Taaleem Holdings P.J.S.C.
and its subsidiaries

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE-MONTH PERIOD ENDED 30 NOVEMBER 2024

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF TAALEEM HOLDINGS P.J.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Taaleem Holdings P.J.S.C. (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprise the interim condensed consolidated statement of financial position as at 30 November 2024, and the related interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

For Ernst & Young

Anthony O'Sullivan
Registration No: 687

9 January 2025
Dubai, United Arab Emirates

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 November 2024
(All amounts in United Arab Emirates Dirham (AED), unless otherwise stated)

	Notes	***30 November 2024 AED (Unaudited)***	*31 August 2024 AED (Audited)*
ASSETS			
Non-current assets			
Property and equipment	5	**1,786,626,796**	1,360,755,792
Investment property		**10,155,028**	10,297,647
Intangible assets	4	**66,157,842**	35,770,918
Goodwill	4	**239,997,759**	239,997,759
Right-of-use assets	18(i)	**262,113,125**	260,256,095
Net investment in finance lease		**3,213,110**	3,260,205
Capital advances	5	**41,303,333**	19,254,670
		2,409,566,993	1,929,593,086
Current assets			
Fees and other receivables	6	**115,490,040**	78,371,135
Wakala deposits	7	**364,278,000**	360,046,500
Cash and cash equivalents	8	**254,176,636**	373,965,479
		733,944,676	812,383,114
TOTAL ASSETS		**3,143,511,669**	2,741,976,200
EQUITY AND LIABILITIES			
EQUITY			
Share capital	15	**1,000,000,000**	1,000,000,000
Statutory reserve	15	**542,459,941**	542,459,941
Own shares	16	**(394,151)**	(5,935,113)
Own shares reserve	16	**(6,038,581)**	(23,005,781)
Retained earnings		**148,172,652**	199,963,447
TOTAL EQUITY		**1,684,199,861**	1,713,482,494
LIABILITIES			
Non-current liabilities			
Interest bearing loans and borrowings	9	**541,949,972**	139,000,000
Other non-current financial liabilities	10	**3,358,855**	-
Lease liabilities	18(ii)	**280,830,707**	275,408,040
Deferred income on government grant		**42,023,339**	42,606,665
Debentures payable		**9,510,022**	10,884,100
Retentions payable		**2,238,107**	835,129
Provision for employees' end of service benefits		**51,461,976**	39,014,933
Deferred tax liabilities	23	**39,691,535**	27,338,083
		971,064,513	535,086,950

The attached notes 1 to 25 form part of these interim condensed consolidated financial statements.

	Notes	***30 November 2024 AED (Unaudited)***	*31 August 2024 AED (Audited)*
Current liabilities			
Trade and other payables	10	**130,511,878**	127,893,373
Fees received in advance		**242,537,277**	328,281,594
Interest bearing loans and borrowings	9	**71,039,496**	1,178,508
Lease liabilities	18(ii)	**17,462,235**	17,013,944
Deferred income on government grant		**2,333,333**	2,333,333
Income tax provision	23	**24,363,076**	16,706,004
		488,247,295	493,406,756
TOTAL LIABILITIES		**1,459,311,808**	1,028,493,706
TOTAL EQUITY AND LIABILITIES		**3,143,511,669**	2,741,976,200

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

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Khalid Ahmed Humaid Matar Altayer
Chairman

Adel Mohammed Saleh Alzarouni
Vice Chairman

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the three-month period ended 30 November 2024
(All amounts in United Arab Emirates Dirham (AED), unless otherwise stated)

	Notes	***Three-month period ended 30 November (Unaudited)*** 2024 AED	2023 AED
REVENUE	11	**306,067,137**	266,512,305
FINANCE AND OTHER INCOME			
Rental income		**617,138**	393,777
Income from deferred government grant		**583,332**	583,332
Finance income		**7,125,408**	7,827,474
Other income		**5,660,427**	5,829,780
TOTAL FINANCE AND OTHER INCOME		**13,986,305**	14,634,363
EXPENSES			
Operating costs	12	**(166,204,752)**	(141,295,908)
General and administrative expenses	13	**(38,745,131)**	(31,631,663)
Amortisation of intangible assets		**(668,780)**	(668,602)
Depreciation on property and equipment	5	**(25,376,262)**	(18,260,981)
Depreciation on investment property		**(142,619)**	(142,619)
Amortisation of right-of-use assets	18 (i)	**(4,562,591)**	(3,856,911)
Finance costs		**(9,489,850)**	(3,678,524)
TOTAL EXPENSES		**(245,189,985)**	(199,535,208)
PROFIT FOR THE PERIOD BEFORE TAX		**74,863,457**	81,611,460
Current income tax expense	23	**(6,780,608)**	(7,291,810)
Deferred income tax benefit / (expense)	23	**118,064**	(27,694,215)
PROFIT FOR THE PERIOD		**68,200,913**	46,625,435
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**68,200,913**	46,625,435
Earnings per share Basic and diluted, profit for the period attributable to ordinary equity holders of the Company (in AED per share)	21	**0.07**	0.05

The attached notes 1 to 25 form part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the three-month period ended 30 November 2024
(All amounts in United Arab Emirates Dirham (AED), unless otherwise stated)

30 November 2023 (Unaudited)	*Share capital AED*	*Statutory reserve AED*	*Own shares AED*	*Own shares reserve AED*	*Retained earnings AED*	*Total AED*
As at 1 September 2023	1,000,000,000	542,459,941	(10,511,347)	(31,057,144)	170,512,734	1,671,404,184
Total comprehensive income for the period (Unaudited)	-	-	-	-	46,625,435	46,625,435
Own shares (Note 16) (Unaudited)	-	-	(1,025,712)	(3,947,501)	-	(4,973,213)
Dividends (Note 17) (Unaudited)	-	-	-	-	(110,000,000)	(110,000,000)
Dividends on Own shares (Note 16) (Unaudited)	-	-	-	-	1,448,731	1,448,731
As at 30 November 2023 (Unaudited)	1,000,000,000	542,459,941	(11,537,059)	(35,004,645)	108,586,900	1,604,505,137

30 November 2024 (Unaudited)	*Share capital AED*	*Statutory reserve AED*	*Own shares AED*	*Own shares reserve AED*	*Retained earnings AED*	*Total AED*
As at 1 September 2024	1,000,000,000	542,459,941	(5,935,113)	(23,005,781)	199,963,447	1,713,482,494
Total comprehensive income for the period (Unaudited)	-	-	-	-	68,200,913	68,200,913
Own shares (Note 16) (Unaudited)	-	-	5,540,962	16,967,200	-	22,508,162
Dividends (Note 17) (Unaudited)	-	-	-	-	(120,000,000)	(120,000,000)
Dividends on Own shares (Note 16) (Unaudited)	-	-	-	-	8,292	8,292
As at 30 November 2024 (Unaudited)	**1,000,000,000**	**542,459,941**	**(394,151)**	**(6,038,581)**	**148,172,652**	**1,684,199,861**

The attached notes 1 to 25 form part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the three-month period ended 30 November 2024
(All amounts in United Arab Emirates Dirham (AED), unless otherwise stated)

	Notes	*Three-month period ended 30 November (Unaudited)* 2024 AED	2023 AED
OPERATING ACTIVITIES			
Profit for the period before income tax		**74,863,457**	81,611,460
Adjustments for:			
Depreciation on property and equipment	5	**25,376,262**	18,260,981
Depreciation on investment property		**142,619**	142,619
Amortisation of right-of-use assets	18 (i)	**4,562,591**	3,856,911
Amortisation of intangible assets		**668,780**	668,602
Provision for employees' end of service benefits		**5,159,612**	4,424,466
Allowance for impairment on fees receivable	13	**960,273**	855,426
Gain on disposal of property and equipment		-	(14,000)
Finance income		**(7,125,408)**	(7,827,474)
Finance costs		**9,489,850**	3,678,524
Income from deferred government grant		**(583,332)**	(583,332)
Income from unwinding of debentures payable		**(166,650)**	(177,759)
Operating cash flows before changes in working capital		**113,348,054**	104,896,424
Changes in working capital:			
Change in fees and other receivables		**(30,448,761)**	(3,140,054)
Changes in restricted cash		**(14,957,570)**	(29,422,126)
Change in fees received in advance		**(98,734,715)**	(76,453,267)
Change in trade and other payables		**(4,122,453)**	692,602
Cash flows used in operations		**(34,915,445)**	(3,426,421)
Payment of employees' end of service benefits		**(790,054)**	(1,108,309)
Net cash flows used in operating activities		**(35,705,499)**	(4,534,730)
INVESTING ACTIVITIES			
Additions to property and equipment - net	5	**(131,460,391)**	(34,532,270)
Proceeds from disposal of property and equipment		-	14,000
Receipt from sublessor		**120,914**	295,508
Capital advances		**(22,048,663)**	2,616,632
Changes in wakala deposits, net		**(4,231,500)**	141,487,644
Acquisition of subsidiary (net of cash acquired)	4	**(308,714,802)**	-
Interest received		**7,051,589**	2,136,318
Net cash flows (used in) / from investing activities		**(459,282,853)**	112,017,832
FINANCING ACTIVITIES			
Sale / (acquisition) of own shares (net)		**22,508,162**	(4,973,213)
Proceeds from bank borrowings	9	**472,949,972**	13,000,000
Payments towards lease liabilities	18 (ii)	**(5,150,250)**	(5,443,454)
Interest paid		**(5,231,003)**	(436,283)
Dividends paid	17	**(120,000,000)**	(110,000,000)
Repayment of debentures		**(4,834,942)**	(5,658,032)
Net cash flows from / (used in) financing activities		**360,241,939**	(113,510,982)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(134,746,413)**	(6,027,880)
Cash and cash equivalents at the beginning of the period		**340,445,295**	200,266,602
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	8	**205,698,882**	194,238,722

The attached notes 1 to 25 form part of these interim condensed consolidated financial statements.

1 STATUS AND PRINCIPAL ACTIVITIES

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

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

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

On 22 November 2022, the Security and Commodities Authority ("SCA") (UAE) approved the Company's application for the offering and issuance of 250 million new shares representing 25% percent of the Company's authorised share capital (Note 15).

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

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

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

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

** 100% owned by Taaleem SPV Limited.

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

**** During the three-month period ended 30 November 2024 (Unaudited), the Group acquired a 100% equity interest in LLFPM through a Share Purchase Agreement ("SPA") dated 6 November 2024 (Note 4(b)).

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

1 STATUS AND PRINCIPAL ACTIVITIES (continued)

School operations
Taaleem LLC is involved in management and operations of the following schools:
(a) Dubai British School ("DBS")
(b) American Academy for Girls ("AAG")
(c) Raha International School – Sole Proprietorship LLC ("RIS")
(d) Greenfield International School ("GIS")
(e) Jumeira Baccalaureate School ("JBS")
(f) Uptown International School ("UIS")
(g) Dubai British Foundation Kindergarten ("DBF")
(h) Dubai British School Jumeirah Park ("DBS-JP")
(i) Raha International School Khalifa-A – Sole Proprietorship LLC ("RIS-KA")
(j) Jebel Ali School ("JAS")
(k) Dubai British School Jumeira ("DBS-J")
(l) Dubai British School Mira ("DBS-M")

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

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

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

- During 2018-19, to manage and operate four charter schools in Abu Dhabi, UAE commencing from academic year 2019-20 for an initial period of 3 years. This agreement was renewed during 2021-22 for a successive 2 years upon completion of the initial period with an option for further extension by another 5 years. This agreement is extended for a period of 1 year for academic year 2024-25.

- During 2020-21, the above mentioned management agreement was amended to manage and operate two additional charter schools in Abu Dhabi, UAE commencing from academic year 2021-22. This agreement is extended for a period of 1 year for academic year 2024-25.

- Further, the Group entered into a new operating and management agreement dated 31 May 2022 with ADEK, (which superseded the original agreement) and incorporates a total of nine schools including the original six plus three new schools commencing from 1 September 2022 for an initial period of 2 years. The Group has an option to renew this agreement for 2 years upon completion of the initial period, with an option for further extension by another 5 years. This agreement is extended for a period of 1 year for academic year 2024-25.

- During 2022-23, the above-mentioned agreement was amended to manage and operate one additional school in Abu Dhabi, UAE from Academic year 2023-24. This agreement is extended for a period of 1 year for academic year 2024-25.

- During 2023-24, the above-mentioned agreement was amended to manage and operate one additional school in Abu Dhabi, UAE from 1 January 2024. This agreement is extended for a period of 1 year for academic year 2024-25.

- During 2023-24, the Group entered into a new operating and management agreement dated 10 October 2023 with ADEK, to manage and operate four nurseries commenced from 1 September 2023 for an initial period of 2 years. The Group has an option to renew this agreement for 2 years upon completion of the initial period, with an option for further extension by another 4 years.

- The Group recognises the management fees as an agent in relation to the arrangements with ADEK.

1 STATUS AND PRINCIPAL ACTIVITIES (continued)

Managed School operations (continued)

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

- During 2020-21, to manage and operate two schools of TEC in the Emirate of Dubai, Dubai Schools Al Barsha ("DSB") and Dubai Schools Mirdif ("DSM"), starting from the academic year 2021-22 for an initial period of 7 years, renewable on the same terms for two additional periods of 7 years each.

  The land and the buildings on which school is constructed is leased by TEC and not recharged to the Group. The Group will be responsible for operating maintenance required during the agreement period.

- Pursuant to the novation agreements entered into between the Group, TEC and Knowledge Fund Establishment (KFE) during 2021-22, all rights and obligations of TEC under the original agreement were novated to KFE.

- Further, KFE mandated the Group to manage and operate the 'Dubai Schools' Nad Al Sheba vide agreement dated 20 June 2022, from academic year 2022-23.

- During 2023-24, the Group obtained a trade license for DSAK (Br of Taaleem Management LLC), to manage and operate "Dubai School – Al Khawaneej". The Group has transferred operations of Dubai Schools Mirdif ("DSM") to Dubai School – Al Khawaneej, starting from the academic year 2024-25.

- The Group acts as a principal in relation to operation of the above schools as it derives full economic benefits and has control over the strategic and day to day operations of the schools.

c. With Emirates School Establishment ("ESE")

- During 2021-22, to manage and operate four schools in connection with the Ajyal (Generations) School ("Ajyal Schools") initiative by the Federal Ministry of Education , namely Al Maktoum School (Dubai), Al Qarayen School (Sharjah), Al Mataf School (Ras Al-Khaimah) and Al Furqan School (Eastern Sharjah) for an initial period of 3 years commencing from academic year 2022-23 with an option for further extension by another 2 years.

- During 2022-23, to manage and operate four schools in connection with the Ajyal (Generations) School ("Ajyal Schools") initiative by the Federal Ministry of Education, namely LBHS School (Fujairah), WAHS School (Eastern Sharjah), OBAS School (Ajman) and SMGS School (Sharjah) for an initial period of 1 year commencing from academic year 2023-24 with an option for further extension by another 2 years. The agreement for extension is currently under process.

- The Group recognises the management fees as an agent in relation to the arrangement with ESE.

The above schools are collectively referred to as the "Schools"

2 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the three-month period ended 30 November 2024 have been prepared in accordance with IAS 34 "*Interim Financial Reporting*".

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended 31 August 2024.

The preparation of interim condensed consolidated financial statements in conformity with International Financial Reporting Standards ("IFRS") requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Group's interim condensed consolidated financial statements are largely consistent with the annual consolidated financial statements for the year ended 31 August 2024 and should be read in conjunction thereof.

2 BASIS OF PREPARATION (continued)

The Group's operations is subject to cyclical fluctuations during the financial year due to the academic break during the summer months, typically from July to August. Whilst revenue from tuition and other fees are recognised by the Group's management over the academic term (i.e. typically 10 months), the underlying costs of school operations are over the full financial year (i.e. 12 months). Accordingly, the interim period revenue and earnings of each quarter is not necessarily indicative of the results that may be achieved for any other quarter or the full financial year ending 31 August 2025. In particular, the Group's financial results for the last quarter of the financial year will reflect lower revenue against costs for the entire quarter.

These interim condensed consolidated financial statements have been presented on the historical cost basis.

The Group's management have made an assessment of the Group's ability to continue as a going concern and are satisfied that the Group has the financial resources to continue in business for the foreseeable future. Further, Group's management and Board of Directors are not aware of any material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the interim condensed consolidated financial statements continue to be prepared on the going concern basis.

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

3 ACCOUNTING POLICIES

3.1 New standards, interpretations and amendments thereof, adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 31 August 2024, except for the accounting policy on asset acquisition (note 3.2) and the adoption of new standards effective as of 1 January 2024, which had no significant impact on the interim condensed consolidated financial statements of the Group.

The Group has not early adopted any standard, interpretation or amendment that has been issued as at the date of the authorisation of these interim condensed consolidated financial statements but is not yet effective. Management has assessed the implication of adopting the new standards which are not yet effective and concluded that there are no significant impact on the interim condensed consolidated financial statements of the Group.

3.2 Accounting policy on asset acquisition

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

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

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

4 GOODWILL AND BUSINESS COMBINATION

The Group's management has revisited the underlying assumptions used to determine the recoverable amount of goodwill and intangible assets as at 31 August 2024 (Audited), and concluded that there were no indicators of impairment as at 30 November 2024 (Unaudited).

(a) Goodwill

	30 November 2024 AED (Unaudited)	*31 August 2024 AED (Audited)*
Acquisition through business combination:		
- Taaleem LLC and Taaleem Management LLC (referred together as "Taaleem acquisition")	**204,932,063**	204,932,063
- Jebel Ali School	**35,065,696**	35,065,696
	239,997,759	239,997,759

(b) Acquisition in 2024-25

Acquisition of Lycée Libanais Francophone Privé Meydan L.L.C-FZ (LLFPM)
On 6 November 2024, the Group had entered into a Share Purchase Agreement ("SPA") with the Shareholders of LLFPM, a limited liability company incorporated in Dubai, United Arab Emirates to acquire 100% equity interest of LLFPM.

The total consideration for the acquisition was AED 340 million, which was settled during the three-month period ended 30 November 2024 (Unaudited). The Group had also agreed to pay AED 6.17 million to the shareholders of LLFPM for their share of net assets as at 6 November 2024 which is payable as at period end (Note 10). There were no non-controlling interests arising on this acquisition and no contingent considerations. The main activity of LLFPM is to provide for the educational needs of the children of the Lebanese and Francophone community. Currently, LLFPM offers classes from pre-primary up to twelfth grade.

Fair value of assets acquired and liabilities - Provisional basis
The fair values of the identifiable assets and liabilities of the acquired business as at the date of acquisition were as follows:

	AED
Assets	
Property and equipment	**317,965,314**
Fees and other receivables, net	**7,622,125**
Cash and cash equivalents	**31,285,198**
Total Assets (A)	**356,872,637**
Liabilities	
Other non-current financial liabilities	**(4,380,184)**
Provision for employees' end of service benefits	**(8,077,485)**
Trade and other payables	**(15,949,019)**
Income tax provision	**(876,464)**
Deferred tax liabilities	**(12,471,516)**
Total Liabilities (B)	**(41,754,668)**
Total identifiable net assets at fair value (C = A+B)	**315,117,969**
Purchase consideration	**340,000,000**
Consideration towards net assets*	**6,173,673**
Total Consideration (D)	**346,173,673**
Student relationships recognised on acquisition (E = D-C)	**31,055,704**

*relates to amount payable to LLFPM for their share of net assets as at 6 November 2024 as mutually agreed between the Group and LLFPM (mainly working capital adjustments).

4 GOODWILL AND BUSINESS COMBINATION (continued)

(b) Acquisition in 2024-25 (continued)

The net assets recognised in the interim condensed consolidated financial statements for the three-month period ended 30 November 2024 (Unaudited) were based on a provisional assessment of their fair value.

From the date of acquisition, LLFPM contributed AED 7,437,928 of revenue and AED 2,148,213 of profit to the Group. If the acquisition had taken place at the beginning of the year, Group's revenue would have been AED 320,453,740 and the profit after tax would have been AED 69,712,955.

Cash outflows on acquisition

	AED
Net cash acquired (included in cash flows from investing activities)	**(31,285,198)**
Cash paid (included in cash flows from investing activities)	**340,000,000**
Net cash outflows on acquisition	**308,714,802**

Transaction costs AED 91,813 were expensed and included in general and administrative expenses.

(c) Intangible assets

	30 November 2024 AED (Unaudited)	*31 August 2024 AED (Audited)*
Acquisition through business combination:		
- Student relationships*	**55,780,722**	25,262,516
- Below market leases	**10,377,120**	10,508,402
	66,157,842	35,770,918

*During the three-month period ended 30 November 2024 (Unaudited), the Group had recognised student relationships on acquisition of LLFPM amounted to AED 31,055,704 (Note 4(b)).

5 PROPERTY AND EQUIPMENT

During the three-month period ended 30 November 2024 (Unaudited), the additions to property and equipment amounted to AED 451,247,266 (three-month period ended 30 November 2023 (Unaudited): AED 37,515,777) which includes capitalisation of borrowing costs of AED 418,582 (three-month period ended 30 November 2023 (Unaudited): AED 579,418).

Acquisition in 2024-25

The addition during the three-month period ended 30 November 2024 (Unaudited) mainly includes the following:

(a) Property and equipment acquired on acquisition of LLFPM (Note 4(b)).

(b) Property sale and purchase agreement dated 4 October 2024 entered by the Group with Ritnand Balved Education Foundation (Dubai Branch) ("Seller") to acquire a property (land and building) which was used by Seller to operate an education institution known as Amity Early Learning Center ("Amity").

The consideration paid for such acquisition amounted to AED 84.4 million including registration charges of AED 2.4 million. The Group had appointed external specialist to perform fair valuation of land and building which amounted to AED 34 million and AED 26 million respectively. The additional consideration of AED 24.4 million over and above fair value is capitalized based on the respective fair value of land and building. Accordingly, the Group has capitalized land at AED 47.8 million and building at AED 36.6 million.

The depreciation expense for the three-month period ended 30 November 2024 (Unaudited) amounted to AED 25,376,262 (three-month period ended 30 November 2023 (Unaudited): AED 18,260,981).

There were no significant disposals during the three-month periods ended 30 November 2024 (Unaudited) and 30 November 2023 (Unaudited).

The Group's management has assessed and concluded there were no indicators of impairment as at 30 November 2024 (Unaudited).

5 PROPERTY AND EQUIPMENT (continued)

Acquisition in 2024-25 (continued)

Capital advances

a) During 2023-24, the Group had paid advances of AED 19,360,493 (Audited) towards the construction and development of the school building and premises for Dubai British School Mira.

   Of this, an amount of AED 2,104,467 has been transferred to capital work-in-progress during the three-month period ended 30 November 2024 (Unaudited) (31 August 2024 (Audited): AED 1,252,693). As at 30 November 2024 (Unaudited), advances amounted to AED 16,003,333 (31 August 2024 (Audited): AED 18,107,800). The school construction and development activities are expected to be completed during the year 2024-25.

b) During the three-month period ended 30 November 2024 (Unaudited), the Group has paid advances of AED 25,300,000 (Unaudited) towards the construction and development of the school building and premises in Dubai. The school construction and development activities are expected to be completed during the year 2025-26.

6 FEES AND OTHER RECEIVABLES

	30 November 2024 AED (Unaudited)	*31 August 2024 AED (Audited)*
Fees receivable	**9,701,850**	4,656,226
Less: allowance for impairment of fees receivable	**(4,516,128)**	(4,036,487)
Net fees receivable (a)	**5,185,722**	619,739
Other receivables	**9,132,644**	5,090,437
Less: allowance for impairment of other receivables	**(2,819,766)**	(4,453,068)
Net other receivables (b)	**6,312,878**	637,369
Net fees and other receivables (a) + (b)	**11,498,600**	1,257,108
Prepayments*	**21,756,905**	15,611,910
VAT receivables	**27,378,950**	18,170,837
Deposits and advances**	**54,855,585**	43,331,280
	115,490,040	78,371,135

As at 30 November 2024 (Unaudited), fees and other receivables with a nominal value of AED 7,335,894 (31 August 2024 (Audited): AED 8,489,555) were impaired.

*Prepayments mainly includes AED 14.1 million (Unaudited) (31 August 2024 (Audited): AED 10.5 million) paid towards staff accommodation.

**During 2022-23, the Group had provided advance of AED 45 million to the liquidity provider to buy and sell its own shares in conjunction with an agreement entered by the Group. As at 30 November 2024 (Unaudited), the amount held by liquidity provider amounts to AED 40.02 million (31 August 2024 (Audited): AED 17.5 million) (Note 16).

7 WAKALA DEPOSITS

	30 November 2024 AED (Unaudited)	*31 August 2024 AED (Audited)*
Wakala deposits	**364,278,000**	396,051,150
(Less): Wakala deposits – original maturity less than 3 months (Note 8)	**-**	(36,004,650)
	364,278,000	360,046,500

Wakala deposits are placed with a local bank carrying profit mark-up rates ranging from 4% to 5.25% (31 August 2024 (Audited): 4% to 5.50% per annum).

During the three-month period ended 30 November 2024 (Unaudited), the Group has earned an interest income amounting to AED 4,553,933 from Wakala deposits (three-month period ended 30 November 2023 (Unaudited): AED 6,218,593).

During the three-month period ended 30 November 2024 (Unaudited), the Group has pledged Wakala deposits amounting to AED 359.1 million as collateral for a short-term facility obtained from a financial institution in the UAE in order to fund the acquisition of LLFPM (Note 4 (b) and Note 9).

8 CASH AND CASH EQUIVALENTS

	30 November 2024 AED (Unaudited)	*31 August 2024 AED (Audited)*
Cash in hand	**73,265**	46,353
Cash at banks	**106,562,890**	81,926,811
Sukuk deposits (Note 14)	**147,540,481**	255,987,665
Wakala deposits (Note 7)	**-**	36,004,650
	254,176,636	373,965,479
(Less): Restricted cash*	**(48,477,754)**	(33,520,184)
Cash and cash equivalents for the purpose of interim condensed consolidated statement of cash flows	**205,698,882**	340,445,295

Sukuk deposits were placed with a financial institution in UAE which are callable on demand with an initial lock-in period of 30 days and bears interest at commercial rates. These deposits are classified as cash and cash equivalents as they are redeemable at any time after 30 days from deposit date without penalty and thus highly liquid in nature i.e. readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. During the three-month period ended 30 November 2024 (Unaudited), the Group has earned an interest income amounting to AED 2,497,656 from sukuk deposits (three-month period ended 30 November 2023 (Unaudited) AED 1,468,589) (Note 14).

*The cash and cash equivalents disclosed above and in the interim condensed consolidated statement of cash flows include AED 48,477,754 (Unaudited) (31 August 2024 (Audited): AED 33,520,184) which are held by the subsidiaries of the Company (i.e. Taaleem Holdings Sole Proprietorship LLC and Taaleem Management LLC). These bank balances are held for the restricted purpose of managing the operations of the ADEK and ESE charter schools and therefore not available for use by the Group for its own school operations.

9 INTEREST BEARING LOANS AND BORROWINGS

	30 November 2024 AED (Unaudited)	*31 August 2024 AED (Audited)*
As at beginning of the period / year	**140,178,508**	27,219,909
Add: finance costs charged for the period / year	**4,673,409**	1,384,162
Add: Borrowing cost capitalized during the period / year	**418,582**	3,807,153
Add: loans drawn down	**472,949,972**	112,000,000
Less: finance costs paid for the period / year	**(5,231,003)**	(4,232,716)
As at the end of the period / year	**612,989,468**	140,178,508
Less: Current portion	**(71,039,496)**	(1,178,508)
Non-current portion	**541,949,972**	139,000,000

(i) During the three-month period ended 30 November 2024 (Unaudited), the Group had drawn down an additional borrowing of AED 21,000,000 from the existing Ijarah facility for the purpose of construction activities of school building and premises of Dubai British School Jumeira. The loan is due and fully repayable in April 2026. As of 30 November 2024 (Unaudited), the Group has fully utilized this facility, amounting to AED 140,000,000 (31 August 2024 (Audited): AED 119,000,000).

(ii) During the three-month period ended 30 November 2024 (Unaudited), the Group obtained a short-term facility of AED 341,999,972 to fund the acquisition of LLFPM (Note 4 (b)). The loan is due and fully repayable in December 2024 which is extended to January 2025. Further, the Group has approved Ijarah facility amounted to AED 272 million which will be used to reduce the outstanding balance of this short-term facility. This Ijarah facility will be due and repayable after 3 years. The process for conversion of this short-term facility to Ijarah facility is under process.

(iii) During 2023-24, the Group obtained a new Islamic Covered Drawing (ICD) facility amounting to AED 130,000,000 for the purpose of construction activities of school building and premises of Dubai British School Mira and other business operations. The loan is due and fully repayable in July 2027. During the three-month period ended 30 November 2024 (Unaudited), the Group had drawn down an additional borrowing of AED 109,950,000. As of 30 November 2024 (Unaudited), AED 129,950,000 has been utilized from this facility (31 August 2024 (Audited): AED 20,00,000).

All loans and borrowings are obtained in AED.

The borrowings carry a profit at the rate of 1-3 months Emirates Inter Bank Offer Rate (EIBOR) plus a profit mark-up per annum (31 August 2024 (Audited): 1-3 months EIBOR plus a profit mark-up per annum), which is payable on quarterly basis.

During the three-month period ended 30 November 2024 (Unaudited), the Group has capitalised borrowings costs amounting to AED 418,582 (31 August 2024 (Audited): AED 3,807,153) as a part of qualifying assets. The weighted average rate used to capitalise such borrowing costs was 1-3 months EIBOR plus a profit mark-up per annum.

9 INTEREST BEARING LOANS AND BORROWINGS (continued)

The above loans and borrowings are secured by:

(a) First rank legal mortgage over following properties (amended in existing mortgage with mortgage validity 2 year beyond facilities tenor end date) covering Taaleem Holdings P.J.S.C., Taaleem LLC and Taaleem Management LLC
- Plot No. 91, AI Hebaih Second, Dubai (Dubai Studio City building) for AED 88.2 million in favor of the bank.
- Plot No. 3923 (676-2451), Al Hebiah Third, Dubai (Jebel Ali School) for AED 205.7 million in favor of the bank.
- Plot no. 6648 (394-4046) located at AI Thanayah fourth, Dubai (Dubai British School, Dubai) for AED 40 million in favor of the bank.
- Plot no. 1009 (645-3286) located at Wadi Al Safa 3, Dubai (LLFPM, Dubai) for AED 209 million in favor of the bank.

(b) Assignment of comprehensive property all risk insurance over the mortgaged properties (with Emirates Islamic Bank PJSC being the first loss payee), covering in a minimum the mortgage amounts.

(c) Assignment of receivables from Customer and M/s Taaleem Holding P.J.S.C. group entities, in respect of assignment and routing of all receivables, cash flows, school fees from the following bank approved schools under DBS, AAG, GIS, JBS, UIS, JAS, DBS-J and DBS-M.

(d) Assignment notice in Bank standard format, in respect of Point of Sale (POS) assignment from Dubai British School at Plot No. 3430443, Al Wasl, Dubai and Dubai British School at plot no. 9216993, 9216487 & 9216993.1, Mira – Al Aryam, Al Yalayis 1, Dubai, duly signed and acknowledged by the assignment notice counterparty (upon completion of construction).

(e) Account Pledge Agreement in respect of account/s required herein.

(f) Lien for an amount of AED 359,100,000 on wakala deposits/account/s of the Group.

10 TRADE AND OTHER PAYABLES

	30 November 2024 AED (Unaudited)	*31 August 2024 AED (Audited)*
Trade payables	**55,782,530**	44,599,017
Accruals and other payables	**65,555,509**	60,938,282
Debentures payable	**11,582,832**	16,461,916
Retentions payable	**12,652,991**	17,568,387
Dividends payable	**45,000**	45,000
	145,618,862	139,612,602
Less:		
Long-term retentions payable	**(2,238,107)**	(835,129)
Long-term debentures payable	**(9,510,022)**	(10,884,100)
Other non-current financial liabilities*	**(3,358,855)**	-
	130,511,878	127,893,373

*payable to Meydan Group over a period of 6 years in relation to the infrastructure ancillary to the premises of LLFPM school. The payable balance is discounted to present value at the appropriate discount rate as at 30 November 2024.

11 REVENUE

	Three-month period ended 30 November (Unaudited)	
	2024	*2023*
	AED	*AED*
Gross tuition fees	**291,822,338**	257,072,562
(Less): Discounts	**(7,103,994)**	(4,789,933)
Net tuition fees	**284,718,344**	252,282,629
Management fees	**4,622,450**	4,346,126
Application fees (on initial admission)	**988,467**	428,346
Other operating income	**15,737,876**	9,455,204
	306,067,137	266,512,305

	Three-month period ended 30 November (Unaudited)	
	2024	*2023*
	AED	*AED*
Set out below is the disaggregation of the Group's revenue:		
Timing of revenue recognition		
Services transferred over time	**301,529,108**	264,808,506
Services transferred at a point in time	**4,538,029**	1,703,799
Total revenue from contracts with customers	**306,067,137**	266,512,305

The revenue is entirely earned in United Arab Emirates.

12 OPERATING COSTS

	Three-month period ended 30 November (Unaudited)	
	2024	*2023*
	AED	*AED*
Staff costs and other benefits	**149,425,740**	124,868,242
School supplies	**9,618,325**	12,108,819
Lease rent and service charges	**2,581,881**	1,221,920
Bank charges	**1,156,413**	906,321
Others (mainly recruitment and training expenses, visa charges etc.)	**3,422,393**	2,190,606
	166,204,752	141,295,908

13 GENERAL AND ADMINISTRATIVE EXPENSES

	Three-month period ended 30 November (Unaudited)	
	2024 AED	*2023 AED*
Staff costs and other benefits	**9,772,899**	7,596,637
Repairs and maintenance	**6,773,540**	7,322,639
Water and electricity charges	**9,012,440**	5,729,840
Janitorial and security	**3,817,240**	2,664,024
Legal and professional expenses	**2,411,379**	2,223,147
Marketing and advertisement	**1,844,499**	1,801,078
Board remuneration, compensation and other benefits (Note 14)	**1,312,500**	1,130,000
Impairment loss on fees receivables and other receivables	**960,273**	855,426
Printing and stationery	**785,030**	755,405
Travel and communication	**461,523**	570,837
Office rent	**106,189**	251,470
Others (mainly insurance, bank charges etc.)	**1,487,619**	731,160
	38,745,131	31,631,663

14 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties includes the Group's significant shareholders, directors and other entities businesses, which are controlled directly or indirectly by the shareholders and directors, and entities over which they exercise significant management influence (hereinafter referred to as "affiliates") and key management personnel of the Group. Pricing policies and terms of these transactions are approved by the Group's management.

(a) Significant related party transactions

The aggregate value of significant transactions entered with related parties during the three-month period 30 November 2024 (Unaudited) were as follows:

	Three-month period ended 30 November (Unaudited)	
	2024 AED	*2023 AED*
Entities with significant influence:		
National Bonds Corporation Sole Proprietorship P.S.C. ("NBC")		
Profit from sukuk deposits	**2,497,656**	1,468,589
Cash dividends paid	**(26,887,379)**	(24,599,865)
Knowledge Fund Establishment ("KFE")		
Rent payment	**(858,001)**	(92,346)
Cash dividends paid	**(16,364,816)**	-
Tuition fees received from Board of Directors, net of discounts	**73,426**	148,020

14 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Compensation to key management personnel

	Three-month period ended 30 November (Unaudited)	
	2024 AED	*2023 AED*
Short-term employee benefits	**2,011,080**	1,426,280
Provision for employees' end of service benefits	**133,917**	30,895
Tuition fee discounts	**118,460**	133,819
Executive Committee and Audit Committee compensation	**325,000**	287,500
Board remuneration, compensation and other benefits (Note 13)	**1,312,500**	1,130,000
	3,900,957	3,008,494

(b) Related party balances

Due from related parties

Entities with significant influence:

	30 November 2024 AED (Unaudited)	*31 August 2024 AED (Audited)*
National Bonds Corporation Sole Proprietorship P.S.C.		
Sukuk deposits (Note 8)	**147,540,481**	255,987,665
Knowledge Fund Establishment		
Trade receivables	**1,871,636**	315,664

(c) Share capital

As at 30 November 2024 (Unaudited), the shareholding includes 9.62% of shares in the Company held by the Board of Directors comprising 96,245,362 shares (31 August 2024 (Audited): 9.62%, comprising 96,245,362 shares).

Terms and conditions of transactions with related parties

Except for the sukuk deposits (unsecured), other outstanding balances at the period-end are unsecured, interest free and settlement generally occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the three-month period ended 30 November 2024 (Unaudited), the Group has not recognised any provision for expected credit losses relating to amounts owed by the related parties (31 August 2024 (Audited): Nil).

15 SHARE CAPITAL

	30 November 2024 AED (Unaudited)	*31 August 2024 AED (Audited)*
Authorised, issued and fully paid up capital:		
1,000,000,000 ordinary shares of AED 1 each (Note 1)	**1,000,000,000**	1,000,000,000

The total proceeds received from the IPO subscription were AED 750,000,000. Of this, AED 250,000,000 has been recorded as an increase in share capital and the balance amounting to AED 500,000,000 attributable to the premium on issuance of new shares has been classified as part of statutory reserve in accordance with Article 196 of the UAE Federal Decree Law No (32) of 2021 before deducting IPO transaction costs amounting to AED 20,297,275 that were directly attributable to issuance of such new shares.

16 OWN SHARES

During 2022-23, the Group had engaged a third-party licensed Market Maker on the Dubai Financial Market that offers liquidity provision services, to place buy and sell orders of the Group's shares with the objective of reducing bid/ask spreads as well as reducing price and volume volatility.

At 30 November 2024 (Unaudited), the Market Maker held 394,151 (31 August 2024 (Audited): 5,935,113) of the Company's shares on behalf of the Group at par value and the Group recorded the premium paid over and above par value as own shares reserve of AED 6.04 million (31 August 2024 (Audited): AED 23.01 million), which is classified under equity as at 30 November 2024 (Unaudited).

Further, accumulated loss (net) of AED 4.8 million has been recognised until 30 November 2024 (Unaudited) and netted off against own shares reserves (31 August 2024 (Audited): accumulated loss of AED 6.78 million). The advance receivable from liquidity provider as at 30 November 2024 (Unaudited) amounts to AED 40.4 million (31 August 2024 (Audited): AED 17.5 million). The dividends from own shares earned during the three-month period ended 30 November 2024 (Unaudited) amounts to AED 8,292 (31 August 2024 (Audited): AED 1,448,731).

17 DIVIDENDS

During the shareholder's meeting dated 5 November 2024, the shareholders approved a dividend of AED 0.12 per share amounting to AED 120,000,000 (2023: Dividend of AED 0.11 per share amounting to AED 110,000,000). Of this, dividend amounting to AED 120,000,000 was paid during the three-month period ended 30 November 2024 (Unaudited) (2023: an amount of AED 110,000,000 was paid). As at 30 November 2024 (Unaudited), the Group has dividend payable amounting to AED 45,000 pertaining to 2021-22 (Note 10) (31 August 2024 (Audited): AED 45,000).

18 LEASES

i. Right-of-use assets

During the three-month period ended 30 November 2024 (Unaudited), the Group has entered into a new lease agreement for its central office premises in Dubai. The addition during the three-month period ended 30 November 2024 (Unaudited) amounted to AED 6,419,621 (three-month period ended 30 November 2023 (Unaudited): Nil). The amortisation charge for the three-month period ended 30 November 2024 (Unaudited) amounted to AED 4,562,591 (three-month period ended 30 November 2023 (Unaudited): AED 3,856,911).

There are no other significant lease modifications during the three-month period ended 30 November 2024 and 2023 (Unaudited).

18 LEASES (continued)

ii. Lease liabilities

During the three-month period ended 30 November 2024 (Unaudited), the addition to lease liabilities amounts to AED 6,419,621 (three-month period ended 30 November 2023 (Unaudited): Nil). The finance costs for the three-month period ended 30 November 2024 (Unaudited) amounted to AED 4,693,933 (three-month period ended 30 November 2023 (Unaudited): AED 3,441,162).

The Group has made payments of AED 5,150,250 towards lease liabilities during the three-month ended 30 November 2024 (Unaudited) (three-month ended 30 November 2023 (Unaudited): AED 5,443,454).

19 GUARANTEES, CONTINGENCIES AND CAPITAL COMMITMENTS

		30 November 2024 AED (Unaudited)	*31 August 2024 AED (Audited)*
(a)	Capital commitments	**336,227,975**	148,182,646
(b)	Bank guarantee	**303,579,008**	293,765,207

As at 30 November 2024 (Unaudited), the Group's capital commitments related to its on-going construction of schools.

Bank guarantee mainly pertains to the following:

(i) guarantees issued by the Group in favor of Abu Dhabi Department of Education and Knowledge in relation to the management agreement entered by the Group.
(ii) guarantees issued by the Group in favor of Emirates Schools Establishment in relation to the underlying management agreement for operation of schools.
(iii) guarantees issued by the Group in favor of Knowledge Fund Establishment in relation to the construction of schools in Dubai, UAE.
(iv) guarantees issued by the Group in favor of Abu Dhabi Department of Education and Knowledge in relation to the construction of school in Abu Dhabi, UAE.

20 SEGMENT INFORMATION

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Group has determined the chief operating decision maker to be its Chief Executive officer who undertakes such decision in consultation with the Board of Directors. The Group has a single reportable segment classified as "School operations" which encompasses the management, operation and related ancillary activities related to the day-to-day function of all the schools under the purview of the chief operating decision maker.

The determination of the Group's operating segment is based on the information which is reported to chief operating decision maker for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the interim condensed consolidated financial statements. Transactions between segments, if any, are conducted at mutually agreed terms and conditions and are fully eliminated on consolidation.

Geographic segments
As at 30 November 2024 (Unaudited), all of the business activities and operations of the Group are conducted in UAE.

20 SEGMENT INFORMATION (continued)

Primary segment information
Segmental information is presented below:

Three-month period ended 30 November 2024 (In AED) (Unaudited):

	School operations	***Corporate head office***	***Consolidated***
Revenue			
External customers	**306,067,137**	**-**	**306,067,137**
Finance and other income			
Finance income	**7,125,408**	**-**	**7,125,408**
Other income	**5,660,427**	**-**	**5,660,427**
Income from deferred government grant	**583,332**	**-**	**583,332**
Expenses			
Staff costs and other benefits	**(156,935,182)**	**(2,263,457)**	**(159,198,639)**
Operating and administrative expenses	**(44,113,744)**	**(1,637,500)**	**(45,751,244)**
Depreciation, impairment and amortisation	**(30,750,252)**	**-**	**(30,750,252)**
Finance costs	**(9,489,850)**	**-**	**(9,489,850)**
Segmental profit	**78,147,276**	**(3,900,957)**	**74,246,319**

Three-month period ended 30 November 2023 (In AED) (Unaudited):

	School operations	*Corporate head office*	*Consolidated*
Revenue			
External customers	266,512,305	-	266,512,305
Finance and other income			
Finance income	7,827,474	-	7,827,474
Other income	5,829,780	-	5,829,780
Income from deferred government grant	583,332	-	583,332
Expenses			
Staff costs and other benefits	(130,873,885)	(1,590,994)	(132,464,879)
Operating and administrative expenses	(39,045,192)	(1,417,500)	(40,462,692)
Depreciation, impairment and amortisation	(22,929,113)	-	(22,929,113)
Finance costs	(3,678,524)	-	(3,678,524)
Segmental profit	84,226,177	(3,008,494)	81,217,683

Corporate head office is not an operating segment and comprises mainly administrative and payroll costs relating to the certain key management personnel which are not monitored separately and not attributed to the “School operations” segment.

20 SEGMENT INFORMATION (continued)

	Three-month period ended 30 November (Unaudited)	
	2024 AED	*2023 AED*
Reconciliation of profit		
Segment profit	**74,246,319**	81,217,683
Rental income	**617,138**	393,777
Profit for the period before tax	**74,863,457**	81,611,460

Other segment information
Segment assets and liabilities comprise all assets and liabilities reflected in the interim condensed consolidated statement of financial position as at 30 November 2024 (Unaudited) and 31 August 2024 (Audited). This is entirely attributable to the "School operations" segment. All such assets (including capital expenditure) and liabilities are relating to the Group's operations in UAE.

21 EARNINGS PER SHARE

Basic earnings per share based on the weighted average number of shares outstanding during the three-month period ended 30 November 2024 (Unaudited) are as follows:

	Three-month period ended 30 November (Unaudited)	
	2024 AED	*2023 AED*
Profit for the period	**68,200,913**	46,625,435
Weighted average number of shares in issue outstanding during the period*	**996,202,749**	988,162,015
Earnings per share – basic (AED)	**0.07**	0.05

*the weighted number of ordinary shares takes into account the weighted average effect of changes in own shares during the three-month period ended 30 November 2024 (Unaudited).

22 FAIR VALUE MEASUREMENT

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash and cash equivalents and fees and other receivables. Financial liabilities consist of interest-bearing loans and borrowings, trade and other payables and debenture payables.

The fair value of interest-bearing loans and borrowings bear commercial rate of interest which gets re-priced at regular intervals and approximates its carrying amount. For debentures payable and other non-current financial liabilities, the Group's management assessed the fair value using the discounted cash flow analysis and reflected such value as at the reporting date. For retentions payable, management has assessed the fair value using the discounted cash flow analysis and concluded that such value is not significant different to its carrying amount. The fair value of the other financial assets and liabilities approximate their carrying values at the end of the reporting period largely due to the short-term maturities of these instruments.

23 CURRENT INCOME TAX AND DEFERRED TAX

With the introduction of corporate tax in the United Arab Emirates, the Group is subject to corporate income tax at 9% on the taxable profits. The major components of income tax expense in the interim condensed consolidated statement of comprehensive income are:

	Three-month period ended 30 November (Unaudited)	
	2024 AED	*2023 AED*
Current income tax		
Current income tax expense	**(6,780,608)**	(7,291,810)
Deferred tax		
Deferred income tax benefit / (expense) relating to origination and reversal of temporary differences	**118,064**	(27,694,215)
Income tax expense reported in the interim condensed consolidated statement of comprehensive income	**(6,662,544)**	(34,986,025)

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

	Three-month period ended 30 November (Unaudited)	
	2024 AED	*2023 AED*
Accounting profit for the period before tax	**74,863,457**	81,611,460
At the UAE statutory tax rate of 9% charged during the period	**6,737,711**	7,345,031
Adjustments in respect of standard deduction as per the Law*	**(101,250)**	(67,500)
Non-deductible expense for tax purpose:		
Entertainment expense (50% allowed as per the Law)	**13,664**	10,609
Fines and penalties (disallowed as per the Law)	**-**	3,670
Other expenses (disallowed as per the Law)	**130,483**	-
Total corporate income tax charge for the period	**6,780,608**	7,291,810
Effective tax rate	**9.1%**	8.9%

*As per the UAE CT law, maximum standard deduction applicable for each tax group is AED 375,000. The standard deduction applicable for the three tax groups considered by the Group amounts to AED 1,125,000 on which tax rate at 9% amounts to AED 101,250.

As at 30 November 2024 (Unaudited), income tax provision amounted to AED 24,363,076 (31 August 2024 (Audited): AED 16,706,004)

23 CURRENT INCOME TAX AND DEFERRED TAX (continued)

The deferred tax liability comprises of the following temporary differences:

	30 November 2024 AED (Unaudited)	*31 August 2024 AED (Audited)*
Goodwill	**21,599,798**	21,599,798
Other intangible assets	**4,878,983**	3,254,781
Other fair value adjustments (mainly relates to property, plant and equipment)	**13,212,754**	2,483,504
	39,691,535	27,338,083

	Three-month period ended 30 November (Unaudited)	
	2024 AED	*2023 AED*
Reconciliation of deferred tax liability, net:		
As at 1 September 2024	**27,338,083**	**-**
Deferred tax (benefit) / expense during the period*	**(118,064)**	27,338,083
Deferred tax liability on acquisition during the period**	**12,471,516**	**-**
	39,691,535	27,338,083

*During the prior period, the deferred tax liability was recognised in relation to business combinations undertaken by the Company in UAE prior to the effective date of the enactment of the UAE CT law.

**During the three-month period ended 30 November 2024 (Unaudited), the deferred tax liability is recognised in relation to the business combination undertaken in UAE (Note 4 (b)).

For the purpose of determining income tax expense for the three-month period, the accounting profit has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense. The adjustments are based on the current understanding of the existing tax laws, regulations and practices. The Group has not identified any material risks or uncertainties in the structure from a corporate tax perspective and will continuously monitor further developments that could impact the tax profile of the Group.

24 SUBSEQUENT EVENTS

Other than those disclosed elsewhere in the interim condensed consolidated financial statements, there were no significant events subsequent to the period-end that requires either adjustments or disclosures in the interim condensed consolidated financial statements.

25 COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform to the presentation adopted in these interim condensed consolidated financial statements. Such reclassifications do not affect the previously reported interim condensed consolidated statement of comprehensive income or equity.