement, confirming its alignment with the strategic objectives and risk management framework of the Group; and
- Approved the Company's Internal Audit Plan, Risk Management, and Regulatory Compliance Plan for 2026, ensuring appropriate audit coverage of key risk areas and critical business processes.

Nomination and Remuneration Committee (NRC) Report

NRC Mandate and Role

The NRC oversees the appointment and remuneration of the Board, Executive Management, and employees, while safeguarding the independence of the Board and ensuring compliance with applicable Company policies and regulatory requirements.

As at 31 December 2025, the NRC comprised three (3) Non-Executive Directors:

1. H.E. Ahmed Ali Al Sayegh – Chairperson;
2. H.E. Noura bint Mohammed Al Kaabi – Member; and
3. H.E. Jameela Al Muhairi – Member.

The NRC supported the Board in establishing and overseeing policies relating to Board and senior Executive Management nominations and remuneration during 2025. The NRC assists the Board in fulfilling its oversight responsibilities, including but not limited to:

- (a) Monitoring the nomination process for the Board and Executive Management;
- (b) Facilitating the identification of suitably qualified and balanced candidates for appointment to the Board and its committees to ensure effective oversight of the Group's affairs;
- (c) Recommending updates to policies relating to Board membership;
- (d) Overseeing succession planning for key Executive Management roles, including the Chief Executive Officer (CEO) and Chief Financial Officer (CFO);
- (e) Supervising matters relating to the remuneration of Board members, Board committee members, and Executive Management;

(f) Evaluating the performance of the Board and Executive Management; and

(g) Providing recommendations to the Board regarding annual bonuses and salary adjustments for employees.

All members of the NRC adhere to the Company's information-sharing protocol, which sets out guidelines concerning material non-public information and insider trading.

Members of the NRC acknowledge their accountability for the effectiveness of the nomination and remuneration frameworks under their oversight, regularly reviewing operational mechanisms to ensure their adequacy. The NRC Chairperson further recognises responsibility for overseeing the NRC's policies, reviewing its processes, and ensuring the overall effectiveness of its functions.

NRC Composition and Meetings

In accordance with its Charter, the NRC comprises a minimum of three (3) Non-Executive Board Members and a maximum of five (5) members, of whom at least two (2) are Independent Board Members. The NRC is chaired by an Independent Director and meets at least once annually, with additional meetings convened as required to address Company matters within its mandate.

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Details of the five (5) NRC meetings held during 2025 and member attendance are disclosed in the table below:

NRC Member Name	17 March 2025	29 April 2025	18 July 2025	27 August 2025	28 November 2025
H.E. Ahmed Ali Al Sayagh (Chairperson)	Yes	Yes	Yes	Yes	Yes
H.E. Noura bint Mohammed Al Kaabi	Yes	Yes	Yes	Yes	Yes
H.E. Jameela Al Mheiri	Yes	Yes	Yes	Yes	Yes

Note: The above meeting dates include the approval of certain items by way of written circulation.

Key NRC Focus Areas in 2025

The NRC reviewed and approved the remuneration of the Board Secretary, ensuring alignment with the scope of responsibilities, governance requirements, and applicable regulatory standards.

Investment Committee (IC)

The Investment Committee (IC), established by the Board, continues to oversee and provide strategic guidance on the Group's investment activities, including mergers, acquisitions, and strategic partnerships.

IC Composition

As at 31 December 2025, the IC comprised the following Board and other members:

1. H.E. Abdulhamid Mohammed Saeed Alahmadi – Chairperson;
2. H.E. Jameela Al Muhairi – Member;
3. H.E. Rima Al Mokarrab – Member; and
4. H.E. Khalifa Al Mazrouei – Member.

The IC is composed of three (3) Non-Executive Directors and one (1) advisory member with diverse experience in finance, governance, public policy, and investment oversight. IC Members are appointed for an initial term of three (3) years from the date of appointment.

The IC ensures that all investment decisions are aligned with the Group's strategic objectives and risk management framework. The IC is granted full access to all relevant investment-related information, documentation, and management analysis necessary to discharge its responsibilities.

The Board and Executive Management are required to respond promptly to the IC's inquiries and provide relevant information to support informed decision-making.

Delegation of Authority (DoA)

The Company operates under a Board-approved Authorisation and Delegation of Authority (DoA) Policy, supported by a detailed DoA Matrix, which together define the decision-making powers and approval limits of the Board, its committees, and executive management across the Group.

While the Board retains ultimate responsibility for governance and certain matters reserved to it or to the General Assembly (including changes to share capital, approval of financial statements, declaration of dividends, material merger and acquisition transactions, and the appointment or removal of key executives), it delegates defined authorities to the Chief Executive Officer, Chief Financial Officer, and other authorised position holders to enable effective day-to-day management within approved strategies and budgets.

Scope of the DoA Framework

The DoA framework covers key areas including:

- Strategy execution;
- Financial commitments;
- Treasury and banking operation;
- Related party transactions;
- Procurement and contracting;
- Risk and compliance oversight;
- Internal audit;
- ESG matters; and
- Human capital matters.

The DoA framework incorporates quantitative thresholds, segregation of duties, and signature requirements to support robust internal control and regulatory compliance.

Review and Assurance

This policy is reviewed at least annually by the Company's Legal Department in coordination with Executive Management and the ARCC, with any material changes submitted to the Board for approval, and its application is periodically assessed through internal assurance activities.

No material DoA breaches were identified during the financial year ended 31 December 2025.

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Executive Management Profiles



Geoffrey Alphonso

Geoffrey Alphonso serves as Chief Executive Officer of Alef Education Holding PLC and is a recognised voice in education technology, named among Arabian Business's 'Top 30 CEOs' and '100 Most Inspiring Leaders' in the Middle East. He brings over 25 years of experience in education technology, telecommunications, and finance across the North American, Australian, and Middle Eastern markets.

As CEO, Mr. Alphonso leads the Company's overall strategic vision, product innovation, and product portfolio to drive global growth at scale. Under his leadership, the Company has expanded into five international markets and serves over 2 million learners.

In 2024, Mr. Alphonso led the Company's initial public offering on the Abu Dhabi Securities Exchange, achieving a valuation of USD 1.89 Bn. and establishing Alef Education Holding PLC as the first publicly listed education technology company in the United Arab Emirates.

Mr. Alphonso serves on the board of THAKI, a non-governmental organisation providing digital education products and services to underserved children in the MENA

region. He is a member of the Forbes Technology Council and contributes regularly to international education forums and media outlets on education innovation and digital inclusion.

Mr. Alphonso holds an MBA from London Business School.



Dr. Aishah Al Yammahi

Dr. Aishah Al Yammahi acts as a Strategic Advisor for Alef Education Holding PLC. A thought leader with over 27 years of experience in the education sector, Dr. Aishah Al Yammahi has been recognised among the 51 Emirati Women Achievers for her contributions to innovation in the United Arab Emirates and for paving the way for future generations of inspiring women.

Dr. Aishah Al Yammahi has held many roles in education in the public and private sectors, including the United Arab Emirates Ministry of Education, where she oversaw the rollout of the Alef Education learning platform across public schools in Abu Dhabi.

Dr. Aishah Al Yammahi also worked as the Director of the United Arab Emirates National Commission for Education, Culture and Science at UNESCO, where she was introduced

to many worldwide education systems. As part of the social role that Dr. Aishah deems a responsibility, she launched a successful social media campaign to cover topics related to education, AI and technology, and leadership. Her insightful contributions have been widely acknowledged, and she continues to be a leading voice in the field.

Dr. Aishah Al Yammahi earned her doctorate in philosophy of education from The British University in Dubai (BUiD) after conducting in-depth research, which culminated in a published paper titled "Investigating the Impact of AI-Powered Digital Educational Platforms on Students' Learning and Teachers' Practice in Abu Dhabi Schools." Preceding this, Dr. Aishah published additional research conducted at BUiD in the Journal for Researching Education Practice and Theory titled "The impact of Alef Platform on students' performance at Al Asayel School in Abu Dhabi, UAE."

Dr. Aishah Al Yammahi has also earned a Master of Business Administration and Management from Massey University in New Zealand.

Delegation of Authority (DoA)



Amit Choudhary

Amit Choudhary serves as Chief Financial Officer of Alef Education Holding PLC and has 25 years of multinational experience in Europe, the Bahamas, the Middle East, and India, including the last 18 years in the United Arab Emirates. He spent 13 years with 'Big Four' accounting firms, including Deloitte & Touche, KPMG, and PricewaterhouseCoopers, followed by Waha Capital, where he was the Executive Director of Finance and Compliance.

Prior to joining the Company, Mr. Choudhary was the CFO of Qatar First Bank and Emirates Post (now called 7X) portfolio of companies, including the Wall Street Exchange, Instant Cash, and FINTX. He has led change, turnaround, and cost optimisation strategies, resulting in significant company-wide improvements and value creation.

Mr. Choudhary earned a Bachelor of Commerce with Honours from The University of Calcutta. He is qualified as a Chartered Accountant with the Institute of Chartered Accountants in England and Wales (ICAEW) and the Institute of Chartered Accountants of India (ICAI). He also earned the Associate CMA and CGMA titles from CIMA, United Kingdom, and certifications in Leadership from Harvard Business School and Corporate Finance from London Business School.



Joe El Sebaaly

Joe El Sebaaly serves as Chief Product Officer of Alef Education Holding PLC and brings more than 20 years of experience in technology and education technology, with a strong focus on digital transformation and product innovation.

Prior to joining Alef Education, Mr. El Sebaaly held senior roles at Pearson and McGraw-Hill, where he led education services initiatives across higher education and vocational education markets. His work focused on leveraging global expertise and capabilities to develop innovative, technology-driven learning solutions.

He leads the Company's product and artificial intelligence strategy. He is responsible for defining and executing the product vision, strengthening the Company's AI-enabled learning capabilities, and delivering scalable solutions that create measurable value for students, educators, and institutional partners.

Mr. El Sebaaly holds a Bachelor of Computer Science and a Master of Computer Science from the American University of Beirut. He also holds a Master of Business Administration from London Business School.



Amjad Khan

Amjad Khan serves as Chief Technology Officer of Alef Education Holding PLC and brings over 29 years of experience in technology leadership, systems architecture, and digital transformation across public and private sector organisations.

Mr. Khan has held senior technology roles with global organisations including HP, EE, Siemens, DXC, Capgemini, TNT, and the UK Ministry of Justice. His career spans a broad range of industries, including government, telecommunications, and service sectors, with experience working across start-ups, scale-ups, and large-scale enterprises. He also served as an independent consultant for 14 years, providing strategic technology advisory services.

He is responsible for defining and delivering the Company's technical product vision. He oversees the development of scalable, secure, and resilient technology infrastructure, ensuring high availability, performance optimisation, and cost efficiency. His remit includes platform engineering, machine learning, business intelligence, agile delivery frameworks, cybersecurity, and enterprise architecture.

Mr. Khan holds a Master of Computer Science from the University of Manchester and a Bachelor of Science in Pharmacology from the University of Leeds.

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Mounia Hajji

Mounia Hajji is an executive with over 20 years of experience in business transformation, organisational change, and strategic growth. Her career spans consulting, technology, and telecoms, in more than 10 countries and across organisations ranging from start-ups to major corporates, where she has worked at the highest levels of leadership.

As Chief of Staff at Alef Education, a publicly listed AI-powered EdTech company serving over 2 million students globally, Mounia works closely with the CEO to drive the Company's most critical strategic priorities.

Prior to joining Alef Education Holding PLC, Mounia served as Chief of Staff — and interim Chief People Officer — at YouGov, the global data and analytics group, where she was a trusted advisor to the CEO and co-founder. She led three major organisational restructures and drove commercial initiatives that delivered significant revenue and profit growth, and a 50% rise in share price, during a period of high-stage growth.

Having supported CXOs directly for over a decade, Mounia brings a combination of strategic and operational experience to the executives she partners with.

Ms. Hajji holds a Master of Science in Economics from HEC Paris and has completed the Executive Leadership Programme at Oxford Saïd Business School. She is fluent in Arabic, French, and English.



Gregoire Provot

Gregoire Provot serves as Chief of Service Delivery at Alef Education Holding PLC and brings over 28 years of experience in customer service and information technology service delivery across global markets.

Mr. Provot has successfully led large, multi-year transformation and regional growth initiatives across telecommunications and IT sectors. He has held senior leadership roles at organisations including BT, C&W, NCR, Dell, BMC, and NTT DATA Corporation. Throughout his career, he has delivered business outsourcing, service excellence, and operational optimisation initiatives across Europe, the United States, and the Middle East and Africa (EMEA).

He is responsible for delivering contractual value to clients within the service level agreement frameworks, driving operational excellence, and enhancing client satisfaction. His remit includes service implementation, training and quality oversight, project management office leadership, and service desk operations. He also focuses on maximising retention and renewal performance.

Mr. Provot holds a Master of Management, Information Technology and Communication from Gustave Eiffel University and a Bachelor of Business Administration from Paris XIII University.



Sarah Bradfield

Sarah Bradfield serves as Director of Organizational Development and People at Alef Education Holding PLC and brings over 20 years of experience in human resources across a range of industries, including financial services, automotive, and luxury retail sectors in the United Arab Emirates and the United Kingdom.

Ms. Bradfield has extensive experience in strategic consulting and the implementation of human capital solutions focused on talent acquisition, performance management, employee retention, and succession planning. She has led organisational development initiatives designed to enhance workforce capability, strengthen leadership pipelines, and support sustainable growth.

She is responsible for overseeing the Company's people strategy, organisational development framework, and talent management initiatives, ensuring alignment with corporate objectives and long-term operational excellence.

Ms. Bradfield holds a Master of Business Administration from Strathclyde University and a Bachelor of Science in Economics and Business from the University of St Andrews.

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Daniel Abela

Mr. Daniel Abela serves as General Counsel of Alef Education Holding PLC and is a UK-qualified lawyer with over 25 years of international and regional legal experience.

Mr. Abela has held senior legal roles within blue-chip organisations and top-tier private practice firms, where he advised on complex corporate and commercial matters. He has extensive experience in multi-jurisdictional corporate law, including mergers and acquisitions, joint ventures, and fundraising transactions. His expertise includes navigating regulatory frameworks and advising on high-stakes, cross-border transactions.

As General Counsel at Alef Education, Mr. Abela is responsible for overseeing the Company's legal strategy, regulatory compliance, and corporate governance advisory. He has established agile legal frameworks aligned with business objectives and supports the Company's growth and risk management initiatives.

Mr. Abela holds a Bachelor of Laws and a Postgraduate Diploma in Law from Manchester Metropolitan University.



Mikhael El Hachem

Mikhael El Hachem is a Lebanon-qualified lawyer and Senior Legal Counsel with over ten years of experience across in-house, private practice, and multinational advisory environments in the United Arab Emirates and the wider region. He currently serves as Senior Legal Counsel at Alef Education Holding PLC and was appointed Board Secretary in August 2025. He has advised multinational organisations across the GCC, including during his three-year tenure at PwC Middle East.

He is the Company's lead authority on data privacy and AI governance, having designed and implemented a comprehensive data protection compliance roadmap aligned with the UAE Personal Data Protection Law and international standards, including the GDPR, and established the Company's Artificial Intelligence Ethics Framework.

He holds a Master's degree in E-Commerce and Digital Economy Law from the University of Paris 1 Panthéon-Sorbonne and a Master of Private Law from Saint Joseph University.

Mr. El Hachem is certified by the International Association of Privacy Professionals (IAPP) as a CIPP/E, CIPM, and AIGP, and was recognised in 2025 as a Fellow of Information Privacy (FIP).



Sudha Sharma

Sudha Sharma leads the Risk & Compliance function at Alef Education Holding PLC and brings over 18 years of experience in risk management, compliance, business continuity management, and corporate governance.

Ms. Sharma most recently served as Corporate Senior Manager Risk and Compliance at Agthia PJSC, where she played a key role in strengthening enterprise risk and compliance frameworks. With a strong background in corporate risk management, she has extensive experience in building and enhancing risk and compliance posture, systems, defining key risk indicators, implementing internal control mechanisms (ICFR), and developing enterprise-wide risk management and compliance frameworks.

She has led crisis management initiatives, including oversight during the COVID-19 pandemic, ensuring business continuity and resilience across operations in HCL technologies (India). She has also served in the metal and mining industries, telecommunications sectors, and information technology industry in India.

Ms. Sharma is a Chartered Accountant and a Company Secretary by qualification. She also holds a Bachelor of Commerce degree with Honours from Calcutta University (India) along with membership at ICAI (India) and ICSI (India).

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Delegation of Authority (DoA)

She is a Certified Risk Professional (CRiSP), Certified in Risk and Information Systems Control (CRISC) and Certified Fraud Examiner (CFE). She is also a member of the Association of Certified Fraud Examiners (ACFE) and Information Systems Audit and Control Association (ISACA).



Lilian Erian

Lilian Erian serves as Senior Internal Audit Manager at Alef Education Holding PLC and brings over 18 years of experience in internal audit and risk advisory across Egypt and the Middle East.

Ms. Erian has previously worked with leading organisations including PwC Middle East, Protiviti Middle East, Orange Telecom Egypt, and Barclays Bank of Egypt. Her experience spans internal audit, risk advisory, governance advisory, and control framework development across Education and Telecommunications Sectors.

She holds several professional certifications, including Certified Fraud Examiner (CFE), Certified Agile Auditor Professional (CAAP), Governance, Risk and Compliance (GRC & GRCA). She is a UAE IAA Member and ACFE Member.

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Ethics and Integrity

At Alef Education Holding PLC, integrity forms the cornerstone of sustainable value creation and long-term stakeholder confidence. The Company is committed to embedding ethical conduct, transparency, and accountability across all levels of the organisation.

The Board sets the tone at the top by establishing a governance framework that promotes responsible decision-making, regulatory compliance, and robust oversight. This framework is supported by clearly defined reporting structures, internal control mechanisms, independent assurance functions, and formalised policies designed to uphold high standards of professional conduct.

The Company maintains policies governing conflicts of interest, related party transactions, insider trading, and compliance with applicable laws and regulations. Ethical standards are reinforced through structured processes, periodic reviews, and ongoing awareness initiatives to ensure consistent application across the Group.

Through this integrated governance architecture, Alef Education seeks to safeguard stakeholder interests, enhance transparency, and reinforce institutional credibility.

Remuneration and Compensation

The Company's remuneration framework supports long-term strategic objectives while ensuring fairness, competitiveness, and regulatory compliance.

Compensation structures are designed to:

- Align remuneration outcomes with corporate performance and value creation;
- Promote accountability at Board and Executive Management levels;
- Remain competitive relative to relevant market benchmarks; and
- Attract and retain individuals with the requisite leadership expertise.

Board remuneration is determined in accordance with applicable regulations and is subject to approval by the General Assembly. No bonuses or additional allowances were paid or proposed for Board members beyond the approved remuneration.

Executive Management remuneration comprises fixed compensation, short-term performance-linked components, and statutory end of service benefits in accordance with applicable labour laws. Compensation is reviewed periodically to ensure continued alignment with Company performance and shareholder interests.

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Key Executive Management comprises:

Chief Executive Officer
Strategic Advisor
Chief Financial Officer
Chief Technology Officer
Chief Product Officer

In accordance with the SCA Corporate Governance Guide, the remuneration of the Board of Directors and Key Executive Management for the financial year ended 31 December 2025 is given below:

	31 December 2025 AED	31 December 2024 AED
Short-term benefits - Key Executive Management	10,385,894	9,183,846
Employees' end of service benefits - Key Executive Management	398,066	282,192
Remuneration for the Board	4,800,000	3,000,000
Total	15,583,960	12,466,038
Number of key Executive Management	5	6

Ethics and Integrity

Related Party Transactions

Alef Education maintains a formal Related Party Transactions Policy that establishes clear procedures for identifying, reviewing, approving, and disclosing transactions involving related parties, in accordance with the ADGM Companies Regulations 2020 and CMA requirements.

This policy applies to transactions involving:

- Members of the Board;
- Executive Management;
- Major shareholders; and
- Employees and entities in which such parties hold an interest.

All related party transactions are reviewed to ensure they are conducted on arm's-length terms and in the best interests of the Company. Material transactions are subject to review by the ARCC and, where required, Board and shareholder approval.

The Group enters transactions with companies and entities that fall within the definition of a related party as contained in the International Accounting Standard (IAS) 24 Related Party Disclosures. These represent transactions with related parties, i.e., shareholders, associates, affiliates, directors, and key management personnel of the Group, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by Executive Management.

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Transactions with related parties are as follows:

	31 December 2025 AED	31 December 2024 AED
Purchase of intangible asset (Arabits)	-	35,333,333
Interest income from a related party	-	2,636,820
Revenue from contracts with customers – New Century Education-Sole Proprietorship LLC	302,976	266,602
Recharge of expense to a related party	-	112,772

There are no outstanding balances with related parties as at 31 December 2025 (2024: nil).

Board's shareholding pattern

A statement detailing the ownership of Board members in the Company's securities during 2025 is provided below:

Board Member Name	As at December 2024	Change in shareholding during the year	As at December 2025	Status of Ownership
H.E. Ahmed Ali Al Sayegh	740,740	-	740,740	Direct
Dr. Saeed Alghfeli	740,740	-	740,740	Direct
Mr. Omar Abdulla Al Hashmi	7,686	-	7,686	Direct

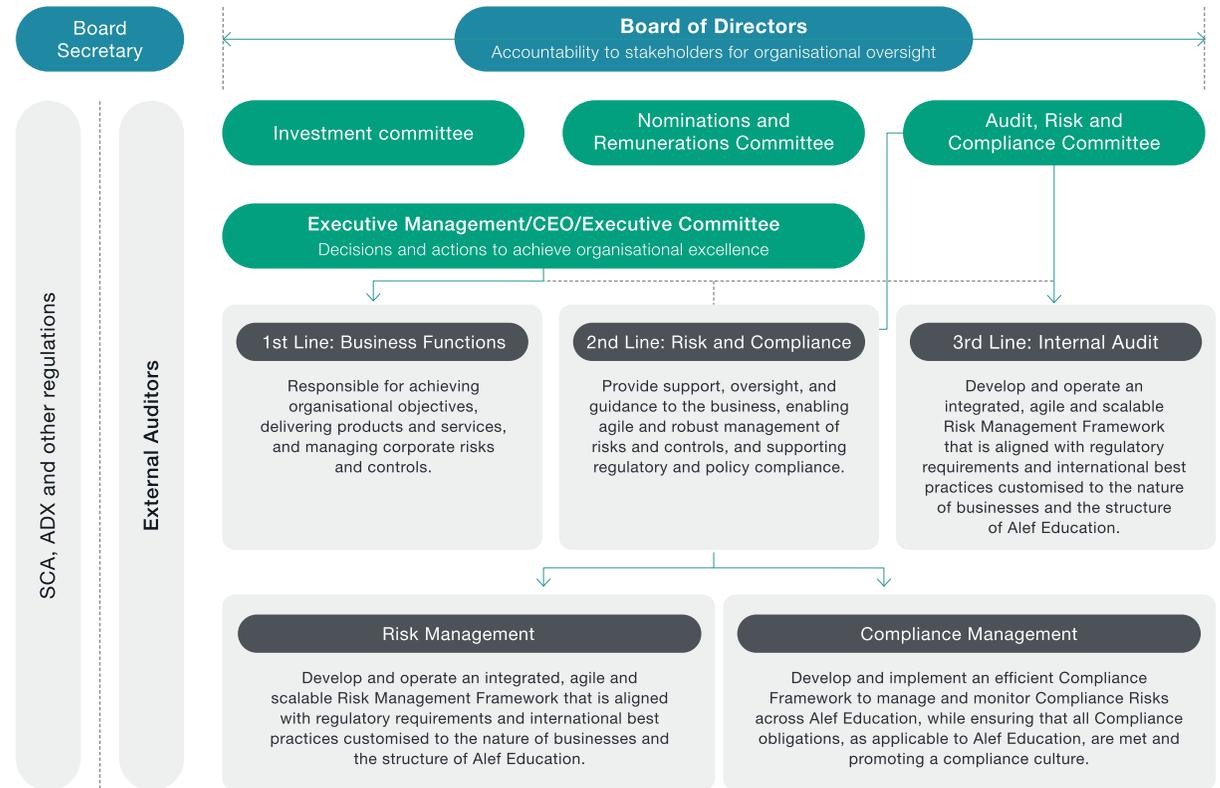


Internal Control Framework

The Board bears ultimate responsibility for ensuring the adequacy and effectiveness of the Company's internal control system.

The Company's internal control framework is designed to provide reasonable assurance regarding:

- The reliability of financial reporting;
- Compliance with applicable laws and regulations;
- Safeguarding of assets; and
- Effectiveness and efficiency of operations.



Ethics and Integrity

The Company's Internal Audit Department, which reports functionally to the ARCC, provides independent and objective assurance over the design and operating effectiveness of internal controls.

In 2025, the ARCC provided oversight of internal control and risk management processes, through:

- Approval and monitoring of the Company's Internal Audit Plan;
- Review of internal audit reports and findings; and
- Monitoring remediation of identified control weaknesses.

Internal Audit

The Company's Internal Audit Department applies a risk-based audit methodology, complemented by cyclical audit coverage, to ensure comprehensive oversight.

An annual enterprise-wide risk assessment is conducted to develop the Company's Internal Audit Plan for the following year, which is approved by the ARCC. The assessment considers:

- Major financial and operational controls;
- Control design and effectiveness;
- Business conduct risks; and
- Regulatory compliance risks.

All internal audit recommendations are subject to quarterly follow-up and monitoring to ensure timely implementation of corrective actions.

The Internal Audit function operates in accordance with Company policies, professional audit standards, and applicable CMA regulations.

Risk Management

The Company operates through a structured Enterprise Risk Management (ERM) framework based on industry best practices such as COSO and ISO:31000. The framework is designed to identify, assess, and mitigate risks that may impact strategic objectives.

Formal risk reviews are conducted periodically across business units and functions with support from the Company's ERM function. These reviews:

- Assess the Group's overall risk profile and exposure;
- Identify emerging and material risks;
- Evaluate mitigation strategies; and
- Ensure risks remain within approved risk appetite levels.

The outcomes of risk reviews are presented to the ARCC and the Board for oversight and guidance.

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External Audit

Alef Education Holding PLC recognises the critical role of external auditors in safeguarding the integrity of financial reporting.

The Board is responsible for recommending the appointment of the Company's external auditor to the General Assembly. Selection is based on objective criteria including reputation, experience, independence, technical competence, and fee structure.

The Company's external auditor:

- Provides an independent opinion on the financial statements;
- Evaluates internal control processes relevant to financial reporting;
- Verifies asset ownership and liabilities; and
- Reports any regulatory breaches or material weaknesses.

Safeguards are in place to ensure auditor independence in accordance with the Company's approved Corporate Governance Manual and CMA requirements. The ARCC evaluates the auditor's performance annually as per compliance requirements.

Ethics and Integrity

The Company's external auditor is appointed for a one-year term, renewable annually, provided that:

- The firm's tenure does not exceed six (6) consecutive years;
- The engagement partner is rotated after three (3) years; and
- Reappointment after termination may only occur after a two-year cooling-off period.

Details of the Company's appointed external auditor for 2025 are as follows:

Name of the Audit Firm	Ernst & Young Middle East (ADGM Branch) Walid J. Nakfour, Partner EY
Number of years spent as the Company's External Auditor	3
Number of years the Partner Auditor spent auditing the Company's accounts	3
Total value of audit and review fees for 2025	AED 515,541
Total value of audit of special purpose Consolidated Financial Statements for IPO	Not applicable for 2025
Total value to provide underwriter's comfort letters for IPO	Not applicable for 2025
Statement of other services that an External Auditor other than the Company Auditor provided during 2025 (if any)	Not applicable for 2025

Code of Conduct and Business Ethics (Code)

The Company's Code of Conduct and Business Ethics (Code) establishes the ethical standards applicable to all Company employees, consultants, and representatives. It governs business conduct and reinforces the Company's commitment to integrity, fairness, and accountability.

This Code provides guidance on:

- Ethical decision-making;
- Conflicts of interest;
- Anti-bribery and corruption;
- Protection of confidential information; and
- Reporting mechanisms for misconduct.

The Company's Compliance function, in collaboration with the Company's Human Resources function, oversees implementation of the Code, including mandatory training and awareness programmes. Compliance is monitored through internal audits and a confidential whistleblowing (Speak Up) mechanism.

Violations of the Code may result in disciplinary action, including termination of employment.

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Governance Policies

The Company maintains a comprehensive suite of governance policies approved by the Board and implemented across the Group. These include:

- Share Dealing and Insider Trading Policy;
- Disclosure and Transparency Policy;
- Anti-Bribery and Corruption Policy;
- Related Party Transactions Policy;
- Conflict of Interest Policy;
- Remuneration Policy;
- Fraud Risk Policy;
- Speak Up Policy;
- Code of Conduct and Business Ethics; and
- Third Party Code of Conduct.

Details of the above mandatory compliance policies are available on the Company's corporate website.

Shareholding and Market transparency

PROOF 2

Alef Education Holding PLC share information

Attribute	Value
Currency	AED
Market	Abu Dhabi (AED)
ISIN code	AEE01388A243
Ticker code	ALEFEDT
Industry	Technology
Market Capitalisation	7,280,000,000
Number of shares	7,000,000,000

Shareholder information

Name of the Shareholders	Shareholding
Tech Nova Investment - Sole Proprietorship LLC	68%
KRYPTONITE Investments – LLC.OPC	12%

1. Share performance relative to the relevant market and sector indices as at 31 December 2025.

Share performance as at 31 December 2025



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Instrument	1M change %	3M change %	52W change %	52W high and low
Alef Education	-0.95% ▼	-8.77% ▼	-8.77% ▼	H: 1.18 L: 0.91
FTSE ADX General Index	2.68% ▲	8.28% ▲	10.27% ▲	H: 10,755.36 L: 8,771.73

2. Share performance (by years) relative to the relevant market and sector indices as at 31 December 2025

Instrument	2026	2025	2024	2023	2022
Alef Education	-5.46% ▼	-4.35% ▼	N/A	N/A	N/A
FTSE ADX General Index	5.88% ▲	6.09% ▲	-1.66% ▼	-6.21% ▼	20.29% ▲

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Directors' Report

The Directors present their report together with the audited consolidated financial statements of Alef Education Holding PLC and its subsidiary (the "Group") for the year ended 31 December 2025.

Principal activities

The principal activities of the Group are consulting, and research and development in the field of technology education, institute training and development of teachers, educational facilities management, training on the development of personal competencies, educational consultancy, administrative support training services, computer systems and software designing, and information technology consultancy.

Financial results

The revenues earned from contracts with customers and the total comprehensive income of the Group during the years:

	31 December 2025 AED	31 December 2024 AED
Revenue	769,472,654	759,003,628
Total comprehensive income	480,215,132	447,459,429

Directors

The Directors of the Company as of 31 December 2025 were:

H.E. Abdulhamid Mohammed Saeed Alahmadi,
H.E. Ahmed Ali Mohamed Abdulla Al Sayegh,
H.E. Jameela Salem Musabbah Humaid Al Mheiri,
H.E. Noura Mohamed Helal Soroor Al Kaabi,
Ms Rima Ahmed Salim AlMokarrab Almheiri,
Dr Saeed Abdulla Mohamed Bin Mutlaq Alghfeli, and
Mr Omar Abdulla Mohamed Albaity Al Hashmi

Directors' statement on the disclosure to auditors

In so far as the Directors are aware, there is no relevant information of which the Group's auditors are unaware.

The Group's auditors have been provided with access to all information of which we are aware that is relevant to the preparation of consolidated financial statements.

Abdulhamid Mohammed Saeed Alahmadi

Chairman

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Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Alef Education Holding PLC (the “Company”) and its subsidiaries (together referred to as the “Group”), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the “IESBA Code”), as applicable to audits of financial statements of public interest entities together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Independent Auditor's Report

Revenue recognition

Revenue recognition is considered to be a key area of focus given that revenue is material and an important determinant of the Group's performance and profitability. The Group recognises revenue when it transfers control of a product or service to a customer. The Group mainly provides education solutions and IT infrastructure solution which comprise of initial set-up and continuous maintenance services. Revenue from Education solution and IT maintenance fees are recognized over time and revenue from IT set-up fees is recognized at a point in time (refer note 4 to the consolidated financial statements for the revenue recognition policy of the Group).

During the year ended 31 December 2025, total revenue of the Group amounted to AED 769,472,654. Given the magnitude of the amount and the inherent risk associated with revenue, we consider revenue recognition to be a key audit matter.

To address the above risk, we performed the following procedures among others:

- we performed procedures to assess whether the revenue recognition criteria adopted by the Group is appropriate and is in line with the Group's accounting policy;
- assessed the compliance of such policies with the applicable International Financial Reporting Standards;
- inspected the contracts with customers, on a sample basis, to test the total contract values, invoicing terms, payment terms, rate per student, and rates of other services rendered to the customers;
- obtained a representative sample of transactions and tested their occurrence, accuracy and recognition, by tracing them back to supporting documents;

- we have performed cut off procedures, including selecting the sample of transactions before and after the year end to evaluate the recognition in the current reporting period;
- performed analytical procedures, to identify inconsistencies and/or unusual movements during the year; and
- assessed the adequacy of the Group's disclosure in the consolidated financial statements in connection with revenue recognition.

Recognition of intangible assets

The Group has significant internally-generated intangible assets – research and development expenditure, which are capitalized in accordance with IAS 38 "Intangible Assets." As at 31 December 2025, the carrying value of these intangible assets amounted to AED 193.5 million. The capitalization and subsequent measurement of these assets involve significant management judgment and estimation, particularly in relation to (refer note 8 to the consolidated financial statements).

- Determining whether the costs incurred meet the criteria for capitalization under IAS 38.
- Assessing the useful lives of the capitalized assets.
- Evaluating the recoverability of the carrying amounts, including the estimation of future cash flows and the selection of appropriate discount rates.

To address the above risk, we performed the following procedures among others:

- We performed procedures to assess whether the intangibles recognition criteria adopted by the Group is appropriate and is in line with the Group's accounting policy. We selected a sample of capitalized costs and tested whether these costs met the criteria for capitalization under IAS 38.
- We assessed the nature of the costs capitalized to ensure they were directly attributable to the development of content for customers and platform.

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- We assessed the appropriateness of management's impairment testing methodology in accordance with IAS 36 "Impairment of Assets".
- We have evaluated the key assumptions used in the impairment models, including future cash flow projections and discount rates and performed sensitivity analyses to assess the impact of changes in key assumptions on the impairment assessment.

Other information

Other information consists of the information included in the Board of Directors' report and annual report, other than the consolidated financial statements and our auditor's report thereon. We obtained the Board of Directors' report prior to the date of our audit report and we expect to obtain the annual report after the date of our auditor's report. Management is responsible for the other information.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and in compliance with the applicable provisions of the Company's Articles of Association, Companies Regulation 2020 of Abu Dhabi Global Market (ADGM), and for such internal control as the 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, the 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 the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 ISA 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.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

1. the consolidated financial statements include, in all material respects, the applicable requirements of the Companies Regulations 2020 of ADGM; and
2. the financial information included in the Directors' report is consistent with the books of account and records of the Group.

For and on behalf of Ernst & Young – Middle East (ADGM Branch)

Walid J Nakfour

Date

Abu Dhabi, United Arab Emirates

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	Notes	31 December 2025 AED	31 December 2024 AED
INCOME			
Education solution fees		671,911,584	659,668,853
Support and services		97,561,070	99,334,775
Revenue from contracts with customers	15	769,472,654	759,003,628
EXPENSES			
Salaries and other benefits		(112,466,514)	(122,390,239)
Support and services expenses		(60,834,671)	(66,072,480)
Software licenses		(27,251,808)	(27,147,144)
Amortisation for intangible assets	6	(33,275,764)	(31,499,278)
Legal and professional fees		(13,471,965)	(17,218,134)
Depreciation on property and equipment	5	(1,930,765)	(1,730,007)
Lease expenses	7	(3,734,365)	(3,932,562)
Marketing expenses		(2,569,143)	(5,544,435)
Others		(2,131,428)	(4,513,585)
Total expenses		(257,666,423)	(280,047,864)
OPERATING PROFIT FOR THE YEAR		511,806,231	478,955,764

	Notes	31 December 2025 AED	31 December 2024 AED
Interest income		16,824,122	12,725,625
PROFIT FOR THE YEAR BEFORE TAX		528,630,353	491,681,389
Income tax expense	21	(47,548,704)	(44,221,960)
NET PROFIT FOR THE YEAR		481,081,649	447,459,429
Other comprehensive loss			
Items that will not be reclassified to profit or loss in subsequent period (net of tax):			
Remeasurement loss on defined benefit obligation	12	(866,517)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		480,215,132	447,459,429
Basic earnings per share (fils)	22	6.87	8.42

The attached notes 1 to 23 form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

PROOF 2

	Share capital AED	Shareholders contribution AED	Other reserve AED	Retained earnings AED	Total equity AED
Balance at 1 January 2024	-	167,559,022	75,000	346,786,283	514,420,305
Issuance of share capital (Note 10)	70,000,000	-	-	(70,000,000)	-
Dividends paid (Note 23)	-	-	-	(203,588,000)	(203,588,000)
Total comprehensive income for the year	-	-	-	447,459,429	447,459,429
Balance at 31 December 2024	70,000,000	167,559,022	75,000	520,657,712	758,291,734
Dividends paid (Note 23)	-	-	-	(408,184,000)	(408,184,000)
Net Profit for the year	-	-	-	481,081,649	481,081,649
Other comprehensive loss	-	-	-	(866,517)	(866,517)
Balance at 31 December 2025	70,000,000	167,559,022	75,000	592,688,844	830,322,866

The attached notes 1 to 23 form part of these consolidated financial statements.

Consolidated Statement of Cash Flows

	Notes	31 December 2025 AED	31 December 2024 AED
Operating activities			
Profit for the year before tax		528,630,353	491,681,389
Adjustments for:			
Depreciation on property and equipment	5	1,930,765	1,730,007
Depreciation on right of use asset	7	3,311,947	2,542,969
Amortisation of intangible assets	6	33,275,764	31,499,278
Write off of intangible assets	6	4,503,848	-
Interest expense on lease liability	7	311,372	382,143
Provision for employees' end of service benefits	12	4,901,223	4,871,160
Interest income		(16,824,122)	(12,725,625)
Provision for expected credit losses	8	235,077	-
Working capital changes:			
Amounts due from related parties		-	353,154
Trade and other receivables		184,485,616	(178,379,108)
Trade and other payables		(21,606,829)	(5,197,336)
Cash generated from operating activities		723,155,014	336,758,031
Income tax paid	21	(44,282,593)	-
Employees' end of service benefits paid	12	(2,327,018)	(1,985,848)
Net cash flows from operating activities		676,545,403	334,772,183

	Notes	31 December 2025 AED	31 December 2024 AED
Investing activities			
Purchase of property and equipment	5	(2,163,494)	(1,998,949)
Receipt of amounts due from related parties		-	109,402,334
Interest income received		16,174,034	12,927,921
Purchase of intangible assets	6	(55,646,760)	(114,290,814)
Net cash flows (used in)/from investing activities		(41,636,220)	6,040,492
Financing activities			
Repayment of lease liability	7	(3,512,792)	(2,699,232)
Dividends paid	23	(408,184,000)	(203,588,000)
Net cash flows used in financing activities		(411,696,792)	(206,287,232)
Net increase in cash and cash equivalents		223,212,391	134,525,443
Cash and cash equivalents at the beginning of the year		396,299,158	261,773,715
Cash and cash equivalents at the end of the year	9	619,511,549	396,299,158
Significant non-cash transactions			
Issuance of share capital	10	-	70,000,000
Addition to intangible assets	6	3,753,113	9,239,236

The attached notes 1 to 23 form part of these consolidated financial statements.

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	Notes	31 December 2025 AED	31 December 2024 AED
ASSETS			
Non-current assets			
Property and equipment	5	3,041,676	2,808,947
Intangible assets	6	193,549,385	171,929,124
Right of use asset	7	2,842,457	6,154,404
Trade and other receivables	8	357,272	4,942,592
Deferred tax asset	21	85,699	-
Total non-current assets		199,876,489	185,835,067
Current assets			
Trade and other receivables	8	161,121,878	340,607,163
Cash and cash equivalents	9	619,511,549	396,299,158
Total current assets		780,633,427	736,906,321
TOTAL ASSETS		980,509,916	922,741,388
EQUITY AND LIABILITIES			
Equity			
Share capital	10	70,000,000	70,000,000
Shareholders' contribution	10	167,559,022	167,559,022
Other reserve	11	75,000	75,000
Retained earnings		592,688,844	520,657,712

	Notes	31 December 2025 AED	31 December 2024 AED
Total equity		830,322,866	758,291,734
Non-current liabilities			
Provision for employees' end of service benefits	12	19,333,061	15,806,640
Lease liabilities	7	-	3,172,036
Total non-current liabilities		19,333,061	18,978,676
Current liabilities			
Trade and other payables	13	80,196,566	98,050,282
Lease liability	7	3,169,352	3,198,736
Income tax liability	21	47,488,071	44,221,960
Total current liabilities		130,853,989	145,470,978
Total liabilities		150,187,050	164,449,654
TOTAL EQUITY AND LIABILITIES		980,509,916	922,741,388

Chairman

Chief Executive Officer

The attached notes 1 to 23 form part of these consolidated financial statements.

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1. Background

Corporate information

Alef Education Holding PLC (the “Company” or the “Parent”) is registered in Abu Dhabi Global Market (ADGM) under license number 17843 as a Public Company Limited by Shares. The Company was incorporated on 15 March 2024. The registered address of the Company is External Office 2332, 23rd Floor, Sky Tower, Al Reem Island, Abu Dhabi, United Arab Emirates. The Company and its subsidiary, Alef Education Consultancy LLC are collectively referred to as the Group (the “Group”).

The principal activities of the Group are consulting and research and development in the field of technology education, institute training and development of teachers, educational facilities management, training on the development of personal competencies, educational consultancy, administrative support training services, computer systems and software designing and information technology consultancy in the United Arab Emirates.

On 28 March 2024, pursuant to the reorganisation, the shareholders established the Company as a new holding company with a share capital of AED 70,000,000 at AED 0.01 per share (note 10). The Company became the new holding company of the Group through transfer of shares of Alef Education Consultancy LLC. The shares were transferred to the new holding company for nil consideration. The reorganisation was completed on 27 March 2024 during which all the legal ownership of Alef Education Consultancy LLC was transferred to the new holding company.

The Group includes one fully owned subsidiary, Alef Education Consultancy LLC which is incorporated in the United Arab Emirates. Alef Education Consultancy LLC has a subsidiary, Arabic Scale Educational Consultancy – Sole Proprietorship LLC which is incorporated in the United Arab Emirates and its primary activities are development and innovation in computer system and program and educational consultancy. Alef Education Consultancy LLC also has

a branch in the Emirate of Abu Dhabi in Abu Dhabi Creative Media Zone Authority and a branch office in Amman, Hashemite of Jordan under an establishment number # 200181807 which provides support in content designing and writing.

On 12 June 2024, the Company listed 20% of its share capital on Abu Dhabi Securities Exchange (“ADX”) as part of Initial Public Offering (“IPO”).

At 31 December 2025, the Group had an average of 391 employees (31 December 2024: 404 employees).

The consolidated financial statements were authorised for issuance in accordance with a resolution of the Board of Directors on 11 February 2026.

2. Basis of Preparation

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and applicable provision of the Companies Regulations 2020 of Abu Dhabi Global Market (ADGM).

The consolidated financial statements are prepared under the historical cost basis, except for financial assets carried at fair value through profit or loss which are stated at fair value as at the reporting date.

The consolidated financial statements are presented in United Arab Emirates Dirham (“AED”), which is the functional and presentational currency of the Group.

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2.2 Basis of consolidation

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

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

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

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

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

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 subsidiary to bring their accounting policies in 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.

Subsidiaries are fully consolidated from the date of acquisition or incorporation, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The consolidated financial statements of the subsidiaries are prepared for the same reporting period as the Group, using consistent accounting policies.

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

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

2.3 Group reorganisation and business combinations under common control

In the absence of guidance in IFRS for the group reorganisation and business combinations under common control, IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors requires to use judgement in developing and applying an accounting policy that provides reliable and more relevant information. As such group reorganisation has no economic substance and is outside the scope of IFRS 3 Business Combinations.

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Business combination under common control is accounted for using the pooling of interest method as follows:

- assets and liabilities of the subsidiary, are reflected at their carrying amounts and no adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the reorganisation that would otherwise be done under the acquisition method;
- no goodwill is recognised as a result of the reorganisation, except to the extent that existing goodwill was previously recognised in one of the combining entities. Any difference between the consideration transferred and the equity of the entity acquired as at the date of the combination is reflected within equity; and
- the statement of comprehensive income reflects the results of the acquiree entity.

The Group adopted an accounting policy to report the comparative information as if the Group always owned the businesses acquired under common control from the date when such businesses were part of the Group. This approach is applied consistently for all such transactions.

2.4 Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the following new standards, interpretations and amendments effective as of 1 January 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates, specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its interim condensed consolidated financial statements

to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position, and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Group's consolidated financial statements.

New and amended standards and interpretations

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

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7
- Annual Improvements to IFRS Accounting Standards – Volume 11
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Group does not expect that the adoption of these new and amended standards and interpretations, other than IFRS 18 will have a material impact on its consolidated financial statements. The Group is currently working to identify all the potential impacts of IFRS 18 on its consolidated financial statements in the future.

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PROOF 2

3. Material Accounting Policy Information

Financial instruments

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the consolidated statement of comprehensive income.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

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

Amortised cost and effective interest rate method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

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Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in consolidated statement of comprehensive income and is included in the "income – interest income from a related party" line item.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'Income from financial assets carried at fair value through profit or loss' line item in profit or loss.

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Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances and short-term deposits with an original maturity of three months or less net of bank overdraft, if any.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on trade and other receivables and due from related parties. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables and amounts due from related parties. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

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Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

1. The financial instrument has a low risk of default,

2. The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
3. Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(ii) Definition of default

The Group employs statistical models to analyse the data collected and generate estimates of probability of default ("PD") of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Group.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- a. significant financial difficulty of the issuer or the borrower;
- b. a breach of contract, such as a default or past due event (see (ii) above);
- c. the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- d. it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e. the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

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

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(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received, and receivable is recognised in profit or loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost or fair value as per nature of financial instrument. Financial liabilities are initially measured at fair value except payables which are carried at amount expected to be payable. Financial liabilities are subsequently measured at amortised cost.

The Group's financial liabilities include lease liability and trade and other payables.

Derecognition

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 comprehensive income.

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.

Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic

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benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to profit or loss during the financial period in which they are incurred. Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method on the following basis:

Office equipment – 3 years
Office furniture and fixtures – 3 years
Office leasehold improvement – 3 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Capital work in progress

Capital work in progress is recorded at cost and transferred to the appropriate asset category and depreciated in accordance with the Group's policies when development of a product is completed and transferred to the customers or ready for use after inspection from both parties.

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.

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The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognized 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 recognized right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and lease payments made at or before the commencement date. Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognized lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable.

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

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(iii) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of property (i.e., those leases that have a lease term of 12 months). Lease payments on short-term leases recognized as expense on a straight-line basis over the lease term.

Intangible assets

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

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives of three years.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the year in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;

- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the year in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Platform and content development costs

The Group provide educational services through its technology platform and capitalises costs incurred to develop the platform. The Group also capitalizes the costs incurred for each content (teaching lesson and other educational product) including standard cost to reflect time and effort incurred internally developing the content and if applicable, fees incurred for content and product vendors and standard cost for external reviewers. The development costs are capitalized when the IAS 38 “intangible asset” criteria for recognition of development costs are met.

Subsequent time and effort by the team to maintain and/or upgrade previously published content that was already capitalised in prior periods are expensed in the same period incurred. Additionally, costs for the time spent in developing mock tests and experiential digital lessons are expensed in the year they were incurred.

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Amortisation of intangible assets with finite lives is calculated on a straight-line basis over the estimated useful lives as follows:

Computer software – 3 year
Content – 4 years
Platform – 10 years

Employees' benefits

(i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plan

Monthly pension contributions are made in respect of UAE National employees, who are covered by the Law No. 2 of 2000. The pension fund is administered by the Government of Abu Dhabi, Finance Department, represented by the Abu Dhabi Retirement Pensions and Benefits Fund. Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Monthly pension contributions are made in respect of other GCC National employees, who are covered by the Circular no. 3 of 2007 issued by the General Authority of Pension and Social Security. The contribution made by the Company is charged to profit or loss. The pension contribution is made according to the laws of the respective GCC nation.

(iii) Defined benefit plan

A defined benefit obligation is a post-employment benefit plan other than a defined contribution plan. The Group currently operates an unfunded scheme for defined benefits in accordance with the applicable provisions of the UAE Federal Labour Law and is based on

periods of cumulative service and levels of employees' basic salaries at the end of their employment contract. The Group's net obligation in respect of defined benefit obligation is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods discounted to determine its present value. Any unrecognised past service costs are deducted. The discount rate is the yield at the valuation date on high quality US corporate bonds, which in the absence of a deep market in corporate bonds within the UAE is the relevant proxy market as determined by the actuaries.

The calculation of defined benefit obligation is performed periodically by a qualified actuary using the projected unit credit method. When benefits of the obligation are improved, the portion of the increased benefit related to past service by employees is recognised in the statement of comprehensive income on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the profit or loss. The Company recognises all actuarial gains and losses arising from defined benefit obligations in other comprehensive income and all expenses related to defined benefit obligations within profit or loss.

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 the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

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

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Foreign currencies

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

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

Exchange differences are recognised in statement of comprehensive income in the year in which they arise

Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of

money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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

Current versus non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset as current when it is:

- Expected to be realised or intended to sell or consumed in 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 equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

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A liability is current when:

- It is expected to be settled in 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.

Fair value measurement

The Group measures financial instruments, such as, financial assets carried at fair value through profit or loss, at fair value at the reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the advantageous market to which Company has access at that date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability,
- 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 by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

For financial instruments quoted in an active market fair value is determined by reference to quoted market prices. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

For all other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include comparison with similar instruments for which market observable prices exist, adjusted net asset method and other relevant valuation models.

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.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

Dividends

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 distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Revenue recognition

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

- Step 1** Identify contract(s) with a customer: A contract is defined as an agreement (in writing, orally or in accordance, with customary business practices) between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
- Step 2** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3** Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- Step 5** Recognise revenue when (or as) the Group satisfies a performance obligation.

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

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

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

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

The Group recognises revenue from the following major sources:

- IT infrastructure solution which comprises of initial set-up and continuous maintenance services; and
- Education solutions

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

The Group enters into contracts with its customers for supply of services through its resellers. The Group determined that it controls the services before they are transferred to customers, and it has the ability to direct the use of the or obtain benefits from the services. Therefore, the Group is acting as Principal in these arrangements if it has the responsibility for providing

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the services to the customers, it acts as the primary obligator and it bears the risk of providing the service.

Education solutions

This solutions fee corresponds to all the revenues received from customers for right of access to the Group's learning solution. The services rendered (including access to the Group's platform, availability of learning contents, on-site support and other ancillary services) are considered as one performance obligation as they are highly interdependent or interrelated. These obligations are fulfilled over time, that is over the academic year.

IT set-up services

The Group provides a combination of procurement and installation of IT equipment to be used for the provision of its education system solutions to schools and students. The revenue is recognised at a point in time once the goods and services are delivered / rendered to the customers.

IT Maintenance services

This service relates to maintenance work that may be required to be carried out on IT equipment for the duration of the contract which generally covers a period of five years. The maintenance service is considered to be a distinct service as it is available for customers from other providers in the market. Revenue relating to the maintenance services is recognised over time. The transaction price allocated to these services is recognised on a straight-line basis over the period of service.

Interest income

Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable.

Taxes

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 comprehensive income. 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, associate, 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.

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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 utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax 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.

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 profit or loss is recognised outside 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 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 VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- 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.

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4. Significant Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of the consolidated financial statements in compliance with IFRS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements as they become reasonably determinable.

These judgments, estimates and assumptions may affect the reported amounts in subsequent financial years. Estimates and judgments are currently evaluated and are based on historical experience and other factors.

Significant judgements

Determining whether unsigned (oral) agreements meet the definition of contract under IFRS 15

Certain contracts for the Government of Abu Dhabi, its departments or related parties, are executed on the basis of orally agreed terms (including estimates of total contract cost and timelines) in line with the Group's historical business practice. Management has determined such unsigned oral agreements meet the definition of a 'contract with customer' under IFRS 15 since the Group and the customer agree upon the essential elements of a contract and any other lawful conditions, though matters of detail are left to be agreed upon at a later date, and the contract is deemed to be made and binding even in the absence of agreement on these matter of detail. In addition, under Article 132 of the UAE Civil code and under the Supreme Administrative Court Ruling in Case no. 134 of 42 Judicial Year dated 22 July 1997, a contract can be oral or written, and a contract can also result from acts which demonstrate the presence of mutual consent between the relevant parties. At year ended 31 December

2025, the balance due on oral agreement was AED 114.2 million (31 December 2024: AED 314.5 million).

Capitalisation of development costs

Product development assets represent direct costs incurred in the development of platform and content prior to their publication. These costs are recognised as intangible assets where the platform and content will generate probable future economic benefits and costs can be measured reliably. Content and platform are amortised upon publication of the title over estimated economic lives of four years and ten years, respectively, being an estimate of the expected operating lifecycle of the product development asset. The assessment of the useful economic life and the recoverability of product development assets involves judgement and is based on historical trends and management estimation of future potential sales. Product development assets are assessed for impairment triggers on an annual basis or when triggering events occur. The carrying amount of platform and content are set out in note 6.

Defined benefit obligations

The cost of the defined benefit pension plan and other post-employment medical benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The calculation is most sensitive to changes in the discount rate. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and

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extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about pension obligations are provided in Note 12. Payments are based on employees' final salaries and allowances and their cumulative years of service, as stated in the UAE Labour law

Source of estimation uncertainty

The key assumptions concerning the future and other sources of estimation uncertainty at the financial position 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.

Estimating useful life for intangible assets

The useful lives and residual values of the intangibles assets are based on management's judgment of the historical pattern of useful lives and the general standards in the industry. Management has reviewed the residual values and the estimated useful lives of IAS 38 "Intangibles assets" and has determined that these expectations do not significantly differ from previous estimates.

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Impairment of non-financial assets

The Group determines whether intangible assets are impaired when events or conditions indicate that the carrying amount may not be recoverable. In assessing whether there is any indication that the intangible assets at the end of the reporting period may be impaired, the Company considered the following:

- Changes in the technological, market, economic or legal environment in which the Company operates that had or would have an adverse effect on the Company;
- Plans to discontinue or restructure the operation to which the intangible assets under construction belong; and
- Evidence from internal reporting and external factors that indicates a potential decline in budgeted net cash flows flowing from the asset.

If an indicator of write off exists, the Group determines the value in use of the cash generating units, where an indicator has been identified. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash generating units and also choose a suitable discount rate in order to calculate the present value of those cash flows. During the year ended 31 December 2025, the management performed a write down assessment of certain intangible assets. Based on this assessment, the management determined that the certain intangibles in capital work in progress did not meet the criteria of IAS 38. Accordingly, an write off of AED 4,503,848 (2024: Nil) was recognized during the year.

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Allowance for expected credit losses on trade receivables

The Group assesses the impairment of its financial assets based on the Expected Credit Loss ("ECL") model. Under the expected credit loss model, the Group accounts for expected credit losses and changes in those expected credit losses at the end of each reporting period to reflect changes in credit risk since initial recognition of the financial assets. The Group measures the loss allowance at an amount equal to lifetime ECL for its financial instruments.

The Group measures the expected credit losses of a financial instrument in a way that reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At the reporting date, gross trade receivables were AED 126,205,134 (2024: AED 318,490,318), and the allowance for expected credit losses was AED 235,077 (2024: Nil). Any difference between the amounts actually collected in future periods and the net carrying amounts is recognised in the consolidated statement of profit or loss.

5. Property and Equipment

	Office equipment AED	Office furniture and fixture AED	Office leasehold improvements AED	Total AED
Cost				
At 1 January 2024	35,211,139	2,204,506	240,465	37,656,110
Additions during the year	1,998,599	350	-	1,998,949
At 31 December 2024	37,209,738	2,204,856	240,465	39,655,059
Additions during the year	2,163,494	-	-	2,163,494
At 31 December 2025	39,373,232	2,204,856	240,465	41,818,553
Accumulated Depreciation				
At 1 January 2024	32,715,539	2,165,393	235,173	35,116,105
Depreciation	1,708,622	17,935	3,450	1,730,007
At 31 December 2024	34,424,161	2,183,328	238,623	36,846,112
Depreciation	1,912,216	16,707	1,842	1,930,765
At 31 December 2025	36,336,377	2,200,035	240,465	38,776,877

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	Office equipment AED	Office furniture and fixture AED	Office leasehold improvements AED	Total AED
Carrying amount				
At 31 December 2025	3,036,855	4,821	-	3,041,676
At 31 December 2024	2,785,577	21,528	1,842	2,808,947

6. Intangible Assets

	Computer software AED	Platform AED	Content AED	Capital work-in-progress AED	Total AED
Cost					
At 1 January 2024	607,676	40,702,836	163,775,752	8,557,729	213,643,993
Additions during the year*	-	46,476,190	-	77,053,860	123,530,050
Transfers		57,346,435	9,110,262	(66,456,697)	-
At 31 December 2024	607,676	144,525,461	172,886,014	19,154,892	337,174,043
Additions during the year	-	718,633	3,520,384	55,160,856	59,399,873

	Computer software AED	Platform AED	Content AED	Capital work-in-progress AED	Total AED
Transfer	-	45,643,269	7,090,791	(52,734,060)	-
Write off during the year**	-	-	-	(4,503,848)	(4,503,848)
At 31 December 2025	607,676	190,887,363	183,497,189	17,077,840	392,070,068
Accumulated amortisation					
At 1 January 2024	607,676	17,989,768	115,148,197	-	133,745,641
Amortisation	-	8,172,385	23,326,893	-	31,499,278
At 31 December 2024	607,676	26,162,153	138,475,090	-	165,244,919
Amortisation	-	14,146,308	19,129,456	-	33,275,764
At 31 December 2025	607,676	40,308,461	157,604,546	-	198,520,683
Carrying amount:					
At 31 December 2025	-	150,578,902	25,892,643	17,077,840	193,549,385
At 31 December 2024	-	118,363,308	34,410,924	19,154,892	171,929,124

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Included in additions during the year ended 31 December 2025 is AED 59.4 million representing the development of new content and platform products. These include Arabic Scale, pathways products for Math, English, Arabic and Science along with an assessment solution, other AI features and cutting edge solutions.

On 29 March 2024, the Group signed a partnership agreement with a US-based developer, MetaMetrics® to develop an Arabic reading scale to improve the literacy skills of K-12 Arabic speakers in collaboration with 6 Arab speaking countries. The newly developed Arabic scale is being branded as "Miqyas Al-Dhad Scale". Included in capital work in progress as at 31 December 2025 is an amount of AED 15.6 million incurred towards its ongoing development. The product is expected to be completed in 2026.

**Included in additions during the year ended 31 December 2024 is the acquisition of education products called Arabits from SAAL Operating Systems – Sole Proprietorship L.L.C., a related party for an amount of AED 35.3 million (Note 14).*

Included in additions during the year ended 31 December 2024 is the acquisition of an education product called Abjadiyat for a total amount of AED 11.2 million.

***During the year ended intangibles amounting to AED 4.5 million were written off, as the product in progress no longer meets the criteria under IAS 38. The write off charge is included in "other expenses".*

7. Leases

The Group has rented office premises in United Arab Emirates (UAE) for its head office and in Amman, Hashemite of Jordan.

Set out below are the carrying amounts of the Group's right-of-use asset and lease liability and the movements during the year:

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Right of use assets:

	31 December 2025 AED	31 December 2024 AED
At the beginning of the year	6,154,404	480,533
Additions during the year	-	8,216,840
Depreciation expense	(3,311,947)	(2,542,969)
At the end of the year	2,842,457	6,154,404

Lease liabilities:

	31 December 2025 AED	31 December 2024 AED
At the beginning of the year	6,370,772	471,021
Addition during the year	-	8,216,840
Payments during the year	(3,512,792)	(2,699,232)
Interest expense	311,372	382,143
At the end of the year	3,169,352	6,370,772

The Group recognises depreciation on the right-of-use asset and finance costs on the lease liability under "lease expenses".

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The lease liabilities are classified in the consolidated statement of financial position as follows:

	31 December 2025 AED	31 December 2024 AED
Current	3,169,352	3,198,736
Non-current	-	3,172,036
Total	3,169,352	6,370,772

Amounts recognized in the consolidated statement of comprehensive income relating to lease expenses:

	31 December 2025 AED	31 December 2024 AED
Interest expenses	311,372	382,143
Depreciation on right of use asset	3,311,947	2,542,969
Expenses relating to short term leases	111,046	1,007,450
Total lease expenses	3,734,365	3,932,562

8. Trade and Other Receivables

	31 December 2025 AED	31 December 2024 AED
Trade receivables	126,205,134	318,490,318
Less: provision for expected credit loss	(235,077)	-
Net trade receivables	125,970,057	318,490,318
Prepayments	8,917,895	10,568,774
Contract asset	10,383,802	9,353,457
Advances	1,586,924	1,936,274
Refundable deposits*	11,949,188	5,200,932
VAT Refundable	2,671,284	-
Total	161,479,150	345,549,755
Current	161,121,878	340,607,163
Non-current*	357,272	4,942,592
Total	161,479,150	345,549,755

Included in the trade receivable balance are balances totalling AED 120,078,286 (31 December 2024: AED 317,451,530) due from three customers in the United Arab Emirates, arising in the normal course of operations.

The Contract asset primarily relates to the Group's rights to consideration for work completed but not billed at the reporting date. The Contract assets are transferred to receivables when the rights becomes unconditional. This usually occurs when Group issues an invoice to the customer.

*Includes fixed deposits of AED 7,244,096 which are placed against bank guarantees as margin deposits (2024: AED 3,337,773).

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PROOF 2

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

	31 December 2025 AED	31 December 2024 AED
Balance at 1 January	-	-
Charge for the year	235,077	-
Balance at 31 December	235,077	-

The ageing analysis of the trade receivables net of provision for expected credit loss is as follows:

	Total AED	Not past due AED	0-30 Days AED	31-60 Days AED	61-90 Days AED	91-120 Days AED	Above 120 days AED
31 December 2025							
Expected credit loss		0.05%	1.91%	4.53%	0.17%	-	1.70%
Gross carrying amount	126,205,134	115,993,414	933,442	665,476	1,425,000	-	7,187,802
Allowance for expected credit loss	235,077	62,172	17,808	30,168	2,445	-	122,484

The ageing analysis of the trade receivables net of provision for expected credit loss is as follows:

	Total AED	Not past due AED	0-30 Days AED	31-60 Days AED	61-90 Days AED	91-120 Days AED	Above 120 days AED
31 December 2024							
Expected credit loss	-	-	-	-	-	-	-
Gross carrying amount	318,490,318	4,769,322	91,109,196	33,277,239	7,716,339	105,962	181,512,260
Allowance for expected credit loss	-	-	-	-	-	-	-

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For trade receivables, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Provision for expected credit losses of AED 235,077 was recorded for trade receivables at 31 December 2025 (31 December 2024: nil).

9. Cash and Cash Equivalents

Cash and cash equivalents at the end of the financial year as shown in the consolidated statement of cash flows comprise of:

	31 December 2025 AED	31 December 2024 AED
Cash on hand	13,071	16,645
Cash at bank	619,498,478	396,282,513
Cash and cash equivalents	619,511,549	396,299,158

Included in cash at bank are bank deposits with an original maturity of less than 3 months of AED 597,677,188 (31 December 2024: AED 365,000,000). These are denominated in UAE Dirham and carry interest at market rates.

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10. Share Capital

The shareholders of the Company and the respective ownership interests is as follows:

	31 December 2025 AED	31 December 2024 AED
Authorised, issued and fully paid		
31 December 7,000,000,000 shares of AED 0.01 each (US\$ 0.0027)	70,000,000	70,000,000

The share capital of the Company was funded by transferring AED 70,000,000 from the retained earnings. The legal formalities with the ADGM were completed on 15 March 2024, and the ADGM issued a Certificate of Incumbency and Business Extract with an amount of USD 19,060,585

(AED 70,000,000), divided into 7,000,000,000 (seven billion) ordinary shares with a par value of US\$ 0.0027 (AED 0.01) as the authorised and paid up share capital of the Company.

On 12 June 2024, the Company listed 1,400,000,000 (20%) of its ordinary shares on the Abu Dhabi Securities Exchange ("ADX").

Shareholders' contributions

Shareholders' contributions are interest free and the Group has no contractual obligation towards the repayment of this amount.

11. Other Reserve

In accordance with the UAE Federal Law No. 32 of 2021, the subsidiary is required to transfer 5%, (31 December 2024: 5%) of the profit for the year to statutory reserve, which is non-distributable. The subsidiary has discontinued such annual transfers as the reserve has reached 50% of the issued and paid-up share capital of the subsidiary.

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12. Provision for Employees' End of Service Benefits

The movements in the provision are as follows:

	31 December 2025 AED	31 December 2024 AED
As at 1 January	15,806,640	12,921,328
Current service cost	4,138,053	4,871,160
Interest cost	763,170	-
Benefits paid	(2,327,018)	(1,985,848)
Remeasurement loss recognised in other comprehensive income:		
Actuarial loss arising from changes in assumptions	575,352	-
Actuarial gain arising from experience	(243,403)	-
Actuarial loss arising from opening balance adjustment	620,267	-
As at 31 December	19,333,061	15,806,640

The present value of the defined benefit obligation and the related current service cost and past service cost were measured using the projected unit credit method.

The amount recognised in the statement of profit or loss is as follows:

	31 December 2025 AED	31 December 2024 AED
Service cost	4,138,053	4,871,160
Interest expense	763,170	-
Components of provision for employees' end of service benefit recognised in statement of profit or loss	4,901,223	4,871,160

The service and net interest expenses have been included under salaries and other benefits expenses in the consolidated statement of comprehensive income.

The amount recognised in the other comprehensive income are as follows:

	31 December 2025 AED	31 December 2024 AED
Actuarial losses arising from changes in financial assumption	575,352	-
Actuarial losses arising from demographic assumptions	-	-
Actuarial gains arising from experience	(243,403)	-
Actuarial losses arising from opening balance adjustment	620,267	-
Tax benefit on actuarial loss (Note 21)	(85,699)	-
Components of provision for employees' end of service benefits recognised in other comprehensive income	866,517	-

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The principal assumptions used for the purpose of actuarial valuations were as follows:

	31 December 2025 AED	31 December 2024 AED
Discount rate	4.36%	5%
Average annual rate of salary increase	2.80%	2.80%
Retirement age	60 years	60 years
Salary increase timing	Beginning of Year	Beginning of Year
Effective duration on liabilities	4.88 years	5.42 years

The mortality rates for ages 18 to 59 range between 0.84 to 10.54 (2024: range between 0.84 to 10.54) deaths per mille.

Sensitivity Analysis

A +/- 0.5% change in the discount rate would decrease / (increase) the defined benefit obligation by AED 452,408 / (474,291) as at 31 December 2025 (2024: nil), while a +/- 0.5% change in the annual growth rate of salary would increase/ (decrease) the defined benefit obligation by AED 526,663 / (AED 506,514) as at 31 December 2025 (2024: nil).

13. Trade and Other Payables

	31 December 2025 AED	31 December 2024 AED
Trade payables	1,132,683	6,429,987
Accrued expenses and other payables	38,239,216	41,487,642
Contract Liabilities	40,824,667	36,530,022
VAT payable	-	13,602,631
Total	80,196,566	98,050,282

Contract liabilities include advances from customers to render education solutions and support & services. The revenue is recognised either point in time or over time against these contract liabilities.

Set out below are the amount of revenue from contracts with customers recognised from contract liabilities during the year:

	31 December 2025 AED	31 December 2024 AED
Amount in contract liabilities at the beginning of the year	36,530,022	30,801,639
Deferred during the year	279,748,581	256,719,405
Recognised revenue during the year	(275,453,936)	(250,991,022)
Amount in contract liabilities at the end of the year	40,824,667	36,530,022

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14. Related Parties Balances and Transactions

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in the International Accounting Standard (IAS) 24 Related Party Disclosures. These represent transactions with related parties, i.e. shareholders, associates, affiliates, directors and key management personnel of the Group, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Transactions with related parties are as follows:

	31 December 2025 AED	31 December 2024 AED
Purchase of Intangible asset (Arabits)	-	35,333,333
Interest income from a related party	-	2,636,820
Revenue from contracts with customers	302,976	266,602
Recharge of expense to a related party	-	112,772

There are no outstanding balances with related parties as at 31 December 2025 (2024: nil).

Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	31 December 2025 AED	31 December 2024 AED
Short term benefits	10,385,894	9,183,846
Employees' end of service benefits	398,066	282,192
Remuneration for the directors of the Group	4,800,000	3,000,000
Total	15,583,960	12,466,038
Number of key management personnel	5	6

15. Revenue from Contracts with Customers

	31 December 2025 AED	31 December 2024 AED
TIMING OF REVENUE RECOGNITION		
Revenue recognized over the time		
Education solution fees	671,911,584	659,668,853
Support and services (IT maintenance fees)	51,002,247	50,306,230
	722,913,831	709,975,083
Revenue recognized at the point in time		
Support and services (IT set-up fees)	46,558,823	49,028,545
Total	769,472,654	759,003,628

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Geographical markets

The Group operates in the UAE, Indonesia and Morocco. Revenue from contracts with customers based in the UAE accounts for 99.92% (2024: 99.96%) of the total revenue from contracts with customers.

16. Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. Capital comprises share capital, shareholders' contribution, retained earnings and other reserve.

The Group monitors and adjusts its capital structure with a view to promote the long-term success of the business while maintaining sustainable returns for shareholders. This is achieved through a combination of risk management actions including monitoring solvency, minimising financing costs and maintaining high standards of business conduct.

At 31 December 2025, the Group is mainly funded by the shareholders and has no external debt.

17. Financial Risk Management

The Group's principal financial liabilities comprise of lease liability, amount due to a related party and trade and other payables. The main purpose of these financial liabilities is to manage Group's cash flows and partially finance capital work in progress. The Group has various financial assets such as trade and other receivables, amounts due from related parties and cash and cash equivalents, which arise directly from operations.

The main risk arising from Group's financial instruments are foreign currency risk, credit risk, liquidity risk, and interest rate risk.

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Foreign currency risk

The Group does not have significant exposure to foreign exchange risk as most of its monetary assets and liabilities are denominated in UAE Dirhams. The Group has a bank account in the Hashemite of Jordan which had a balance of AED 118,908 at 31 December 2025 (31 December 2024: AED 125,350) which did not have a significant foreign exchange exposure at year ended 31 December 2025.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank deposits.

If interest rates had been 100 basis points higher/lower and all other variables held constant, the Group's profit (loss) for the year ended 31 December 2025 would have increased or decreased by AED 6,048,213 (31 December 2024: AED 3,650,000). There is no direct impact on the Group's equity.

Credit risk

Credit risk refers the risk arising on account of a default by counterparty on its contractual obligations resulting in financial loss to the Group.

The Group has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Group annually. The Group uses its own trading records to rate its major customers.

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The Group is exposed to credit risk on its accounts receivable, bank balances and amounts due from related parties. Credit risk is limited to the carrying values of each class of financial assets in the consolidated statement of financial position.

Concentration of credit risk

Concentration of credit risk arises when a number of counter-parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location. Management believes that the concentration of credit risk, as detailed in Note 8, is mitigated by high credit worthiness and financial stability of its trade customers.

Balances with banks are assessed to have low credit risk of default since these banks are among the major banks operating in the United Arab Emirates and Hashemite of Jordan and are highly regulated by Central Banks.

Trade and other receivables, amounts due from related parties and cash and cash equivalents are not secured by any collateral. The amount that best represents maximum credit risk exposure on financial assets at the end of the reporting period, in the event counter parties fail to perform their obligations generally approximates their carrying value.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

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The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Carrying Amount AED	Total AED	Contractual Cashflows		
			0-3 months AED	3-12 months AED	1-5 years AED
31 DECEMBER 2025					
Lease liability	3,169,352	3,253,800	813,450	2,440,350	-
Trade payables	1,132,683	1,132,683	1,132,683	-	-
Total	4,302,035	4,386,483	1,946,133	2,440,350	-
31 DECEMBER 2024					
Lease liability	6,370,772	6,766,600	1,072,450	2,440,350	3,253,800
Trade payables	6,429,987	6,429,987	6,429,987	-	-
Total	12,800,759	13,196,587	7,502,437	2,440,350	3,253,800

18. Commitments and Contingent Liabilities

	31 December 2025 AED	31 December 2024 AED
Bank guarantees	7,244,262	16,315,667

Bank guarantees are issued by the bank in the normal course of the Group's business against which the Group is required to maintain security deposits of equivalent amounts.

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19. Fair Value of Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets consist of bank balances, trade receivables, amounts due from related parties, and some other current assets. Financial liabilities consist of trade payables, lease liabilities and other current liabilities.

The fair values of financial instruments are not materially different from their carrying values.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

There are no financial assets and/or liabilities which should be measured at fair value and accordingly no disclosure is made.

No operating segments have been aggregated to form the reportable operating segments below.

	Education solution AED	Support and services AED	Unallocated AED	Consolidated AED
31 DECEMBER 2025				
Revenue from contracts with customers	671,911,584	97,561,070	-	769,472,654

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20. Reporting Segments

The Group is organized into business units based on its products and services for management purposes. The Chief Executive Officer (CEO) is the Chief Operating Decision Maker (CODM) for the Group and monitors the operating results of its business units separately for the purpose of decision making about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Based on the information reported to the Group's senior management for the allocation of resources, and measurement of performance of business, the reportable segments under IFRS 8 were identified as below:

- Education solution segment, which provides customers the right of access to the Group's learning platform.
- Support and services segment, includes ancillary services such as IT infrastructure set up and maintenance support and services.

	Education solution AED	Support and services AED	Unallocated AED	Consolidated AED
Expenses	(118,617,221)	(60,067,371)	(43,775,302)	(222,459,894)
Depreciation on property and equipment	-	-	(1,930,765)	(1,930,765)

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	Education solution AED	Support and services AED	Unallocated AED	Consolidated AED
Amortisation for intangible assets	(33,275,764)	-	-	(33,275,764)
Total expenses	(151,892,985)	(60,067,371)	(45,706,067)	(257,666,423)
Operating Profit for the year	520,018,599	37,493,699	(45,706,067)	511,806,231
Interest Income	-	-	16,824,122	16,824,122
Profit before tax	520,018,599	37,493,699	(28,881,945)	528,630,353
Segment assets	937,167,643	25,423,253	17,919,020	980,509,916
Segment Liabilities	92,959,203	6,570,424	50,657,423	150,187,050
Other Disclosures				
Capital expenditures	59,399,873	-	2,163,494	61,563,367

	Education solution AED	Support and services AED	Unallocated AED	Consolidated AED
31 DECEMBER 2024				
Revenue from contracts with customers	659,668,853	99,334,775	-	759,003,628
Expenses	(125,309,693)	(69,534,492)	(51,974,394)	(246,818,579)
Depreciation on property and equipment	-	-	(1,730,007)	(1,730,007)
Amortisation for intangible assets	(31,499,278)	-	-	(31,499,278)

	Education solution AED	Support and services AED	Unallocated AED	Consolidated AED
Total expenses	(156,808,971)	(69,534,492)	(53,704,401)	(280,047,864)
Operating profit for the year	502,859,882	29,800,283	(53,704,401)	478,955,764
Interest income	-	-	12,725,625	12,725,625
Profit before tax	502,859,882	29,800,283	(40,978,776)	491,681,389
Assets	867,860,171	40,716,934	14,164,283	922,741,388
Liabilities	111,217,438	2,639,484	50,592,732	164,449,654
Other Disclosures				
Capital expenditures	123,530,050	-	1,998,949	125,528,999

21. Income Tax

UAE Corporate Tax Law

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

Amount recognised in the consolidated statement of comprehensive income

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

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	31 December 2025 AED	31 December 2024 AED
Consolidated Profit or loss		
Current income tax charges	47,548,704	44,221,960
Income tax expense reported in the consolidated profit or loss	47,548,704	44,221,960
Deferred tax related to items recognised on Other Comprehensive Income during the year		
Deferred tax income credited to Other Comprehensive Income	(85,699)	-

	31 December 2025 AED	31 December 2024 AED
Reconciliation of Accounting Income		
Accounting profit before tax	528,630,353	491,681,389
At United Arab Emirates' statutory income tax rate of 9%	47,576,732	44,251,325
Less: Tax effect of standard exemption	(33,750)	(33,750)
Add: Tax on non-deductible expenses	7,014	4,385
Income tax adjustment relating to prior period	(1,292)	-
Income tax reported in the consolidated statement of comprehensive income	47,548,704	44,221,960
Effective tax rate	8.99%	8.99%

Deferred tax assets

Deferred tax assets relate to the following

	31 December 2025 (AED)		31 December 2024 (AED)	
	Consolidated statement of financial position	Consolidated statement of comprehensive income	Consolidated statement of financial position	Consolidated statement of comprehensive income
Defined benefit obligation	85,699	85,699	-	-

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Income tax payable

The movement in the income tax payable is as follows:

	31 December 2025 AED	31 December 2024 AED
At 1 January	44,221,960	-
Charge for the year	47,548,704	44,221,960
Payment made during the year	(44,282,593)	-
At 31 December	47,488,071	44,221,960

At 31 December 2025, there were no amounts recognised directly to equity.

22. Earnings per Share

Basic earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to the ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares. As at 31 December 2025 and 31 December 2024, the Company has not issued any instruments that have a dilutive impact on earnings per share when exercised and hence, the basic and diluted EPS is same.

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

	31 December 2025 AED	31 December 2024 AED
Earnings:		
Profit attributable to the Equity holders of the Parent	481,081,649	447,459,429
Number of shares		
Weighted average number of ordinary shares - basic and diluted	7,000,000,000	5,316,939,891*
Earnings per share		
Basic and diluted earnings per share (AED)	6.87 fils	8.42 fils

* The weighted average number of shares takes into account the weighted average effect of period from the date of incorporation of the Company and the reporting date. Had the earnings per share been calculated assuming the entire 7 billion shares were issued for the full period, the earnings per share would have been 6.39fils.

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23. Dividends

	Founder shareholders (80%)		Market shareholders (20%)		Total Dividend
	Total amount	Amount per share	Total amount	Amount per share	Total amount
2025					
2024 Final dividend	131,656,000	2.35 fils	67,508,000	4.82 fils	199,164,000
2025 Interim dividend	141,512,000	2.53 fils	67,508,000	4.82 fils	209,020,000
Total dividend	273,168,000		135,016,000		408,184,000
2024					
2024 Interim dividend	136,080,000	2.43 fils	67,508,000	4.82 fils	203,588,000

2025 Final Dividend (proposed)

The board of directors during their meeting held on 11 February 2026, have proposed to distribute a final cash dividend of AED 223,972,000 for year ended 31 December 2025, which will be submitted to the Group’s shareholders for approval at the Annual General Meeting. If approved, an amount of AED 67,508,000 will be paid to the market shareholders resulting in a dividend of AED 4.82 fils per share and an amount of AED 156,464,000 will be paid to the founder shareholders resulting in a dividend of AED 2.79 fils per share.

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