This is a non-certified translation of the original Arabic version of the Prospectus. This English version is provided for convenience only and does not constitute a legal document. Subscribers should only rely on the Arabic version of the Prospectus. In the case of any discrepancies or omissions, the Arabic version of the Prospectus shall prevail.

OFFER TO SUBSCRIBE FOR SHARES IN A PUBLIC SUBSCRIPTION IN THE UAE ONLY

Prospectus for the Public Offering of Shares in

ALEC Holdings PJSC (Under Conversion) (the "Company or "ALEC")

(under conversion in the Emirate of Dubai, United Arab Emirates as a Public Joint Stock Company)

Dated: 15 September 2025

This is the prospectus (the "**Prospectus**") for the sale of 1,000,000,000 (one billion) ordinary shares with a nominal value of AED 0.01 (one fils) each, representing 20% (twenty per cent) of the total issued shares in the share capital of the Company (the "**Offer Shares**"), to be sold by the Company's sole shareholder, Investment Corporation of Dubai (the "**Selling Shareholder**"), in a public subscription in the United Arab Emirates (the "**UAE**") only. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche (as defined below) at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and notifying the Securities and Commodities Authority in the UAE ("**SCA**" or the "**Authority**"). The offer price will be in AED and determined based on the offer price range, which will be announced in a listing announcement that will be published on the same day and before the opening of the Offer Period (as defined below) on 23 September 2025 (the "**Offer Price Range**"). The Offer Shares will be duly and validly issued as at the date of listing of the Shares (as defined below) (the "**Listing**") on the Dubai Financial Market (the "**DFM**") as described in this Prospectus.

The final offer price (the "Final Offer Price") and the final offering size (the "Final Offer Size") will be announced after the closing of the subscription of the Second Tranche. Please refer to the section on the Final Offer Price in the first section of this Prospectus which sets out a description of how the Final Offer Price will be calculated.

Except in the UAE only, no action has been taken or will be taken in any jurisdiction that would permit a public subscription of the Offer Shares pursuant to this Prospectus or the possession, circulation, or distribution of this Prospectus. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offering material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any jurisdiction except in compliance with any applicable rules and regulations of any such jurisdiction.

Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers should carefully read the "Investment Risks" section and the "Important Notice" section of this Prospectus to inform themselves about factors that should be considered before investing in the Offer Shares.

Offer Period

The Offer Period for the First Tranche, the Second Tranche and the Third Tranche (as described in this Prospectus) starts on 23 September 2025 and is expected to close on 30 September 2025 for the First Tranche, the Second Tranche and the Third Tranche.

This is the public offering ("**Offering**"), including the offer to the Emirates Investment Authority ("**EIA**") and to the Pensions and Social Security Fund of Local Military Personnel in the Emirate of Dubai (the "**Fund**"), of 1,000,000,000 (one billion) Offer Shares in the capital of the Company, which is in the process of being converted from a limited liability company to a public joint stock company ("**PJSC**"). The Final Offer Price will be determined through the application of a book building process, whereby a subscription orders ledger will be created through the subscription orders made only by the Professional Investors (as defined herein).

If all of the Offer Shares are subscribed for and allocated and the Offer Size is not increased, the Offer Shares will represent 20% (twenty per cent) of the total ordinary shares issued in the share capital of the Company amounting to 1,000,000,000 (one billion) shares. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and after notifying the SCA.

Prior to this Offer, the Shares have not been listed on any financial market and there has been no public market for the Shares. Following the closing of the Offer Period in respect of the First Tranche, the Second Tranche and the Third Tranche and the completion of the conversion process of the Company from a limited liability company to a PJSC, the Company will apply to list its Shares on the DFM.

Date of the SCA approval of this Prospectus: **10 September 2025**.

This Prospectus contains data that has been submitted in accordance with the rules for issuance and disclosure issued by the SCA in the UAE, and the publication of this Prospectus has been approved by the SCA on 10 September 2025. However, the SCA approval of the publication of this Prospectus does not constitute an endorsement of the feasibility of any investment in the Offer Shares nor a recommendation to subscribe to the Offer Shares; the approval only means that this Prospectus contains the minimum information required in accordance with the applicable rules issued by the SCA with respect to prospectuses. The SCA is not responsible for the accuracy, completeness or adequacy of the information contained in this Prospectus and the SCA does not bear any responsibility for any damages or losses incurred by any person as a result of relying on this Prospectus or any part of it. The members of the Company's Founders' Committee collectively and individually bear full responsibility regarding the validity of the information and data contained in this Prospectus, and they confirm, to the extent of their knowledge and belief, and subject to due diligence and after conducting reasonable enquiries, that there are no other facts or material information, which were not included in this Prospectus that renders any statement contained therein misleading to the Subscribers or which may influence their decision to invest.

Method of sale of the Offer Shares in a public subscription

The Offer Shares represent 1,000,000,000 (one billion) shares with a nominal value of AED 0.01 (one fils) each of the total issued shares in the Company's share capital, which will be sold by the Selling Shareholder in a public offering. The Final Offer Price will be determined through the application of a book building process, whereby a subscription orders ledger will be created through the subscription orders made only by the Professional Investors. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and notifying SCA.

In creating the subscription orders ledger, the Offer Shares subscribed to by the Professional Investors will constitute all of the Offer Shares used in calculating the Final Offer Price of each Offer Share. In order for the subscription to succeed, the subscription percentage of the Professional Investors must not be less than 60% (sixty per cent), and the subscription percentage of the First Tranche Subscribers and Third Tranche Subscribers must not be more than 40% (forty per cent) of the Offer Shares in aggregate.

If the First Tranche is not subscribed to in full, the remaining Offer Shares will be allocated to the Second Tranche. If the Third Tranche is not subscribed to in full, the remaining Offer Shares will be allocated to the First Tranche. The Receiving Banks commit to refund the oversubscription amounts received from the First Tranche Subscribers and Third Tranche Subscribers for the Offer Shares and any earned profit on such amounts within 5 (five) working days from the date on which all allocations of Offer Shares to successful First Tranche Subscribers and Third Tranche Subscribers and Professional Investors are determined.

The Selling Shareholder may not directly subscribe for any of the Offer Shares.

Price Stabilisation Mechanism

In connection with the Offering, the Company and the Selling Shareholder will appoint **xCube LLC**, a duly authorised price stabilisation manager by the DFM to act as a price stabilisation manager (the "**Stabilisation Manager**"), who may, to the extent permitted by applicable law, including the DFM Module Three: Membership, Trading, and Derivatives Rules Booklet (the "**DFM Trading Rules**"), and for stabilisation purposes, effect stabilising transactions with a view to supporting the market price of the Shares, in each case at a higher level than that which might otherwise prevail in the open market.

The Stabilisation Manager will be appointed for a time period commencing on the date of trading of the Shares on the DFM and ending no later than 30 business days thereafter (the "**Stabilisation Period**"). All stabilisation transactions will be undertaken in compliance with the DFM Trading Rules. In accordance with Rule 14.7 of the DFM Trading Rules, the Stabilisation Manager will disclose to the market the extent of any stabilisation transactions conducted in relation to the Offering.

As part of the Offering, the Selling Shareholder will sell a number of Shares not exceeding 100,000,000 (one hundred million) shares of the Offer Shares (the **Stabilisation Shares**") and such shares will be allocated to investors as part of the normal allocation process for the Offering. If at any time during the Stabilisation Period, the share price of the Shares on the DFM falls below the Offer Price, the Stabilisation Manager shall use the proceeds of the sale of the Stabilisation Shares to purchase from the market up to a number of Shares equivalent to the number of Stabilisation Shares at or below the Offer Price for the purpose of supporting the market price of the Shares.

In the event the Stabilisation Manager does not purchase any shares, the Stabilisation Shares will remain fully allocated. At the end of the Stabilisation Period, the Stabilisation Manager will return to the Selling Shareholder the Stabilisation Shares which have been purchased in the market as a result of stabilising transactions and/or any remaining portion of the proceeds which were not used for stabilising transactions, as well as any interest/profit that has accumulated for the amounts corresponding to such proceeds.

Any Stabilisation Shares made available will rank pari passu in all respects with the Shares, including for all dividends and other distributions declared, made or paid on the Shares, will be purchased on the same terms and conditions as the Shares being issued or sold in the Offering and will form a single class for all purposes with the other Shares. None of the Joint Lead Managers (as defined below) or their respective directors, officers, employees or agents will have any direct or indirect involvement in, or responsibility or liability for, nor derive any direct or indirect benefit from, the stabilising transactions envisaged hereby and stabilisation will be carried out exclusively by the Stabilisation Manager.

Book Building Mechanism

Book building is a mechanism carried out during the Offering which assists in determining the Final Offer Price.

The book building mechanism involves the following steps:

1. The Company and the Selling Shareholder hire one or more investment banks to act as lead manager(s) who are licensed by SCA to carry out on behalf of the Company and the Selling Shareholder, the management of the Offering, and to provide advice related to the Offering, and to coordinate with SCA and the Offer Participants and to assist the Company and the Selling Shareholder in determining the price range at which the security can be sold and drafting a prospectus to send out to the investors.

2. The appointed Joint Lead Managers invite certain Professional Investors, typically, but not restricted to large scale sophisticated investors and fund managers (and may invite other Professional Investors), to submit bids on the number of Shares that they are interested in purchasing and the prices at which they would be willing to pay for such Shares. The Professional Investors bids are recorded in a register specifically for recording the subscription orders for the Offer Shares.

3. The book is 'built' by listing and evaluating the aggregated demand for the Offer Shares from the submitted bids. The underwriters analyse the information and, based on that analysis, determine with the Company and its Selling Shareholder, the final price for the shares, which is termed the final offer price.

4. Shares for submitted bids pertaining to the Second Tranche are then allocated among the accepted bidders, at the discretion of the Company and the Selling Shareholder.

A list of further definitions and abbreviations is provided in the *"Definitions and Abbreviations"* section of this Prospectus.

Tranche Structure

A. First Tranche

The First Tranche offer will be made pursuant to this Prospectus. 5% (five per cent) of the Offer Shares, amounting to 50,000,000 (fifty million) shares, are allocated to the First Tranche. Each successful Subscriber in the First Tranche will be guaranteed a minimum allocation of 2,000 (two thousand) Shares (the "**Minimum Guaranteed Allocation**"). The Minimum Guaranteed Allocation is subject to the total number of Shares issued under the Minimum Guaranteed Allocation not exceeding the Tranche size.

The First Tranche is restricted to the following persons:

- ***Individual Subscribers***

Natural persons (including natural persons constituting Assessed Professional Investors (as described under the Second Tranche who do not participate in the Second Tranche) who hold a National Investor Number ("**NIN**") with the DFM and have a bank account (except for any person who is resident in the United States within the meaning of the US Securities Act 1933, as amended (the "**US Securities Act**")). There is no citizenship or residence requirements in order to qualify as an Individual Subscriber.

Minors are permitted to apply for Offer Shares in accordance with the procedures applied by the Receiving Banks and the laws in force in this regard.

- ***Other investors***

Other investors (companies and establishments) who do not participate in the Second Tranche that hold a NIN with the DFM and have a bank account (except for any person who is resident in the United States within the meaning of the US Securities Act).

If all of the Offer Shares in the First Tranche are not fully subscribed, the unsubscribed Offer Shares will be made available to Professional Investors, or alternatively (in consultation with the SCA), the Selling Shareholder may (i) extend the Closing Date for the First Tranche, Second Tranche and the Third Tranche or (ii) close the Offering at the level of applications received.

All First Tranche Subscribers must hold a NIN with the DFM.

The Selling Shareholder reserves the right to amend the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and after notifying the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.

The minimum application size for First Tranche Subscribers is AED 5,000 (five thousand UAE dirhams) with any additional application to be made in increments of at least AED 1,000 (one thousand UAE dirhams).

There is no maximum application size for First Tranche Subscribers.

B. Second Tranche

94% (ninety four per cent) of the Offer Shares, amounting to 940,000,000 (nine hundred forty million) shares are allocated to the Second Tranche, which is restricted to "**Professional Investors**" (as defined in the SCA Board of Directors' Chairman Decision No.13/R.M of 2021 (as amended from time to time)), which specifically include those investors which can be categorised in the following manner:

1. "**Deemed Professional Investors**" which include:

   i. international corporations and organisations whose members are state, central banks or national monetary authorities;

   ii. governments, government institutions, their investment and non-investment bodies and companies wholly owned by them;

   iii. central banks or national monetary authorities in any country, state or legal authority;

   iv. capital market institutions licensed by the SCA or regulated by a supervisory authority equivalent to the SCA;

   v. financial institutions;

   vi. regulated financial institutions, local or foreign mutual investment funds, regulated pension fund management companies and regulated pension funds;

   vii. any entity whose main activity represents investment in financial instruments, asset securitisation or financial transactions;

   viii. any company whose shares are listed or accepted to trade in any market of an IOSCO member country;

   ix. a trustee of a trust which has, during the past 12 months, assets of AED 35,000,000 (thirty-five million UAE dirhams) or more;

   x. licensed family offices with assets of AED 15,000,000 (fifteen million UAE dirhams) or more;

   xi. joint ventures and associations which have or had, at any time during the past two years, net assets of AED 25,000,000 (twenty-five million UAE dirhams) or more (excluding partner and shareholder loans); and

   xii. a body corporate who fulfils (on the date of its last financial statements) a "large undertaking" test, whereby it fulfils at least two of the following requirements:

      a. holds total assets of AED 75,000,000 (seventy-five million UAE dirhams) or more (excluding short-term liabilities and long-term liabilities);

      b. has a net annual revenue of AED 150,000,000 (one hundred fifty million UAE dirhams) or more; or

      c. has an aggregate total of cash and investments on its balance sheet of; or its total equity (after deducting paid up share capital), is not less than AED 7,000,000 (seven million UAE dirhams).

2. "**Service-Based Professional Investors**", which include:

   i. Any person conducting an activity involving the provision of credit facilities for commercial purposes for:

      a. an undertaking;

b. a person in control of an undertaking;

c. any member of the group to which the undertaking belongs; or

d. any joint investment venture in which the undertaking is a partner.

ii. A person conducting credit facility and investment deal arrangement services in connection with structuring, financing, and companies.

3. "**Assessed Professional Investors**" which include:

i. a natural person who owns net assets, excluding the value of their main residence, is not less than AED 4,000,000 (four million UAE dirhams) (a "**HNWI**");

ii. a natural person who is:

a. approved by the SCA or a similar supervisory authority;

b. an employee of a licensed entity or a regulated financial institution who has been employed for the past two years;

c. assessed to have sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); or

d. represented by an entity licensed by the SCA;

iii. a natural person (the "**account participant**") with a joint account for investment management with a HNWI (the "**main account holder**"), provided that each of the following conditions are satisfied:

a. the account participant must be an immediate or second degree relative of the main account holder;

b. the account is used to manage the investments of the main account holder and its subscribers; and

c. written confirmation is obtained from the subscriber (i.e. the account participant) confirming that investment decisions relating to the joint investment account are made on their behalf by the main account holder;

iv. special purpose vehicles and/or trusts established for the purpose of managing an investment portfolio of assets for a HNWI; and

v. an undertaking that satisfies the following requirements:

a. it maintains an aggregate total of cash and investments on its balance sheet or total equity (after deducting paid up share capital) is not less than AED 4,000,000 (four million UAE dirhams); and

b. has sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); and

vi. an undertaking that:

a. it has a controller (e.g. a person controlling the majority of the shares or voting rights in the relevant undertaking or possesses the ability to appoint or remove the majority of the relevant undertaking's board of directors);

b. is a holding or subsidiary company; or

c. is a joint venture partner that meets the definition of a Deemed Professional Investor or an Assessed Professional Investor.

Who, in each case, has been approved by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers and to which the following characteristics apply: (a) a person outside the United States to whom an offer can be made in reliance on Regulation S under the US Securities Act; (b) a person in the DIFC to whom an offer can be made in accordance with the Markets Rules (MKT) Module of the DFSA Rulebook, and made only to persons who meet the "Deemed Professional Client" criteria set out in the Conduct of Business (COB) Module of the DFSA Rulebook and who are not natural persons; or (c) a person in the ADGM to whom an offer can be made in accordance with the Financial Services Regulatory Authority (the "**FSRA**") Financial Services and Markets Regulations (the "**FSMR**") and the FSRA Market Rules and made only to persons who are "Professional Clients" as defined in the ADGM Conduct of Business Rulebook.

Certain members of senior management of the Group (who are not residents in the United States within the meaning of the US Securities Act), who meet the requirements set forth in the definition of the Second Tranche and the definition of a Professional Investor as defined in the SCA Board of Directors' Chairman Decision No.13/R.M of 2021 and its amendments, will be given the opportunity to participate in the Second Tranche, subject to meeting certain eligibility requirements as determined by the Joint Lead Managers. Members of senior management of the Group, who decide to participate in the Second Tranche, will undertake to the Company not to offer, sell, or otherwise dispose of, directly or indirectly, or announce an offer of any shares or enter into any transaction with the same economic effect as any of the foregoing, for a period of not less than 365 days from the expected date of Listing the Shares on the DFM.

All Professional Investors must hold a NIN with the DFM and a bank account.

No maximum subscription in Offer Shares has been set.

If not all of the Offer Shares in the Second Tranche are fully subscribed, the Offering will be withdrawn.

The Selling Shareholder reserves the right to amend the size of the Second Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and notifying the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares, and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate.

The minimum application size for Professional Investors is AED 1,000,000 (one million UAE dirhams).

There is no maximum application size for Professional Investors.

C. Third Tranche

The Third Tranche will be made pursuant to this Prospectus. 1% (one per cent) of the Offer Shares, amounting to 10,000,000 (ten million) shares are allocated to the Third Tranche. Each Subscriber in the Third Tranche will be guaranteed a minimum allocation of 10,000 (ten thousand) Shares. The

Minimum Guaranteed Allocation is subject to the total number of Shares issued under the Minimum Guaranteed Allocation not exceeding the Tranche size.

The Third Tranche Subscribers which specifically include those investors which can be categorised in the following manner:

Third Tranche Subscribers:

Natural persons (including natural persons constituting Assessed Professional Investors (as described under the Second Tranche)), who have a bank account and do not participate in the First Tranche or the Second Tranche who qualify as Group Eligible Employees and ICD Eligible Employees and whose details have been shared by the Company with the Lead Receiving Bank on or before 26 September 2025 (except for any person who is resident in the United States within the meaning of the US Securities Act, as amended).

If all of the Offer Shares in the Third Tranche are not fully subscribed for, the unsubscribed Offer Shares will be available to the First Tranche.

The Selling Shareholder reserves the right to amend the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and notifying the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and the Third Tranche does not exceed 40% of the Offer Shares in aggregate.

The minimum application size for Third Tranche Subscribers is AED 20,000 (twenty thousand dirhams) with any additional application to be made in increments of AED 1,000 (one thousand dirhams).

There is no maximum application size for subscribers in this Tranche.

D. Emirates Investment Authority (EIA)

50,000,000 (fifty million) Shares representing 5% (five per cent) of the Offer Shares are reserved for the EIA, in accordance with the requirements of Article 127 of Federal Decree by Law No. 32 of 2021 on Commercial Companies (as amended) (the "**Companies Law**"). Offer Shares allocated to the EIA under this preferential rights regime will be deducted from the total size of the Second Tranche. If the EIA does not exercise its preferential rights to apply for Offer Shares, then those Offer Shares will be available to other Professional Investors.

E. Pensions and Social Security Fund of Local Military Personnel

50,000,000 (fifty million) Shares representing 5% (five per cent) of the Offer Shares, are reserved for the Fund, in accordance with the requirements of Dubai Law No. 2 of 2022 concerning the subscription in shares of companies owned by the Government of Dubai. Offer Shares allocated to the Fund under this preferential rights regime will be deducted from the total size of the Second Tranche. If the Fund does not exercise its preferential rights to apply for Offer Shares then those Offer Shares, will be available to other Professional Investors for application.

Every Subscriber must hold a NIN with the DFM and a bank account in order to be eligible to apply for Offer Shares. Subscribers may apply for Offer Shares in only one tranche. In the event a person applies for Offer Shares in more than one tranche, the Lead Receiving Bank, the Receiving Banks and the Joint Lead Managers may disregard one or both of such applications.

The approval of the SCA has been obtained for publication of this Prospectus for the sale of the Offer Shares in a public subscription in the UAE (outside the ADGM and the DIFC). The Shares have not been registered with any other regulatory authority in any other jurisdiction.

The publication of the Arabic version of this Prospectus has been approved by the SCA in accordance with the provisions of the Companies Law on 10 September 2025.

A copy of the offering document for the Second Tranche (in English only), referred to as the "**Second Tranche Document**", which was not reviewed, endorsed or approved by the SCA, will be available on www.alec.ae / www.alec.ae/ipo . No information contained in, or referred to in, the Second Tranche Document, forms part of, or is incorporated into, this Prospectus.

Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers should carefully read the "*Investment Risks*" section of this Prospectus to inform themselves about factors that should be considered before investing in the Offer Shares.

This Prospectus was issued on 15 September 2025.

This Prospectus is available on the website of the Company:

www.alec.ae / www.alec.ae/ipo

NAME AND CONTACT DETAILS OF THE OFFER PARTICIPANTS

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RECEIVING BANKS

As per the list of banks attached in Annex (3) to this Prospectus

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Investor Relations

Aser Mokhtar

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This Prospectus is dated 15 September 2025.

IMPORTANT NOTICE

(To be read carefully by all Subscribers)

- This Prospectus is intended to provide potential Subscribers with information to assist in deciding whether or not to apply for Offer Shares. Potential Subscribers should read this Prospectus in its entirety, and carefully review, examine and consider all data and information contained in it, before deciding whether or not to apply for Offer Shares (and, in particular, the section titled "*Investment Risks"),* as well as the Memorandum of Association and Articles of Association of the Company, when considering making an investment in the Company.

- In making an investment decision, each potential Subscriber must rely on its own examination, analysis and enquiry of the Company and the terms of the Offering, including the merits and risks involved and obtain any necessary advice from his or her legal and financial advisors regarding the investment. An investment in Offer Shares entails considerable risks. Potential Subscribers should not apply for Offer Shares unless they are able to bear the loss of some or all of that investment.

- Recipients of this Prospectus are authorised solely to use this Prospectus for the purpose of considering the subscription in the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering whether or not to apply for Offer Shares under the First Tranche and the Third Tranche. Recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.

- The contents of this Prospectus should not be construed as legal, financial or tax advice.

- The information contained in this Prospectus shall not be subject to revision or addition without securing the approval of the SCA and informing the public of such revision or addition by publication in two daily newspapers in circulation in the UAE in accordance with the rules issued by the SCA. The Selling Shareholder reserves the right to cancel the Offering at any time and at its sole discretion with the prior written approval of the SCA.

- The Offer Shares are being offered for sale under this Prospectus for the purpose of subscription in the UAE only. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the Offer Shares or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, Offer Shares by any person in any jurisdiction outside of the UAE (including the ADGM and the DIFC).

- This Prospectus is not being published or distributed, and must not be forwarded or transmitted, in or into or to any jurisdiction outside the UAE (including the ADGM and the DIFC). The Offer Shares have not been registered with any regulatory authority in any jurisdiction other than the SCA.

- If the Offer Shares are offered in another jurisdiction or state outside the UAE, the Offer Shares shall be offered in a manner that is compliant with the applicable laws and rules and acceptable to the relevant authorities in the relevant jurisdiction or state.

- This Prospectus is not intended to constitute a financial promotion, offer, sale or delivery of shares or other securities under the ADGM Financial Services Regulatory Authority ("**FSRA**") Markets

Rules or the DIFC Markets Law or under the DIFC Markets Rules.

- The Offering has not been approved or licensed by the FSRA or the DFSA, and does not constitute an offer of securities in the ADGM in accordance with the FSRA Market Rules or in the DIFC in accordance with the DIFC Markets Law or the Markets Rules (MKT) Module of the DFSA Rulebook.

- The publication of this Prospectus has been approved by the SCA. The SCA's approval of the publication of this Prospectus shall neither be deemed as an endorsement or approval of the subscription feasibility nor a recommendation of investment, but it means only that the minimum requirements according to the issuance rules and information disclosure applicable to prospectuses and issued by the SCA have been met. The SCA and the DFM shall not be held liable for the accuracy, completeness or sufficiency of the information contained in this Prospectus, nor shall they be held liable for any damage or loss suffered by any person due to reliance upon this Prospectus or any part thereof.
- The Internal Shariah Supervisory Committee of Emirates NBD Bank PJSC has issued (or is expected to issue) a fatwa confirming that, in its view, the Offering is compliant with Shariah principles. Investors should not rely on this fatwa when making a decision to invest in the Shares and should make their own efforts to ensure that the Offering is Sharia-compliant for their own purposes.

The publication of this Prospectus was approved on 10 September 2025.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

General

No representation or warranty, express or implied, is made and no responsibility or liability is accepted by any person other than the Company, as to the accuracy, completeness, verification or sufficiency of the information contained herein, and nothing in this Prospectus may be relied upon as a promise or representation in this respect, as to the past or future. No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by the Company. The delivery of this Prospectus shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this Prospectus or that the information contained herein is correct as of any time subsequent to its date.

The contents of this Prospectus are not to be construed as legal, business or tax advice.

The historical financial statements are:

The historical financial information presented in this Prospectus is based on the audited consolidated financial statements of the Company and its subsidiaries (together, the "**Group**") as at and for the years ended 31 December 2024 (which includes the comparative financial information as at and for the years ended 31 December 2023 and 2022) (the "**Annual Financial Statements**"). The Annual Financial Statements were prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board and have been audited by Deloitte & Touche (M.E.) ("**Deloitte**") in accordance with International Standards on Auditing ("**ISAs**").

This Prospectus also contains the unaudited interim condensed consolidated financial statements of the Group as at and for the six months ended 30 June 2025 (including the comparative financial information for the six months ended 30 June 2024 and the related notes thereto (the "**Interim Financial Statements**") and, together with the Annual Financial Statements, the "**Financial Statements**"). The Interim Financial Statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("**IAS 34**"). The Interim Financial Statements have been reviewed by Deloitte in accordance with International Standard on Review Engagements 2410.

Except as described below, or indicated otherwise in this Prospectus, the financial information of the Group in this Prospectus (i) as at and for the years ended 31 December 2024, 2023 and 2022 has been extracted from the Annual Financial Statements; and (ii) as at and for the six months ended 30 June 2025 and 2024 has been extracted from the Interim Financial Statements.

The Company's financial year ends on 31 December of each year. References to any financial year refer to the year ended 31 December of the calendar year specified.

Currency Presentation

Unless otherwise indicated, all references in this Prospectus to:

- "**UAE dirham**" or "**AED**" are to the lawful currency of the United Arab Emirates; and
- "**U.S. dollars**" or "**U.S.$**" are to the lawful currency of the United States.

The value of the UAE dirham has been pegged to the U.S. dollar at a rate of AED 3.6725 per U.S.$1 since 1997. All AED/U.S.$ conversions in this Prospectus have been calculated at this rate.

Rounding

Certain data in this Prospectus, including financial, statistical and operating information, has been rounded. For example, contracts that are stated to have a ten-year term, are typically for just under ten years and have been rounded. Furthermore, as a result of such rounding, the totals of data presented in this Prospectus may vary slightly from the actual arithmetic totals of such data. Percentages in tables have been rounded and accordingly may not add up to 100 per cent.

Sharia Compliance

Certain financing arrangements of the Group or the Company are compliant with principles of Sharia, and such references in this Prospectus to ‘interest,’ ‘lender,’ ‘borrower,’ ‘repayment,’ ‘loans,’ or ‘borrowings’ or similar terms that are not compliant with principles of Sharia in relation thereto should be interpreted as references to ‘profit’ or ‘rent’ or ‘financing costs’ or ‘financier’ or ‘obligor’ or “payment” or ‘financings’ and so forth, as applicable.

FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. The forward-looking statements contained in this Prospectus speak only as of the date of this Prospectus. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of the Company and all of which are based on current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believe", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "targets", "predicts", "continues", "assumes", "positioned", "anticipates" or "potential" or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include statements regarding intentions, beliefs and current expectations concerning, among other things, results of operations, financial condition, liquidity, prospects, growth, strategies, dividend policy and the industry in which the Company operates.

These forward-looking statements and other statements contained in this Prospectus regarding matters that are not historical facts as of the date of this Prospectus involve predictions and are based on the assumptions and information currently available to the Company's management. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, no assurance can be given that such future results will be achieved.

There is no obligation or undertaking to update the forward-looking statements contained in this Prospectus to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so by (i) the applicable laws of the UAE or (ii) as a result of an important change with respect to a material statement in this Prospectus.

Actual events or results may differ materially as a result of risks and uncertainties that the Company faces. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Please refer to "**Investment Risks**" for further information.

IMPORTANT INFORMATION

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

Recipients of this Prospectus are authorised solely to use this Prospectus for the purpose of considering making an investment in the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering an investment in the Offer Shares. Such recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.

Prior to making any decision as to whether to invest in the Offer Shares, prospective Subscribers should read this Prospectus in its entirety (and, in particular, the section titled "*Investment Risks*") as well as the Memorandum of Association and Articles of Association of the Company. In making an investment decision, each Subscriber must rely on their own examination, analysis and enquiry of the Company and the terms of the Offering, including the merits and risks involved.

No person is authorised to give any information or to make any representation or warranty in connection with the Offer or the Offer Shares which is not contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been so authorised by the Company, the Selling Shareholder, or the other Offer Participants. By applying for Offer Shares, a Subscriber acknowledges that (i) they have relied only on the information in this Prospectus and (ii) no other information has been authorised by the Company, the Selling Shareholder, any Offer Participants, the Joint Lead Managers, or any other of the Company's or the Selling Shareholder's advisors (the "**Advisors**").

No person or Advisor, except the Joint Lead Managers and the Receiving Banks set out on pages 11 and 12 are participating in, receiving subscription funds from, or managing, the public offering of the Offer Shares in the UAE.

Neither the content of the Company's website or any other website referred to in the Prospectus, nor the content of any website accessible from hyperlinks on any of such websites, forms part of, or is incorporated into, this Prospectus, and neither the Company, the Selling Shareholder, any other Offer Participant, nor any Advisor bears or accepts any responsibility for the contents of such websites.

None of the Company, the Selling Shareholder, the Offer Participants, the Joint Lead Managers, or the Advisors or any of their respective representatives accepts any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Company, the Offer or the Offer Shares. None of the Company, the Selling Shareholder, the Offer Participants, the Joint Lead Managers, or the Advisors or any of their respective representatives makes any representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

None of the Company, the Selling Shareholder, any of the Offer Participants, the Joint Lead Managers, or the Advisors or any of their respective representatives, warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Statements contained in this Prospectus are made as at the date of this Prospectus unless some prior time is specified in relation to them and the publication of this Prospectus (or any action taken pursuant to it) must not be interpreted as giving rise to any implication that there has been no change in the condition, facts or affairs of the Company since such date.

This Prospectus shall not be subject to revision, unless the prior written approval of the SCA is obtained. Any revision will become effective only after it has been announced in two daily newspapers circulating in the UAE. The Selling Shareholder reserves the right, with the prior approval of the SCA, to withdraw this Prospectus and cancel the Offer at any time and in its sole discretion. If the Offer is withdrawn, the subscription amounts will be fully refunded to the Subscribers, along with any earned profits. Neither the delivery of this Prospectus nor any sale made under it may, under any circumstances, be taken to imply that there has been no change in the affairs of the Company since the date of this Prospectus or that the information in it is correct as of any subsequent time.

Emirates NBD Capital PSC, Abu Dhabi Commercial Bank PJSC, and EFG Hermes UAE LLC have been appointed as joint lead managers (the "**Joint Lead Managers**"), each of whom obtained their licenses from the SCA on 10/10/2018, 27/10/2018, and 5/11/2017 respectively, and the Joint Lead Managers will manage the issuance, marketing and promotion of the Offer Shares in the UAE and coordinate with the Company, the SCA and the other Offer Participants with regard to the offering of the Offer Shares in the UAE. Emirates NBD Bank PJSC has also been appointed as the lead receiving bank (the "**Lead Receiving Bank**") and, in its capacity as such, is responsible for receiving the subscription amounts set out in this Prospectus in accordance with the rules and laws applicable in and within the UAE under the First Tranche, Second Tranche and Third Tranche.

Each of the Offer Participants shall be liable for its participation in the Offering, including the Selling Shareholder and the Founders' Committee, with regard to the validity of the information contained in this Prospectus within the limits of the scope of work and expertise of each Offer Participant.

The Joint Lead Managers are acting exclusively for the Company and the Selling Shareholder and no one else in connection with the Offering and will not regard any other person (whether or not a recipient of this Prospectus) as a client in relation to the Offering.

The Joint Lead Managers may have engaged (directly or through their respective affiliates) in transactions with, and provided various investment banking, financial advisory and other services for, the Company and the Selling Shareholder for which they would have received customary fees. Any previous transactions between the Joint Lead Managers and the Company or the Selling Shareholder do not constitute any conflict of interest between them.

The members of the Founders' Committee (whose names are set out in this Prospectus) assume responsibility for the completeness, accuracy and verification of the contents of this Prospectus. They declare that they have carried out appropriate due diligence investigations and, to the best of their knowledge and belief, the information contained in this Prospectus is, at the date hereof, factually accurate, complete and correct in all material respects and that there is no omission of any information that would make any statement in this Prospectus materially misleading.

In accordance with Article 121 of the Companies Law, each of the Offer Participants shall exercise the care of a prudent person, and each of them or their delegates shall be responsible for the performance of their duties.

This Prospectus contains data submitted according to the issuance and disclosure rules issued by the SCA.

In making an investment decision, each potential Subscriber must rely on its own examination and analysis having reviewed the information contained in this Prospectus (in its entirety), such information having been provided by the Selling Shareholder and the members of the Founders' Committee whose names are set out in this Prospectus.

No action has been taken or will be taken in any jurisdiction other than the UAE that would permit a public subscription or sale of the Offer Shares or the possession, circulation or distribution of this Prospectus or any other material relating to the Company or the Offer Shares, in any country or jurisdiction where any action for that purpose is required. Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offer material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Prospectus comes must inform themselves of and observe all such restrictions.

None of the Company, the Selling Shareholder, any Offer Participants, the Joint Lead Managers or the Advisors accepts any responsibility for any violation of any such restrictions on the sale, offer to sell or solicitation to purchase Offer Shares by any person, whether or not a prospective purchaser of Offer Shares in any jurisdiction outside the UAE (including the ADGM and the DIFC), and whether such offer or solicitation was made orally or in writing, including by electronic mail. None of the Company, the Selling Shareholder, the Offer Participants, the Joint Lead Managers, or the Advisors (or their respective representatives) makes any representation to any potential Subscriber regarding the legality of applying for Offer Shares by such potential Subscriber under the laws applicable to such potential Subscriber.

Some of the Group's financing arrangements are compliant with the principles of Sharia and references in this prospectus to ‘interest’, ‘lender’, ‘borrower’, ‘repayment’, “loans” or ‘advance’ or ‘borrowings’ or terms relating to financing that is not compliant with the principles of Shariah should be interpreted as references to ‘profit’, ‘rent’, ‘financing costs’, ‘financier’, ‘obligor’, “payment”, ‘financing’, etc., as appropriate.

The publication of this Prospectus was approved by the SCA on 10 September 2025.

Definitions and Abbreviations

ADGM	Abu Dhabi Global Market.
AED or UAE Dirham	The lawful currency of the United Arab Emirates.
AJI Rentals	AJI Heavy Equipment Rental LLC.
ALEC Construction	ALEC Engineering and Contracting LLC SPC.
ALEC Saudi	ALEC Saudi Arabia Engineering & Contracting LLC.
ALEC Facades	AES Building Materials Trading L.L.C.
ALEMCO	ALEMCO Electromechanical LLC - SPC.
Annual Financial Statements	The audited consolidated financial statements of the Group and its subsidiaries as at and for the years ended 31 December 2024 (which includes the comparative financial information as at and for the years ended 31 December 2023 and 31 December 2022).
Articles of Association	The articles of association of the Company, as set out in Annex (2) of this Prospectus.
Backlog	Backlog represents the total value of contracts (as amended) for which a contract or a letter of award has been issued and in respect of which the Group is ready to commence work or already performing work less revenue already recognised from the relevant contracts. The Group's backlog also includes amounts relating to variation orders (changes in the terms of a particular contract agreed with the client), which are reflected in an interim or final payment certificate. If the relevant payment certificate has not yet been issued, a portion of the backlog may include the Group's estimates of the associated increases or decreases relating to variation orders that have been initially agreed, but the pricing for which has not been finalised with a client. Backlog is unaudited, not an IFRS measure, and is not calculated based on IFRS financial information. Backlog figures also may not be indicative of future operating results, as backlog figures are subject to substantial fluctuations. The Group's calculations of backlog may differ from that of other companies in the industry and, as a result, the backlog data as presented in this Prospectus may not be comparable to the backlog reported by other companies. Backlog should not be considered as a replacement for revenue or a forecast of net profit or any other IFRS measure.
Board	The board of directors of the Company.
Central Bank	The Central Bank of the UAE.

Closing Date	30 September 2025 for the First Tranche, the Second Tranche and the Third Tranche.
Companies Law	Federal Decree by Law No. 32 of 2021 concerning Commercial Companies (as amended).
"Company" or "ALEC"	ALEC Holdings PJSC (under conversion in the Emirate of Dubai, United Arab Emirates, as a Public Joint Stock Company), which is being converted from a limited liability company to a public joint stock company in the Emirate of Dubai, UAE, pursuant to the applicable laws of the UAE.
DDA	Dubai Development Authority in the UAE.
DET	Dubai Economy and Tourism Department in the UAE.
DFM	Dubai Financial Market in the UAE.
DFSA	Dubai Financial Services Authority in the UAE.
DIFC	Dubai International Financial Centre.
Directors	The Executive Directors and the Non-Executive Directors.
EIA	Emirates Investment Authority in the UAE.
Electronic Applications	Subscription applications via online internet / mobile banking and ATMs as provided by the Receiving Banks to the First Tranche Subscribers and the Third Tranche Subscribers.
Executive Directors	The executive directors of the Company.
Final Offer Price	The offer price at which all the Subscribers in all Tranches will purchase each Offer Share. The Final Offer Price of each Offer Share will be determined following a book building process for the Second Tranche and following consultation between the Joint Lead Managers, the Selling Shareholder and the Company. The Offer Shares of the Professional Investors must represent all of the Offer Shares used to calculate the Final Offer Price of each Offer Share. Following closing of the subscription for the Second Tranche, the Company will publish an announcement setting out the Final Offer Price, on the Company's website: www.alec.ae / www.alec.ae/ipo
Final Offer Size	The final number of the Offer Shares that will be offered for sale

	by the Selling Shareholder and which will be determined following closing of the Second Tranche.
Financial Statements	The Annual Financial Statements and the Interim Financial Statements.
Financial year	The Company's fiscal year begins on 1 January and ends on 31 December of each year.
First Tranche	The offer of the Offer Shares in the UAE to First Tranche Subscribers.
First Tranche Subscribers	Individual Subscribers and other investors (including natural persons, companies and establishments) who do not participate in the Second Tranche or the Third Tranche and who hold a NIN with the DFM and have a bank account.
Founders' Committee	The committee formed by the Selling Shareholder to undertake all steps and procedures necessary on their behalf and on behalf of the Company to complete all the procedures required with regard to the Offering and the conversion to a public joint stock company, including dealing with the relevant competent authorities. The Founders' Committee is composed of the following individuals: - Mr. Barry Roy Lewis (Chairman); - Ms. Kamillia Ahmed AlMarashi (Member); and - Mr. John Joseph Deeb (Member).
FSMR	Financial Services and Markets Regulations 2015, as amended from time to time.
FSRA	ADGM Financial Services Regulatory Authority.
FTS	UAE Central Bank Funds Transfer System method.
Fund	Pensions and Social Security Fund of Local Military Personnel in the Emirate of Dubai.
GCC	Gulf Cooperation Council countries comprising the United Arab Emirates, Kingdom of Saudi Arabia, Sultanate of Oman, State of Qatar, State of Kuwait and Kingdom of Bahrain.
Governance Rules	The Chairman of the SCA's Board of Directors' Decision No. (3/R.M) of 2020 Concerning Approval of Joint Stock Companies Governance Guide (as amended from time to time).
Group	The Company and its subsidiaries.

Group Eligible Employees	Relevant individuals employed by the Group who obtain the prior approval of the Company to participate in the Third Tranche.
ICD Eligible Employees	Relevant individuals employed by ICD who obtain the prior approval of ICD to participate in the Third Tranche.
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board.
Individual Subscribers	Natural persons who hold a NIN with the DFM and have a bank account (including natural persons constituting Assessed Professional Investors who do not participate in the Second Tranche). There is no other citizenship or residence requirement.
Industry Consultant	MEED.
Interim Financial Statements	The unaudited interim condensed consolidated financial statements of the Group as at and for the six months ended 30 June 2025 (including the comparative financial information for the six months ended 30 June 2024 and the related notes thereto).
iVESTOR Card	A VISA pre-paid smart card issued for Subscribers registered with the DFM and subject to the iVESTOR Card terms and conditions available on the DFM website (https://www.dfm.ae).
Joint Lead Managers	Emirates NBD Capital PSC, Abu Dhabi Commercial Bank PJSC, and EFG Hermes UAE LLC.
Lead Receiving Bank	Emirates NBD Bank PJSC.
LINQ	LINQ Modular LLC.
Listing of the Shares or Listing	Following the closing of the subscription, the allocation to successful Subscribers and the conversion of the Company from a limited liability company to a PJSC with the relevant authorities in the UAE, the Company will apply to list and admit to trading all of its Shares on the DFM. Trading in the Shares on the DFM will be affected through the DFM share registry.
LTIFR	Lost time injury frequency rate which is calculated as total lost time injuries divided by total manhours multiplied by 1,000,000.
Manager's Cheque	Certified bank cheque drawn on a bank licensed and operating in the UAE.
Memorandum of	The memorandum of association of the Company, as set out in

Association	Annex (2) of this Prospectus.
Minimum Guaranteed Allocation	The minimum number of shares guaranteed to be allocated to each subscriber in the First Tranche and the Third Tranche as set out in this Prospectus.
Minimum Subscription	The minimum subscription for Offer Shares in the First Tranche has been set at AED 5,000 (five thousand UAE dirhams), with any additional investment to be made in increments of at least AED 1,000 (one thousand UAE dirhams). The minimum subscription for Offer Shares in the Second Tranche has been set at AED 1,000,000 (one million UAE dirhams). The minimum subscription for Offer Shares in the Third Tranche has been set at AED 20,000 (twenty thousand UAE dirhams) with any additional investment to be made in increments of at least AED 1,000 (one thousand UAE dirhams).
NIN	A national investor number that a Subscriber must obtain from the DFM for the purposes of subscription.
Non-Executive Directors	The non-executive directors of the Company.
Offering	The public subscription of 1,000,000,000 (one billion) shares of the total Shares of the Company which are being offered for sale by the Selling Shareholder. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period in its sole discretion, subject to the applicable laws of the UAE and notifying the SCA.
Offer Participants	The entities listed on pages 11 to 12 of this Prospectus.
Offer Period	The subscription period for the First Tranche, Second Tranche, and the Third Tranche starts on 23 September and will close on 30 September 2025.
Offer Price Range	The Offer Shares are being offered at an offer price range that will be published on the first day of the Offer Period.
Offer Shares	1,000,000,000 (one billion) shares which will be sold by the Selling Shareholder in a public subscription process. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and notifying the SCA.
Professional Investors	1. "**Deemed Professional Investors**" which include:

	i. international corporations and organisations whose members are state, central banks or national monetary authorities; ii. governments, government institutions, their investment and non-investment bodies and companies wholly owned by them; iii. central banks or national monetary authorities in any country, state or legal authority; iv. capital market institutions licensed by the SCA or regulated by a supervisory authority equivalent to the SCA; v. financial institutions; vi. regulated financial institutions, local or foreign mutual investment funds, regulated pension fund management companies and regulated pension funds; vii. any entity whose main activity represents investment in financial instruments, asset securitisation or financial transactions; viii. any company whose shares are listed or accepted to trade in any market of an IOSCO member country; ix. a trustee of a trust which has, during the past 12 months, assets of AED 35,000,000 (thirty-five million UAE dirhams) or more; x. licensed family offices with assets of AED 15,000,000 (fifteen million UAE dirhams) or more; xi. joint ventures and associations which have or had, at any time during the past two years, net assets of AED 25,000,000 (twenty-five million UAE dirhams) or more (excluding partner and shareholder loans); and xii. a body corporate who fulfils (on the date of its last financial statements) a “large undertaking” test, whereby it fulfils at least two of the following requirements: a. holds total assets of AED 75,000,000 (seventy-five million UAE dirhams) or more (excluding short-term liabilities and long-term liabilities); b. has a net annual revenue of AED 150,000,000 (one hundred fifty million UAE dirhams) or more; or c. has an aggregate total of cash and investments on its balance sheet of; or its total equity (after deducting paid up share capital), is not less than AED 7,000,000 (seven million UAE dirhams).

	2. "**Service-Based Professional Investors**", which include: i. **Any person conducting an activity involving the provision of credit facilities for commercial purposes for:** a. an undertaking; b. a person in control of an undertaking; c. any member of the group to which the undertaking belongs; or d. any joint investment venture in which the undertaking is a partner. ii. **A person conducting credit facility and investment deal arrangement services in connection with structuring, financing, and companies.** 3. "**Assessed Professional Investors**" which include: i. a natural person who owns net assets, excluding the value of their main residence, is not less than AED 4,000,000 (four million UAE dirhams) (a "**HNWI**"); ii. a natural person who is: a. approved by the SCA or a similar supervisory authority; b. an employee of a licensed entity or a regulated financial institution who has been employed for the past two years; c. assessed to have sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); or d. represented by an entity licensed by the SCA; iii. a natural person (the "**account participant**") with a joint account for investment management with a HNWI (the "**main account holder**"), provided that each of the following conditions are satisfied:

	a. the account participant must be an immediate or second degree relative of the main account holder; b. the account is used to manage the investments of the main account holder and its subscribers; and c. written confirmation is obtained from the subscriber (i.e. the account participant) confirming that investment decisions relating to the joint investment account are made on their behalf by the main account holder; iv. special purpose vehicles and/or trusts established for the purpose of managing an investment portfolio of assets for a HNWI; and v. **an undertaking that satisfies the following requirements:** a. it maintains an aggregate total of cash and investments on its balance sheet or total equity (after deducting paid up share capital) is not less than AED 4,000,000 (four million UAE dirhams); and b. has sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); and vi. **an undertaking that:** a. it has a controller (e.g. a person controlling the majority of the shares or voting rights in the relevant undertaking or possesses the ability to appoint or remove the majority of the relevant undertaking's board of directors); b. is a holding or subsidiary company; or c. is a joint venture partner that meets the definition of a Deemed Professional Investor or an Assessed Professional Investor. Who, in each case, has been approved by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers and to which the following characteristics apply: (a) a person outside the United States to whom an offer can be made in reliance on Regulation S under the US Securities Act; (b) a person in the DIFC to whom an offer can be made in accordance with the Markets Rules (MKT) Module of the DFSA Rulebook, and made only to persons who meet the "Deemed

	Professional Client" criteria set out in the Conduct of Business (COB) Module of the DFSA Rulebook and who are not natural persons; or (c) a person in the ADGM to whom an offer can be made in accordance with the FSRA's Financial Services and the FSMR and the FSRA Market Rules and made only to persons who are "Professional Clients" as defined in the ADGM Conduct of Business Rulebook.
Receiving Banks	The group of banks led by the Lead Receiving Bank, comprising the Lead Receiving Bank, Abu Dhabi Commercial Bank PJSC, Abu Dhabi Islamic Bank PJSC, Commercial Bank of Dubai PJSC, Dubai Islamic Bank PJSC, Emirates Islamic Bank PJSC, First Abu Dhabi Bank PJSC, and Mashreq Bank PJSC, Al Maryah Bank, WIO as set out in the list of receiving banks attached in Annex (3) to this Prospectus.
Regulation S	Regulation S under the US Securities Act.
SCA	The Securities and Commodities Authority of the UAE.
Second Tranche	The offer of Offer Shares to Professional Investors made under the Second Tranche Document.
Second Tranche Document	The Second Tranche offer document has been drafted in a specific manner to be addressed only to Professional Investors subscribing for Offer Shares in the Second Tranche and in compliance with the laws and regulations of the relevant jurisdictions specified therein and acceptable to such jurisdictions, which has not been reviewed, endorsed or approved by the SCA, and such offer document (including the information contained therein) does not form part of this Prospectus. The offer document for the Second Tranche will be available on the Company's website: www.alec.ae / www.alec.ae/ipo
Selling Shareholder or ICD	Investment Corporation of Dubai, a corporation established by decree in the Emirate of Dubai, which currently owns 100% of the issued share capital of the Company.
Shareholder	A holder of Shares.
Shares	5,000,000,000 ordinary shares of the Company with a nominal value of AED 0.01 (one fils) each.
SMS	Short Message Service.
Subscriber	A natural or legal applicant, in either case who applies for subscription in the Offer Shares.

Third Tranche	The offer of the Offer Shares in the UAE to the Third Tranche Subscribers.
Third Tranche Subscribers	Group Eligible Employees and ICD Eligible Employees.
Tranche	The First Tranche, the Second Tranche and the Third Tranche (as prescribed in this Prospectus).
UAE	United Arab Emirates.
UK	United Kingdom of Great Britain and Northern Ireland.
United States or U.S.	The United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia.
US Securities Act	The US Securities Act of 1933, as amended.

First Section: Subscription terms and conditions

Key details of the Offer Shares offered for sale to the public

- **Name of the Company:** ALEC Holdings PJSC (under conversion).
- **Commercial license number of the Company**: License No. 635662, issued by the DET.
- **Company head office:** 36th Floor, Marina Plaza, Dubai Marina, Dubai, United Arab Emirates
- **Share capital**: The share capital of the Company as at the date of Listing has been set at AED 50,000,000 (fifty million dirhams), divided into 5,000,000,000 (five billion) Shares, with the nominal value of each Share being AED 0.01 (one fils), all of which are paid in full.
- **Percentage, number and type of the Offer Shares**: 1,000,000,000 (one billion) shares, all of which are ordinary shares and which constitute 20% (twenty per cent) of the Company's total issued share capital and which are being offered for sale by the Selling Shareholder. All Shares are of the same class and carry equal voting rights and rank pari passu in all other rights and obligations. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and notifying the SCA.
- **Offer Price Range per Offer Share**: The Offer Price Range will be published on the same day of opening of the Offer Period on 23 September 2025.
- **Eligibility of the qualified categories of Subscriber to apply for the acquisition of the Offer Shares:**
  - **First Tranche**: The First Tranche of the Offering will be open to First Tranche Subscribers as described in the "*Definitions and Abbreviations*" section of this Prospectus. All Subscribers in the First Tranche must hold a NIN with the DFM and have a bank account. 5% (five per cent) of the Offer Shares, representing 50,000,000 (fifty million) shares are allocated to the First Tranche. The shares in the First Tranche will be offered in accordance with this Prospectus, and 5% (five percent) of the Offer Shares representing 50,000,000 (fifty million) shares, will be allocated to the First Tranche. Each Subscriber in the First Tranche will be guaranteed a minimum allocation of 2,000 (two thousand) Shares. The Minimum Guaranteed Allocation is subject to the total number of Shares issued under the Minimum Guaranteed Allocation not exceeding the Tranche size. The Selling Shareholder reserves the right to amend the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and notifying the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.
  - **Second Tranche:** The Second Tranche of the Offering will be open to Professional **Investors** as described in the "*Definitions and Abbreviations*" section of this Prospectus. All Subscribers in the Second Tranche must hold a NIN with the DFM. 94% (ninety four per cent) of the Offer Shares, representing 940,000,000 (nine hundred forty million) shares, are allocated to the Second Tranche. The Selling Shareholder reserves the right to amend the size of the Second Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and notifying the SCA, provided that the subscription

percentage of the subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.

- Certain members of senior management of the Group (who are not residents in the United States within the meaning of the US Securities Act), who meet the requirements set forth in the definition of the Second Tranche and the definition of a Professional Investor as defined in the SCA Board of Directors' Chairman Decision No.13/R.M of 2021 and its amendments, will be given the opportunity to participate in the Second Tranche, subject to meeting certain eligibility requirements as determined by the Joint Lead Managers. Members of senior management of the Group, who decide to participate in the Second Tranche, will undertake to the Company not to offer, sell, or otherwise dispose of, directly or indirectly, or announce an offer of any shares or enter into any transaction with the same economic effect as any of the foregoing, for a period of not less than 365 days from the expected date of Listing the Shares on the DFM.

- **Third Tranche:** The Third Tranche of the Offering will be open to Third Tranche Subscribers as described in the "*Definitions and Abbreviations*" section of this Prospectus. All Subscribers in the Third Tranche must hold a NIN with DFM and have a bank account. 1% (one per cent) of the Offer Shares, representing 10,000,000 (ten million) shares are allocated to the Third Tranche. Each Subscriber in the Third Tranche will be guaranteed a minimum allocation of 10,000 Shares. The Minimum Guaranteed Allocation is subject to the total number of Shares issued under the Minimum Guaranteed Allocation not exceeding the Tranche size. The Selling Shareholder reserves the right to amend the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to notifying the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% (forty percent) of the Offer Shares in aggregate.

- **Public subscription in the Offer Shares is prohibited as follows:**

  Public subscription is prohibited to any Subscriber whose investment is restricted by the laws of the jurisdiction where the Subscriber resides or by the laws of the jurisdiction to which the Subscriber is situated. It is the Subscriber's responsibility to determine whether the Subscriber's application for, and investment in, the Offer Shares is in accordance with the laws of the applicable jurisdiction(s).

- **Minimum subscription:**

  The minimum subscription for Offer Shares in the First Tranche has been set at AED 5,000 (five thousand UAE dirhams), with any additional investment to be made in increments of at least AED 1,000 (one thousand UAE dirhams). The minimum subscription for Offer Shares in the Second Tranche has been set at AED 1,000,000 (one million UAE dirhams). The minimum subscription for Offer Shares in the Third Tranche has been set at AED 20,000 (twenty thousand UAE dirhams) with any additional investment to be made in increments of at least AED 1,000 (one thousand UAE dirhams).

- **Maximum subscription**:

No maximum subscription in Offer Shares has been set.

- **Subscription by the Selling Shareholder:**

  The Selling Shareholder may not directly subscribe for any of the Offer Shares.

- **Lock-up period:**

  Pursuant to an underwriting agreement to be entered into between the Company, the Selling Shareholder, and the Joint Lead Managers prior to the date of Listing (the "**Underwriting Agreement**"), the Shares held by the Selling Shareholder following Listing shall be subject to a lock-up which starts on the date of Listing and ends 180 days thereafter, subject to certain permitted transfers as set out in the Underwriting Agreement.

- **Use of Proceeds:**

  The net proceeds generated by the Offering (after base fees and discretionary fees are paid) will be received by the Selling Shareholder. The Company will not receive any proceeds from the Offering other than reimbursement from the Selling Shareholder for any expenses relating to the Offering. All expenses of the Offering (including base fees and any discretionary fees) will ultimately be borne by the Selling Shareholder. The Offering is being conducted, among other reasons, to allow the Selling Shareholder to sell part of its shareholding, while providing trading liquidity in the Shares and raising the Group's profile with the investment community.

- **Subscription costs / Offering expenses:**

  All expenses of the Offering (including management, marketing and any discretionary fees) will be borne by the Selling Shareholder.

Further Information on the First Tranche and the Third Tranche

1. Subscription applications

Each Subscriber in the First Tranche and the Third Tranche may submit one subscription application only (i) in the case of a subscription application by a natural person, in his or her personal name (unless he or she is acting as a representative for another Subscriber, in which case the subscription application will be submitted in the name of such Subscriber) or (ii) in the case of a subscription application by a corporate entity, in its corporate name. In case a Subscriber submits more than one application in his or her personal name or its corporate name, the Lead Receiving Bank and the Joint Lead Managers reserve the right to disqualify all or some of the Subscription Applications submitted by such Subscriber and not to allocate any Offer Shares to such Subscriber.

Subscribers must complete all of the relevant fields in the subscription application and submit it to any Receiving Bank or through one of the electronic subscription channels as set out below, together with all required documents and the subscription amount during the Offer Period for the First Tranche and the Third Tranche.

The completed subscription application should be clear and fully legible. If it is not, the Receiving Bank shall refuse to accept the subscription application from the Subscriber until the Subscriber satisfies all the required information or documentation before the close of the subscription.

Subscription for Offer Shares would deem the Subscriber to have accepted the Memorandum of Association and Articles of Association of the Company and complied with all the resolutions issued by the Company's General Assembly. Any conditions added to the subscription application shall be deemed null and void. No photocopies of subscription applications shall be accepted. The subscription application should only be fully completed after reviewing this Prospectus and the Company's Memorandum of Association and Articles of Association. The subscription application then needs to be submitted to any of the Receiving Banks' branches mentioned herein. The Subscribers or their representatives shall affirm the accuracy of the information contained in the application in the presence of the bank representative in which the subscription was made. Each subscription application shall be clearly signed or certified by the Subscriber or his or her representative.

The Receiving Banks may reject subscription applications submitted by any Subscriber in the First Tranche and the Third Tranche for any of the following reasons:

- the subscription application form is not complete or is not correct with regard to the amount paid or submitted documents (and no Offer Participant takes responsibility for non-receipt of an allotment of Offer Shares if the address of the Subscriber is not filled in correctly);
- the subscription application amount is paid using a method that is not a permitted method of payment;
- the subscription application amount presented with the subscription application does not match the minimum required investment or the increments set for the First Tranche and the Third Tranche offers;
- the completed subscription application form is not clear and fully legible;
- the manager's cheque is returned for any reason;

- the amount in the bank account mentioned in the subscription application form is insufficient to pay for the application amount mentioned in the subscription application form or the Receiving Bank is unable to apply the amount towards the application whether due to signature mismatch or any other reasons;
- the NIN is not made available to the DFM or the NIN is incorrect;
- the subscription application is found to be duplicated (any acceptance of such duplicate application is solely at the discretion of the Lead Receiving Bank);
- the subscription application is otherwise found not to be in accordance with the terms of the Offering;
- the Subscriber is found to have submitted more than one application (it is not permitted to apply in both the First Tranche, Second Tranche and the Third Tranche), nor is it permitted to apply in any of the tranches more than once;
- the Subscriber is a natural person and is found to have submitted the subscription application other than in his or her personal name (unless he or she is acting as a representative for another Subscriber);
- a Subscriber has not adhered to the rules applicable to the First Tranche, the Second Tranche, or the Third Tranche offers;
- it is otherwise necessary to reject the subscription application to ensure compliance with the provisions of the Companies Law, the Articles of Association, this Prospectus or the requirements of the UAE Central Bank, the SCA or the DFM; or
- for any reason FTS / SWIFT / Payment gateway system (PGS) / any other electronic channels funds transfer fails or the required information in the special fields is not enough to process the application.

The Receiving Banks and the Lead Receiving Bank and the Joint Lead Managers may reject the application for any of the reasons listed above at any time until allocation of the Offer Shares and have no obligation to inform the Subscribers before the notification of the allocation of Shares to such rejected Subscribers.

Documents accompanying subscription applications

Subscribers shall submit the following documents along with their subscription application forms:

For *individuals*

- NIN details;
- the original and a copy of a valid passport or Emirates ID; and

in case the signatory is different from the Subscriber:

- the duly notarised power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the country;

- the original passport or Emirates ID of the signatory for verification of signature and a copy of the original passport or Emirates ID; and
- a copy of the passport or Emirates ID of the Subscriber for verification of signature; and

in case the signatory is a guardian of a minor, the following will be submitted:

- original and copy of the guardian's passport or Emirates ID for verification of signature;
- original and copy of the minor's passport; and
- if the guardian is appointed by the court, original and copy of the guardianship deed attested by the court and other competent authorities (e.g. notary public).

For corporate bodies including banks, financial institutions, investment funds and other companies and establishments:

UAE registered corporate bodies:

- the original and a copy of a trade licence or commercial registration for verification or a certified copy by one of the following UAE-regulated persons/bodies: a notary public or as otherwise duly regulated in the country;
- the original and a copy of the document that authorizes the signatory to sign on behalf of the Subscriber and to represent the Subscriber, to submit the application, and to accept the terms and conditions stipulated in this Prospectus and in the subscription form;
- NIN details; and
- the original and a copy of the passport or Emirates ID of the signatory.

Foreign corporate bodies: the documents will differ according to the nature of the corporate body and its domicile. Accordingly, please consult with the Joint Lead Managers to obtain the list of required documents.

For *individuals* who are Group Eligible Employees and ICD Eligible Employees participating in the Third Tranche:

- NIN details must be provided to the DFM through the available platforms;
- a subscription request must be submitted through one of the Receiving Bank's applications;
- the original and a copy of a valid passport or Emirates ID.

in case the signatory is different from the Subscriber:

- the duly notarised power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the country;
- the original passport or Emirates ID of the signatory for verification of signature and a copy of the original passport or Emirates ID;

- the original and a copy of the passport or Emirates ID of the Subscriber for verification of signature; and
- NIN details.

2. Method of subscription and payment for the First Tranche and the Third Tranche

The subscription application must be submitted by a Subscriber to any of the Receiving Banks listed in this Prospectus and the NIN with the DFM and the Subscriber's bank account number must be provided, together with payment in full for the amount it wishes to use to subscribe for the Offer Shares, which is to be paid in one of the following ways:

- Certified bank cheque (Manager's Cheque) drawn on a bank licensed and operating in the UAE, in favour of "**ALEC - IPO**"; or
- Debiting a Subscriber's account with a Receiving Bank; or
- Electronic subscriptions (please refer to the section on "*Electronic Subscription*" below).

Details of the Subscriber's bank account must be completed on the subscription application form even if the application amount will be paid by Manager's Cheque.

Prior to Listing, the relevant amount of the proceeds for the acquisition of the Offer Shares will be paid to the Selling Shareholder.

The subscription amount may not be paid or accepted by a Receiving Bank using any of the following methods:

- in cash;
- personal cheques (not certified); or
- any other mode of payment other than mentioned above.

Details of the Receiving Banks' participating branches are set out in Annex (3) of this Prospectus.

Electronic Subscription

DFM E-subscription

DFM provides 2 ways to subscribe to IPOs which are:

- IPO Subscription platform: www.dfm.ae/ipos; or
- DFM/iVESTOR application.

All you need to start subscribing is an Investor Number (NIN), which can be obtained via DFM app or a broker, below are the payment methods available for subscriptions:

- iVESTOR Card;
- Online banking via UAE Central Bank payment gateway; or

- Bank transfer option.

The Receiving Banks and securities brokerage firms may also have their own electronic channels (online internet banking applications, mobile banking applications, ATMs, securities brokerage firms' applications and subscription channels provided by DFM, etc.) interfaced and integrated with the DFM IPO system.

By submitting the electronic subscription form the customer who is submitting the application is accepting the Offering Terms and Conditions on behalf of the Subscriber and is authorising the iVESTOR Card issuing bank and the Receiving Bank to pay the total subscription amount by debiting the amount from the respective iVESTOR Card or the bank account of the customer and transferring the same to the Offering account in favour of "**ALEC - IPO**" held at the Lead Receiving Bank, as detailed in the subscription application.

The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and, accordingly, the supporting documentation in relation to applications set out elsewhere in this Prospectus will not apply to electronic applications under this section.

Notification of the final allocation of Offer Shares and the refund of proceeds for unallocated Offer Shares (if any) and any earned profits thereon following the closing of the Offer Period and prior to the Listing of the Shares shall be performed solely by, and processed through, the Receiving Bank in which the original application for subscription was submitted.

In the event any of the Subscribers do not comply with this Prospectus, especially in relation to the electronic subscription and iVESTOR Card, neither the DFM, the Company, the Board, the Lead Receiving Bank, the Receiving Banks nor the iVESTOR Card issuing bank shall, in any way, be liable for the use of the electronic subscription facility by the customer of the bank or the Subscriber, the debiting of the customer account of the Lead Receiving Bank, Receiving Banks, nor the debiting of the iVESTOR Card by the iVESTOR Card issuing bank, in respect of all and any losses or damages suffered, directly or indirectly as a result of the electronic subscription facility and/or the iVESTOR Card.

Emirates NBD E-Subscription

Account holders with Emirates NBD Bank can subscribe via the bank's online internet banking and mobile application channel as well as through ATMs. Eligible persons can access Emirates NBD Bank's ATMs with their debit card, and online banking or mobile application using their relevant username and password (as is customary with these channels). This will be deemed sufficient for the purposes of identification and accordingly the supporting documentation in relation to application set out elsewhere in this Prospectus will not apply to electronic applications.

Subscribers without an Emirates NBD Bank account, who are either in the UAE or outside the UAE, can subscribe through the dedicated IPO website https://IPO.EmiratesNBD.com and pay through online Banking via the UAE Central Bank Payment Gateway ("**PGS**") or through UAE Central Bank Fund Transfer ("**FTS**") or SWIFT. In case of any issues or support, please contact the dedicated Emirates NBD Bank IPO team through our call center 800 ENBD IPO (800 3623 476).

ADCB E-Subscription

Process Steps:

Step # 1 ADCB customers to visit the https://www.adcb.com/alec and click IPO Subscription Link.

Step # 2 Complete login authentication using UAE Pass or (Customer ID, Mobile Number and OTP).

Step # 3 Enter NIN.

Step # 4 Select Broker, Enter Subscription Amount, Select Account and Submit.

ADIB E-Subscription

ADIB's electronic subscription channels, including online internet banking, are accessible via ADIB's official website www.adib.ae and mobile banking app. These are duly interfaced with the DFM database and are only available to ADIB account holders.

ADIB account holders will access ADIB's electronic subscription channels with their relevant username and password and this will be deemed to be sufficient for the purposes of fulfilling the identification requirements.

ADIB account holders complete the electronic application form relevant to their Tranche by providing all required details including an updated DFM NIN, an active ADIB account number, the amount they wish to subscribe for, and by selecting the designated brokerage account.

By submitting the electronic subscription form, the ADIB account holder accepts the Offering terms and conditions, authorises ADIB to debit the amount from the respective ADIB account and to transfer the same to the IPO account in favour of the issuer account held at ADIB, as detailed in the subscription application.

ADIB account holders with a successful subscription automatically receive an acknowledgement of receipt by email and have to keep this receipt until they receive the allotment notice.

In case of any issues or support, please contact ADIB call centre at +971 2 652 0878.

CBD E-Subscription

Subscription to the IPO through CBD will be open to all participants, not only CBD bank account holders.

Participants can login to CBD website www.cbd.ae or visit any of the selected 5 CBD branches to submit their interest. A dedicated team will then contact / assist the applicants and complete the requirements.

CBD has a centralized IPO Centre that will manage, approve and oversee all applications on DFM system.

Dubai Islamic Bank IPO E-Subscription

DIB Customers can submit an application to subscribe through WhatsApp digital journey.

Add +97146092222 in your WhatsApp and type IPOSUB and follow the instruction.

For any further queries kindly contact DIB on +971 4 609 2222 or visit the DIB website:

www.dib.ae

Emirates Islamic Bank IPO E-Subscription

Account holders with Emirates Islamic Bank can subscribe via the bank's mobile application channel as well as through ATMs. Eligible persons can access Emirates Islamic Bank's ATMs with their debit card, and mobile application using their relevant username and password (as is customary with these channels). This will be deemed sufficient for the purposes of identification and accordingly the supporting documentation in relation to application set out elsewhere in this Prospectus will not apply to electronic applications.

E-subscription through the Emirates Islamic Bank PJSC - General Terms

By submitting the electronic subscription application, the customer is accepting the offering terms and conditions on behalf of the subscriber and authorise Emirates Islamic Bank PJSC to retrieve Investor details from DFM Market to submit the subscription application and pay the total subscription amount by debiting the amount from the respective bank account of the customer and transferring the same to the offer account in favour of "ALEC - IPO" held at the Emirates Islamic Bank PJSC.

The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relation to applications set out elsewhere in this prospectus will not apply to electronic applications under this section.

Notification of the final allocation of offer shares and the refund of proceeds for unallocated offer shares (if any) and any returns thereon following the closing of the offer period shall be performed solely by, and processed through, the Receiving Banks in which the electronic subscription application was submitted.

In the event any of the Subscribers do not comply with this Prospectus, especially in relation to the electronic subscription, neither the DFM, the Selling Shareholder, the Company, the Board, Emirates Islamic Bank PJSC shall in anyway be liable for the use of the electronic subscription facility by the customer of the bank or the Subscriber, the debiting of the customer account of the Receiving Banks, in respect of all and any losses or damages suffered, directly or indirectly as a result of the electronic subscription facility.

FAB EIPO-Subscription

Access https://www.bankfab.com/en-ae/cib/iposubscription.

Refer to the "How to subscribe page" and follow the instructions and submit subscriptions for the Public Tranche.

FAB Mobile Banking application (For FAB Client)

If you need any support, please call FAB Call Centre No. 026161800.

Mbank E-Subscription

To subscribe through Mbank, download the Mbank UAE app on your mobile from the App store, Google Play or Huawei App Gallery. For instructions on the process of applying for the IPO through the app, visit https://www.mbank.ae/IPO and refer to the section "How to Subscribe" for a step-by-step guide.

Applications for Minors can also be applied through the app.

Applicants can also issue NINs from the Mbank UAE app.

Only UAE residents are eligible to submit subscription applications through Al Maryah Community Bank LLC.

In case of any inquiries or support needed, please contact the Mbank Customer Engagement Centre at 600 571 111.

Mashreq E-Subscription

Mashreq's Digital IPO subscription allows existing customers to digitally submit their IPO subscription requests, generate NINs with DFM & open brokerage account with Mashreq Securities in real-time through one seamless journey via their Mashreq Mobile App.

Non-Mashreq customers can avail the above by first opening their Mashreq account instantly through the Mashreq Mobile App.

For further clarifications please refer to

www.mashreq.com

WIO E-Subscription

Wio Bank's digital IPO subscription allows customers to generate a NIN with DFM instantly and submit their IPO subscription requests. Eligible clients can obtain leverage on their IPO subscriptions.

Existing Wio Personal customers can visit the IPO section within the app and subscribe for active IPOs instantly. New customers can avail the service by first opening their Wio Personal account: downloading the Wio Personal app from the App Store or Google Play onto your mobile device and apply for an account in minutes. Once your application is approved, you can subscribe to active IPOs from within the app immediately.

Subscription applications through Wio Bank will only be accepted if they are made by UAE residents. For any queries or support, please refer to the FAQs under the IPO section in the Wio Personal app. Alternatively, please contact us on 600-500-946. To learn more, visit wio.io.

Important dates relevant to the methods of payment of the subscription amounts

Subscription amounts paid by way of cheque must be submitted by 1:00 p.m. on 27 September 2025**.**

Subscription amounts paid by way of PGS, FTS and SWIFT must be submitted by 1:00 p.m. on 29 September 2025.

Subscription applications received through ATM, Internet Banking, Mobile Application & Website must be made before 1:00 p.m. on 30 September 2025.

Subscription amounts

Subscribers in the First Tranche must submit applications to purchase Offer Shares in the amount of AED 5,000 (five thousand UAE dirhams) or more, with any subscription over AED 5,000 (five thousand UAE dirhams) to be made in increments of at least AED 1,000 (one thousand UAE dirhams).

Subscribers in the Third Tranche must submit applications to purchase Offer Shares in the amount of AED 20,000 (twenty thousand UAE dirhams) or more, with any subscription over AED 20,000 (twenty thousand UAE dirhams) to be made in increments of at least AED 1,000 (one thousand UAE dirhams).

Subscribers in the First Tranche and the Third Tranche shall accordingly apply for an AED subscription amount which shall be applied towards purchasing Offer Shares at the Final Offer Price, rather than applying for a specific number of Offer Shares.

Final Offer Price

The offer price at which all the Subscribers will purchase Offer Shares will be the Final Offer Price.

The Offer Shares will be sold in a public offering and the Final Offer Price will be determined by way of the application of a book building process, where an application orders' ledger will be created through the application orders made only by Professional Investors. Professional Investors will be invited to bid for Offer Shares within the Offer Price Range using price sensitive orders (by indicating application amounts that vary in size depending on price). The Joint Lead Managers will use the information indicating the extent of the demand at various price levels provided by such Professional Investors to determine and recommend to the Company and the Selling Shareholder the Final Offer Price (which must be within the Offer Price Range) for all participants in the Offering.

The Offer Shares of the Professional Investors shall represent the majority of the Offer Shares used to calculate the Final Offer Price of the Offer Shares.

Subscription process

Subscribers must complete the application form relevant to their tranche, providing all required details. Subscribers who do not provide their NIN with the DFM and bank account details will not be eligible for subscription and will not be allocated any Offer Shares.

Subscribers may only apply for Offer Shares in one tranche. In the event a person applies for Offer Shares in more than one tranche, then the Lead Receiving Bank and the Joint Lead Managers may disregard one or both of such applications.

The Receiving Bank through which the subscription is made will issue to the Subscriber an acknowledgement of receipt which the Subscriber has to keep until the Subscriber receives the allotment notice. One copy of the subscription application after being submitted, signed and stamped by the Receiving Bank shall be considered as an acknowledgement for receipt of the subscription application. This receipt shall include the data of the Subscriber, address, amount paid, details of the payment method and the date of investment. The acknowledgement in the case of Electronic Applications via online internet banking and ATM would provide basic information of the application such as the NIN, amount, date and customer bank account details.

If the address of the Subscriber is not filled in correctly, the Company, the Selling Shareholder, the Joint Lead Managers and the Receiving Banks take no responsibility for non-receipt of such allotment advice.

3. Further information on various matters

Offer Period

Commences on 23 September 2025 for the First Tranche, the Second Tranche and the Third Tranche and closes on 30 September 2025 for the First Tranche, the Second Tranche and the Third Tranche.

Lead Receiving Bank: Emirates NBD Bank PJSC.

Receiving Banks

A list of all Receiving Banks is attached in Annex (3) to this Prospectus.

Method of Allocation of Offer Shares to Different Categories of Subscribers

Under the Regulations for Issuing and Offering of Public Joint Stock Companies issued by the SCA pursuant to Resolution No. (11/R.M. of 2016) (as amended from time to time), the Selling Shareholder will allocate the Offer Shares according to the allotment policy specified below.

Should the total size of subscriptions received exceed the number of Offer Shares, then the Selling Shareholder will allocate the Offer Shares according to the allotment policy specified below and will refund to Subscribers the excess subscription amounts and any earned profit resulting thereon.

Notice of Allocation

Successful Subscribers in the First Tranche and the Third Tranche will be notified by SMS of the number of Offer Shares allocated to them. This will be followed by a notice setting out each Subscriber's allocation of Offer Shares, which will be sent by registered mail or e-mail provided in the subscription form, as applicable, to each Subscriber.

Method of Refunding Surplus Amounts to Subscribers

By no later than 8 October 2025 (being within 5 (five) working days of the Closing Date of the Second Tranche), the Offer Shares shall be allocated to Subscribers and, within 5 (five) working days of such allocation, the surplus subscription amounts and any earned profit resulting thereon, shall be refunded to Subscribers in the First Tranche and the Third Tranche who were not allocated Offer Shares, and the subscription amounts and any earned profit resulting thereon shall be refunded to the Subscribers in the First Tranche and the Third Tranche whose applications have been rejected for any of the above reasons. The surplus amounts and any earned profit thereon will be returned to the same Subscriber's account through which the payment of the original application amount was made. In the case of subscription amounts which have been paid by certified bank cheque, these amounts shall be returned by sending a cheque with the value of such amounts to the Subscriber at the address mentioned in such Subscriber's subscription application.

The difference between the subscription amount accepted by the Company and the Selling Shareholder for a Subscriber, if any, and the application amount paid by that Subscriber will be refunded to such Subscriber pursuant to the terms of this Prospectus.

Enquiries and Complaints

Subscribers who wish to submit an enquiry or complaint with respect to any rejected requests, allocation, or refunding of the surplus funds, must contact the Receiving Bank through which the subscription was made, and if a solution cannot be reached, then the Receiving Bank must refer the matter to the Lead Receiving Bank. The Subscriber must remain updated on the status of any such enquiry or complaint. The Subscriber's relationship remains only with the party receiving the subscription request.

Listing and Trading of Shares

Subsequent to the allocation of Offer Shares and the finalisation of the conversion of the Company to a Public Joint Stock Company, the Company will list all of its Shares on the DFM in accordance with the applicable listing and trading rules in effect on the date of Listing. Trading in the Shares will be effected on an electronic basis, through the DFM share registry, with the commencement of such trading estimated to take place after completion of the registration.

Voting Rights

All Shares are of the same class and shall carry equal voting rights and shall rank pari passu in all other rights and obligations. Each Share confers on its holder the right to cast one vote on all Shareholders' resolutions.

Risks

There are certain risks that are specific to investing in this Offering. Those risks have been discussed in the section of this Prospectus titled "*Investment Risks*" and must be considered before deciding to subscribe in the Offer Shares.

Emirates Investment Authority

The EIA shall be entitled to subscribe for 5% (five per cent) of the Offer Shares, and the percentage of subscription which the EIA will purchase shall be allocated in full before the commencement of allocation to the Subscribers of the other tranches of the Offering. Offer Shares allocated to the EIA under this preferential rights regime will be deducted from the total size of the Second Tranche. If the EIA does not exercise its preferential rights then its reserved portion shall be available for subscription by Professional Investors.

Pensions and Social Security Fund of Local Military Personnel

The Fund shall be entitled to subscribe up to 5% (five per cent) of the Offer Shares, and the percentage of subscription which the Fund will purchase shall be allocated in full before the commencement of allocation. Shares allocated to the Fund under this preferential rights regime will be deducted from the total size of the Second Tranche. If the Fund does not exercise its preferential rights then its reserved portion shall be available to Professional Investors for subscription.

4. Timetable for Subscription and Listing

The dates set out below outline the expected timetable for the Offering. However, the Company and the Selling Shareholder reserve the right to change any of the dates/times, or to shorten or extend the specified time periods upon obtaining the approval of the appropriate authorities and publishing such change(s) during the Offering period in daily newspapers.

Event	**Date**
Offering commencement date	23 September 2025
Closing Date of the First Tranche and the Third Tranche	30 September 2025
Closing Date of the Second Tranche	30 September 2025
Announcement of the Final Offer Price	1 October 2025

Allocation of the First Tranche and the Third Tranche	7 October 2025
SMS notification of final allocations of the First Tranche and the Third Tranche	7 October 2025
Convening of the Constitutive General Assembly at 9:00 a.m. *If the Offer Shares are not fully subscribed and the subscription period is extended, the date of the Constitutive General Assembly will be changed and this will be announced in two daily newspapers issued in the Arabic language*	8 October 2025
Commencement of refunds related to the surplus subscription monies, and any earned profit resulting thereon, to the First Tranche and the Third Tranche Subscribers as well as commencement of dispatch of registered mail relating to allotment of Offer Shares	8 October 2025
Expected date of Listing the Shares on the DFM	15 October 2025

5. Conversion of the Company

All successful Subscribers should note that notice for the convening of the constitutive general assembly of the Company (the "**Constitutive General Assembly**") is served through this Prospectus. For these purposes, please see the Fourth Section of this Prospectus ("***Notice of Constitutive General Assembly***"). The Constitutive General Assembly meeting will take place at 9:00 a.m. on 8 October 2025 electronically/remotely with the option for shareholders to attend in person at the Executive Centre, One Offices, Level 5, One Za'abeel, 1 Majlis Street Za'abeel, Dubai, UAE.

All Subscribers to whom Offer Shares have been allocated are invited pursuant to the notice to attend the Constitutive General Assembly on the date set out in the notice (please see the notice set out in the Fourth Section of this Prospectus ("**Notice of Constitutive General Assembly**") on production of a valid official identification document (including passport, Emirates ID card or authenticated proxy form).

Any successful Subscriber attending and voting at the Constitutive General Assembly shall have a number of votes equivalent to the number of Offer Shares that are allocated to that Subscriber, following allocation.

6. Tranches

The Offering is divided, as follows:

The First Tranche:

Size:	50,00,000 (fifty million) shares representing 5% (five per cent) of the Offer Shares. Each Subscriber in the First Tranche will be guaranteed a minimum allocation of 2,000 Shares. The Minimum Guaranteed Allocation is subject to the total number of Shares issued under the Minimum Guaranteed Allocation not exceeding the Tranche size. The Selling Shareholder reserves the right to amend the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and notifying the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.
Eligibility:	First Tranche Subscribers (as described in the section of this Prospectus headed "*Definitions and Abbreviations*").
Minimum application size:	AED 5,000 (five thousand UAE dirhams), with any additional application in increments of at least AED 1,000 (one thousand UAE dirhams).
Maximum application size:	There is no maximum application size.
Allocation policy:	In case of over-subscription in the First Tranche, the Minimum Guaranteed Allocation is initially allocated to each Subscriber, subject to the total number of shares issued under the Minimum Guaranteed Allocation not exceeding the Tranche size, and any excess in the subscribed Offer Shares will be allocated to First Tranche Subscribers pro rata to each Subscriber's subscription application amount based on the Final Offer Price. Applications will be scaled-back on the same basis if the First Tranche is over-subscribed. Any fractional entitlements resulting from the pro rata distribution of Offer Shares will be rounded down to the nearest whole number. Offer Shares will be allocated in accordance with the aforementioned allotment policy, based on the Final Offer Price.
Unsubscribed Offer Shares:	If not all of the Offer Shares allocated to the First Tranche are fully subscribed, such unsubscribed Offer Shares shall be made available for subscription by Professional Investors or, alternatively (in consultation with the SCA) the Selling Shareholder may extend the Closing Date for the First Tranche, the Second Tranche and the Third Tranche or close the Offering at the level of applications received.

The Second Tranche:

Size:	940,000,000 (nine hundred forty million) shares representing 94% (ninety four per cent) of the Offer Shares. The Selling Shareholder reserves the right to amend the size of the Second Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and notifying the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and the Third Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.
Eligibility:	Professional Investors (as described in the section of this Prospectus headed "*Definitions and Abbreviations*").
Minimum application size:	The minimum application size is AED 1,000,000 (one million UAE dirhams).
Maximum application size:	There is no maximum application size.
Allocation policy:	Allocations within the Second Tranche will be determined by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers. It is therefore possible that Subscribers who have submitted applications in this tranche may not be allocated any Offer Shares or that they are allocated a number of Offer Shares lower than the number of Offer Shares mentioned in their subscription application.
Discretionary allocation:	The Company and the Selling Shareholder reserve the right to allocate Offer Shares in the Second Tranche in any way they deem necessary. It is therefore possible that Subscribers who have submitted applications in this tranche may not be allocated any Offer Shares or that they are allocated a number of Offer Shares lower than the number of Offer Shares mentioned in their subscription application.
Unsubscribed Offer Shares:	If not all of the Offer Shares allocated to the Second Tranche are fully subscribed, the Offer will be withdrawn.

The Third Tranche:

Size:	10,000,000 (ten million) shares representing 1% (one per cent) of the Offer Shares. Each Subscriber in the Third Tranche will be guaranteed a minimum allocation of 10,000 Shares. The Minimum Guaranteed Allocation is subject to the total number of Shares issued under the Minimum Guaranteed Allocation not exceeding the Tranche size. The Selling Shareholder reserves the right to amend the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and after notifying the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.
Eligibility:	Third Tranche Subscribers (as described in the section of this Prospectus headed "*Definitions and Abbreviations*").
Minimum application size:	AED 20,000 (twenty thousand UAE dirhams), with any additional application in increments of at least AED 1,000 (one thousand UAE dirhams).
Maximum application size:	There is no maximum application size.
Allocation policy:	In case of over-subscription in the Third Tranche, the Minimum Guaranteed Allocation is initially allocated to each Subscriber, subject to the total number of shares issued under the Minimum Guaranteed Allocation not exceeding the Tranche size, and any excess in the subscribed Offer Shares will be allocated to Third Tranche Subscribers pro rata to each Subscriber's subscription application amount based on the Final Offer Price. Applications will be scaled-back on the same basis if the Third Tranche is over-subscribed. Any fractional entitlements resulting from the pro rata distribution of Offer Shares will be rounded down to the nearest whole number. Offer Shares will be allocated in accordance with the aforementioned allotment policy, based on the Final Offer Price.
Unsubscribed Offer Shares:	If not all of the Offer Shares allocated to the Third Tranche are fully subscribed, such unsubscribed Offer Shares shall be made available to the First Tranche Subscribers, or alternatively (in consultation with the SCA) the Selling Shareholder may extend the Closing Date for the First Tranche, the Second Tranche or the Third Tranche, or close the Offering at the level of applications received.

Multiple applications

A Subscriber should only submit an application for Offer Shares under one tranche. Multiple applications within one tranche will be aggregated under a single NIN. In the event a Subscriber applies for subscription in more than one tranche, the Lead Receiving Bank and the Joint Lead Managers may deem one or both applications invalid.

Emirates Investment Authority

(Preferential allocation rights equal to 5% (five percent) of the Offer Shares)

50,000,000 (fifty million) shares representing 5% of the Offer Shares, are reserved for the EIA, in accordance with the requirements of Article 127 of the Companies Law. Offer Shares allocated to the EIA under this preferential rights regime will be deducted from the total size of the Second Tranche. If the EIA does not exercise its preferential rights to apply for Offer Shares, then those Offer Shares will be available to other Professional Investors for application.

Pensions and Social Security Fund of Local Military Personnel

(Preferential allocation rights equal to 5% (five percent) of the Offer Shares)

50,000,000 (fifty million) shares, representing 5% of the Offer Shares, are reserved for the Fund, in accordance with the requirements of Dubai Law No. 2 of 2022 concerning the subscription in shares of companies owned by the Government of Dubai. Offer Shares allocated to the Fund under this preferential rights regime will be deducted from the total size of the Second Tranche. If the Fund does not exercise its preferential rights to apply for Offer Shares then those Offer Shares will be available to other Professional Investors for application.

Important notes

Subscribers in the First Tranche and the Third Tranche will be notified of whether they have been successful in their application for Offer Shares by means of an SMS from the DFM.

Upon the Listing of the Shares on the DFM, the Shares will be registered in an electronic system of the DFM. The information contained in this electronic system will be binding and irrevocable, unless otherwise specified in the applicable rules and procedures governing the DFM.

Subject to notifying the SCA, the Selling Shareholder reserves the right to alter the percentage of the Offer Shares which is to be made available to the First Tranche, the Second Tranche or the Third Tranche.

Second Section: Key details of the Company

1. Overview of the Company

Name of the Company	ALEC Holdings PJSC (Under Conversion)
Primary activities of the Company:	The primary activities that the Company is established for shall be in compliance with the provisions of the laws and regulations in force in the UAE and, pursuant to its Memorandum and Articles of Association set out in Annex (2), are the following: • Investment in Commercial Enterprises & Management; • Investment in Industrial Enterprises & Management; and • Investment in Agricultural Enterprises & Management.
Head office:	36th Floor, Marina Plaza, Dubai Marina, Dubai, United Arab Emirates
Details of trade register and date of engaging in the activity:	License No. 635662. The Company was incorporated in the Emirate of Dubai, United Arab Emirates, on 03/03/2010 as a limited liability company under the trade license number 635662 issued by the Dubai Department of Economic Development and is in the process of being converted from a limited liability company to a PJSC.
Term of the Company:	100 years commencing from the date the Company is registered in the commercial register, to be automatically renewed thereafter unless terminated.
Financial year:	1 January to 31 December.
Independent Auditors:	Deloitte & Touche (M.E.).
Major banks dealing with the Company:	Please refer to the “Material events and contracts concluded (including related party agreements)”.

Details of the Board that will be established by, and be effective from, the date of Listing:

The Board is expected to consist of the **7 (seven)** Board Members below upon Listing, of which there is **1 (one)** Executive Director, **6 (six)** Non-Executive Directors, and **4 (four)** of whom are independent non-executive Directors:

Name	Nationality	Capacity
H.E. Hussain Nasser Lootah*	United Arab Emirates	Chairman
Kieron Peter Taylor	South Africa	Non-Executive Vice Chairman
Kamillia Ahmed AlMarashi	United Arab Emirates	Non-Executive Director
Barry Roy Lewis	United Kingdom	Executive Director
Farah Foustok*	United Kingdom	Non-Executive Director
Moustafa Fahour*	Australia	Non-Executive Director
Nabil Al Kindi*	United Arab Emirates	Non-Executive Director

Notes:

1. (*) denotes that the Director is considered an "*independent*" director under the Governance Rules.
2. The business address of each of the Directors is 36th Floor, Marina Plaza, Dubai Marina, Dubai, United Arab Emirates.

None of the members of the Board hold memberships on the boards of other public joint stock companies in the UAE, except for:

- H.E. Hussain Nasser Lootah is a member of the board of directors of Dubai Investments PJSC.

No bankruptcy ruling or a bankruptcy arrangement has been issued against any member of the Board or members of the senior management of the Company.

None of the members of the Board or the senior management and their first-degree relatives own any shares in the Company.

Directors' remuneration

As the Board will only be formed upon Listing, the Board members have not received any remuneration from the Company as at 30 June 2025.

Details of the Company's investments in its subsidiaries

Please refer to Annex (4) for an overview of the Company's investments in its subsidiaries.

2. Business Description

Investors should read this section of the Prospectus along with the information contained in more *details throughout the Prospectus including the financial information and other information section.*

Overview

The Group is a leading regional and diversified engineering and construction contractor focused on large-scale building projects, airport infrastructure, complex industrial, energy and high-end commercial and flagship projects in the UAE and Saudi Arabia, for public and private clients.

The Group is one of the only regional players offering a complete suite of vertically integrated services through nine business units that complement its core construction business, as follows:

Building and Construction

ALEC Construction oversees the entire lifecycle of construction projects, from initial concept and design through to final completion and handover. It provides a range of specialised services tailored to different types of complex and landmark projects.

Energy

Target Engineering is a leading contractor in the energy and marine segments in the GCC with more than 50 years of experience, offering services in onshore and offshore areas. It operates through four highly specialised business divisions comprising: mechanical; oil and gas; electrical; and civil and marine.

Related Businesses

The following specialist business units comprise the Related Businesses:

ALEC Fitout specialises in the fitout and refurbishment of hotels and resorts, commercial offices, retail, cultural exhibitions, themed exhibitions, sculptures, artistic installations and luxury mixed use developments in the UAE and Saudi Arabia.

ALEMCO is a leading provider of engineering, construction, and technology solutions, specialising in mechanical, electrical and plumbing ("**MEP**") engineering, data centre construction, electronic low voltage ("**ELV**") systems, and fast-track turnkey projects across various sectors.

ALEC Data Center Solutions is a leading provider of comprehensive, reliable and scalable data centre solutions, which offers specialised engineering, procurement, and construction services for large-scale traditional, AI-centric, and prefabricated data centres.

ALEC Technologies is a provider of diverse electronic solutions. It offers advanced ELV solutions, complete information and communications technology systems including data centre whitespace and cabling, complete audio-visual solutions for all types of built environments, and provides and installs safety and security alarm systems, access control and intercom systems among others.

ALEC Lite is a provider of comprehensive turnkey solutions for small projects. It provides fast-track, turnkey construction solutions across MEP, civil, and architectural services, specialising in small-scale projects.

ALEC Solutions, comprises: (i) **ALEC Facades**, which provides innovative solutions for complex building envelopes and complex facades, which align with the latest global technologies for superior engineering and execution; (ii) **LINQ**, which is a provider of modular solutions for off-site manufactured housing, which operates the largest modular facility in the GCC; and (iii) **ALEC Energy**, which specialises in comprehensive solar solutions, offering complete turnkey solutions for various projects in the solar energy space and a complete range of services from concept to commissioning, as well as operations and maintenance for solar photovoltaics projects in the UAE and Saudi Arabia.

AJI Rentals operates as a comprehensive provider of equipment rental and custom service solutions, catering to a wide range of project needs.

The Group has extensive experience in complex construction projects across a variety of sectors, including airports, retail, hotels and resorts, high-rise buildings, data centres, oil and gas and themed projects. It also provides its clients with a range of services including construction management, design management, estimation, cost planning and procurement services. The Group also provides practical construction design advice in the early stages of projects with the aim of optimising and reducing the costs of such projects for clients. Risk management is embedded into every phase of project planning and delivery, with the aim of delivering high-quality outcomes while maintaining strict control over cost, time and quality.

The Group's success is underpinned by its people, who are central to its continued growth and performance. The Group places a strong emphasis on attracting and retaining highly skilled and experienced professionals who are aligned with its values. Employee retention remains a key priority, supported by continuous training and career development initiatives aimed at upskilling personnel and fostering long-term professional growth.

The Group places the highest importance on quality, safety, functionality, and design excellence when delivering construction solutions to its clients. The Group has consistently evolved and grown since it was founded over 25 years ago to become a trusted partner for the execution of complex and iconic construction projects in the UAE and Saudi Arabia. The Group also places a strong emphasis on ESG and safety, embedding sustainability principles and rigorous health and safety standards across its operations and project delivery, reflecting its disciplined approach to responsible construction and long-term value creation.

In 2024, ALEC Construction was awarded "Large Contractor of the Year" by Big Project Awards and "Fitout Contractor of the Year" by KSA Design. Target Engineering was awarded "Top 5 Contractor 2024" by Oil & Gas Awards in 2024. Similarly, ALEMCO was awarded "MEP Contractor of the Year" by CBNME MEP Awards in 2024. In 2023, ALEC Construction was awarded, for the 16th time, "Contractor of the Year" in the UAE by Construction Week. See "*Selected Awards*".

The Group was founded in 1999 and has been headquartered in the UAE since that time and is wholly owned by ICD.

Purpose and Vision

To drive the future of construction towards **sustainable and efficient practices**, become the leading **innovative construction group** delivering iconic and complex projects, and provide **integrated and unparalleled construction solutions** for clients and create shareholder value.

Group Strengths

Longstanding track record of financial and commercial success

The Group has a proven history of successful, timely and efficient execution of large, complex and demanding private and public sector projects in accordance with international quality and safety standards.

This strong and consistent execution has allowed the Group to achieve an extensive track record of profitability despite multiple regional and global macroeconomic and political challenges such as the oil price slump between 2014 and 2021, the tensions between Qatar and the UAE, Saudi Arabia and other countries in the region between 2017 and 2021, and the COVID-19 pandemic. Despite such external challenges, the Group has been able to achieve an 18-year track record of profitability, underpinned by strong execution and prudent management of financial leverage, working capital and cash buffers.

In addition, the Group was one of the leading construction groups in the UAE as of 30 June 2025, based on the value of work under execution.

Operational excellence and risk management drive a sustainable edge

The Group's competitive strength lies in its operational excellence and disciplined risk management, which collectively provide a sustainable edge in delivering complex, high-value construction projects. The Group operates with a comprehensive suite of integrated capabilities across its core construction business and related services, including fitout, refurbishment, MEP, and data centres. This integrated platform enables the Group to exercise greater control over cost, quality and supply chain dynamics, while providing clients with a single point of engagement. The Group averages four integrated services across its top 10 projects, demonstrating the operational breadth it brings to execution.

The Group has established a robust commercial governance framework that prioritises prudent cost management and control. Its experienced commercial teams actively monitor project costs, secure long-term material pricing, and negotiate client-side risk sharing mechanisms. The Group also employs a highly selective tendering process, with multiple checkpoints and a rigorous internal approval framework to evaluate tender opportunities. *See "Contracts and Risk Management Framework–Selective Tendering Process".*

In addition, the Group strategically allocates capital, human resources, and time to the most accretive projects, actively monitoring resourcing needs and leveraging subcontracting to enhance flexibility and reduce operational risk. Between 35% and 60% of project work is typically subcontracted. The Group carefully selects its subcontractors and closely oversees execution of any subcontracted work. The Group is also investing in advanced construction technologies, including modular construction and prefabricated data centre solutions, which the Group believes is helping it build a long-term tech-enabled competitive advantage.

The Group's commitment to safety and innovation further strengthens its organisational resilience. Over 60% of the C-suite executives have been with ALEC for over 15 years, which the Group views as a testament to longevity and consistency of delivery. This is supported by leadership development programmes and a culture of internal promotion. On the innovation and technology front, the Group employs certified BIM tools and a wide range of digital solutions which aim to optimise performance tracking and collaboration across project lifecycles.

Embedded risk management is central to the Group's operating model. The Group undertakes bi-weekly contractual performance checks and enforces disciplined capital allocation practices at both project and corporate levels. This institutionalised culture of risk awareness and operational discipline has been instrumental in supporting the Group's strong track record of profitability and delivery across cycles.

Unparalleled capabilities to deliver large-scale, complex and iconic projects

The Group has built a strong reputation as a contractor of choice for large-scale, complex, and iconic projects on a regional scale. By continuously enhancing its portfolio of solutions, the Group offers clients comprehensive turnkey services, which include construction, mechanical, electrical and plumbing (MEP), fitout, energy solutions, data centre solutions, heavy equipment rentals, and advanced technology systems. This integrated approach enables the Group to efficiently manage highly complex projects while delivering significant value through its broad technical capabilities and operational expertise.

Some of such large-scale, complex and iconic projects include:

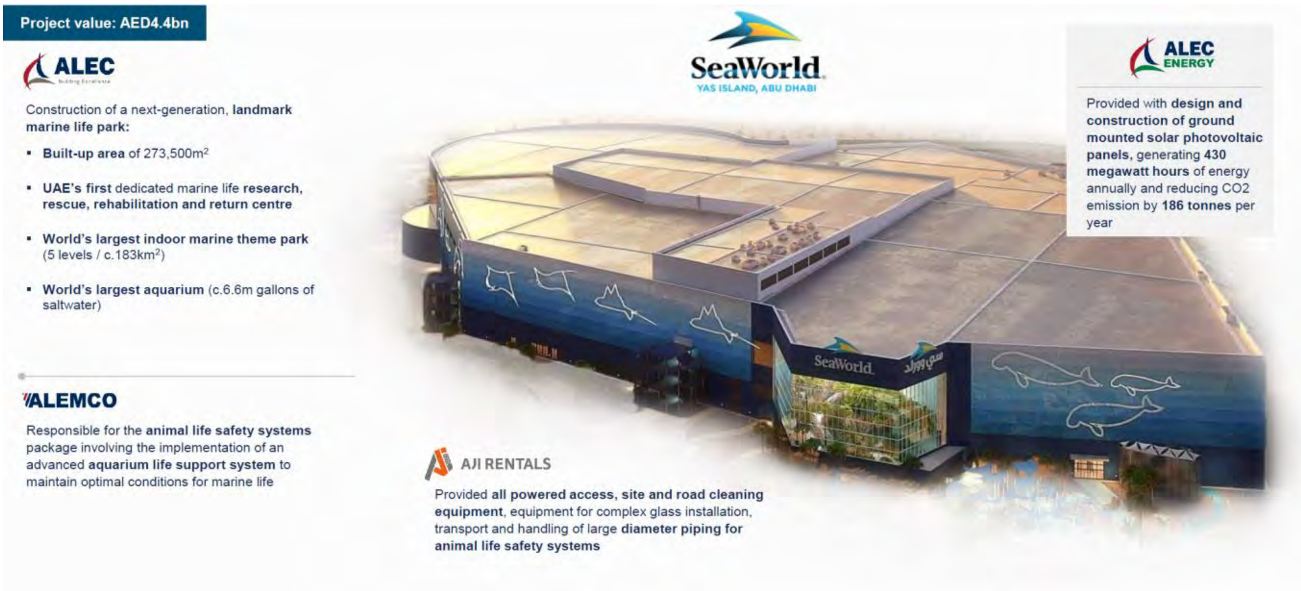
One Za'abeel

In 2017, following a competitive tender, the Group was awarded a contract to construct a highly complex project featuring (i) Tower A, a 300-metre-tall tower hosting offices, two hotels and serviced residences, (ii) Tower B, a 235-metre-tall tower featuring high-end residences, and (iii) the world's longest cantilever (measuring 67.3 metres), "the Link", positioned 100 metres above ground. This project involved the largest commercial strand jacking operation, with the link bridge – weighing 8,750 tons – lifted over a four-lane highway. The Group employed Autodesk Revit for 3D modelling and MEP engineering, marking one of the largest applications at the time of this software for such purposes. The project was successfully executed through the coordinated efforts of the Group's members, including ALEMCO (which provided full mechanical, electrical and plumbing work for the building, including the use of innovative modular solutions), AJI Rentals (which provided site and road cleaning equipment and operators, facade installation equipment, powered access, compact material handling solutions and mini-cranes for lift shafts, services and rooftop installations), ALEC Technologies and ALEC Fitout, which provided a full range of integrated services, as illustrated below:

The final project value of the One Za'abeel project, which was completed in 2023, was AED 5.2 billion.

SeaWorld Abu Dhabi

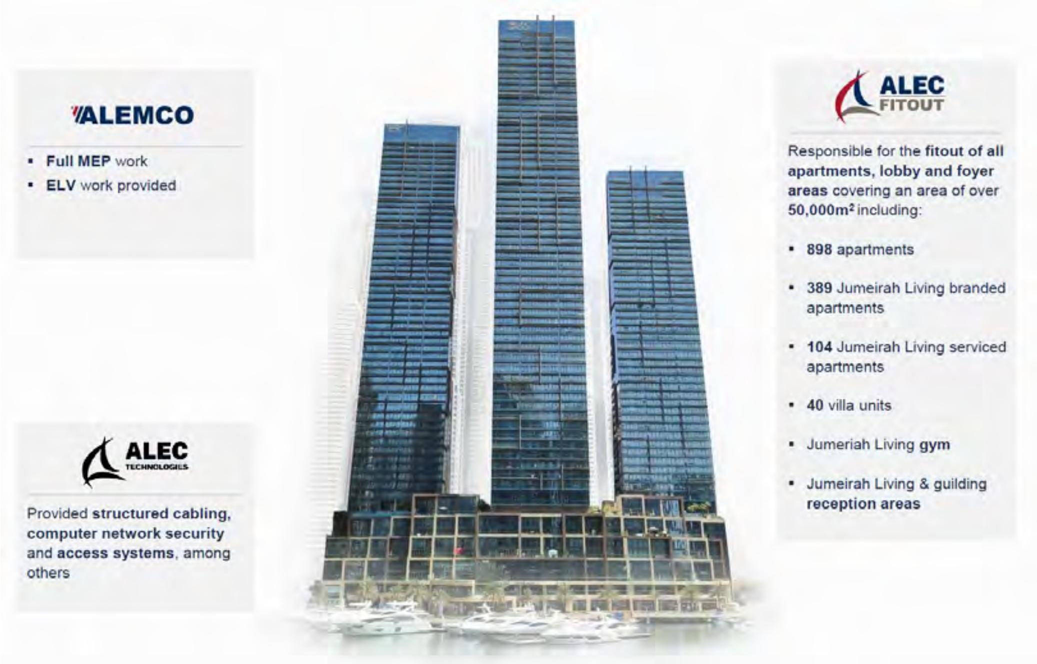
In 2019, following a competitive tender, the Group was awarded a contract to design and construct the world's largest indoor marine theme park, with a built-up area of 273,500m², including the UAE's first dedicated marine life research, rescue, rehabilitation and return centre, and a five-level structure spanning approximately 183,000m², which includes the world's largest aquarium with a capacity of around 6.6 million gallons of saltwater. The technical challenges of this project required expertise in construction, engineering, animal life safety, and environmental coordination. To manage the project's complexity, the Group employed BIM technology, incorporating 3D modelling, progress tracking, and asset information. The Group's members, including ALEMCO (which was responsible for the Animal Life Safety Systems package involving the implementation of an advanced Aquarium Life Support System (ALSS) (which includes filtration, water quality, monitoring, oxygenation, temperature control, and waste management, supported by automation for real-time monitoring) to maintain optimal conditions for marine life), ALEC Energy and AJI Rentals, provided the necessary integrated services to deliver this project efficiently and to the required standards.



The final project value of the SeaWorld Abu Dhabi project, which was completed in 2023, was AED 4.4 billion.

Marina Gate

In 2015, through bilateral negotiations, the Group was awarded the Marina Gate project which consisted of the design and construction of a phased residential and serviced apartments project (constructed in three overlapping phases) comprising three towers with a total built up area of approximately 370,000m²: (i) Marina Gate 1: a 207-metre-tall tower with 54 storeys, hosting 389 apartments, 10 villas and 16 retail units; (ii) Marina Gate 2: a 262-metre-tall tower with 67 stories, hosting 509 apartments, 15 villas and 5 retail units; and (iii) Jumeirah Living: a 224-metre-tall tower, hosting 389 branded apartments, 104 serviced apartments, 15 villas and 15 retail units. The project was successfully executed through the coordinated efforts of the Group's members, including ALEMCO, ALEC Technologies and ALEC Fitout.



The final project value of the Marina Gate project, which was completed in 2019, was AED 1.6 billion.

The Group believes that these projects, and many others, demonstrate its ability to undertake large-scale and technically challenging developments, positioning it as a reliable partner for clients seeking comprehensive and innovative project solutions.

Strongly positioned to capture significant growth in the UAE and Saudi Arabia

The Group is strongly positioned to benefit from the significant expansion of construction and infrastructure activity across the UAE and Saudi Arabia. This growth is underpinned by high-profile developments such as the Al Maktoum International Airport, which is expected to become the world's largest airport with a projected annual passenger handling capacity of 260 million, as well as large-scale initiatives in tourism, retail, and data centre infrastructure (with the UAE expected to become a regional hub for digital innovation and technology). The Group's longstanding presence and proven track record in delivering complex, iconic projects in the UAE position it as a contractor of choice to capitalise on these opportunities.

In parallel, the Group is primed to capture a substantial share of the growth in the Saudi Arabia construction sector. This growth trajectory is driven by giga-projects and national transformation agendas including Riyadh EXPO 2030, the 2034 FIFA World Cup, and major energy and tourism developments such as Diriyah Gate and Qiddiya. The Group's strategic entry into the Saudi Arabian market in 2022, supported by targeted project wins and the operational presence of its business units, has laid a strong foundation to participate in this expansion.

The Group's integrated offering, local market expertise, and experience in delivering landmark, large-scale developments make it ideally suited to serve the evolving construction needs of both the UAE and Saudi Arabia. The Group believes that its strategic positioning in these high-growth geographies ensures a robust pipeline of opportunities for continued, growth, profitability, and long-term value creation.

Large and secured backlog set to drive visible growth

The Group has been able to steadily win contracts developing credibility and nurturing relationships with key project developers and stakeholders. Following the acquisition of Target Engineering and the entry into the Saudi Arabian market, the Group has experienced strong growth, with approximately 79% of its backlog as of 30 June 2025 being awarded in the last two years.

The Group's contract backlog of AED 27.5 billion as at 31 December 2024 represented more than three times its contract backlog as at 31 December 2022. In terms of project size, the Group views the backlog to be well-balanced: 45% comprises projects with a value in excess of AED 3 billion, 32% comprises projects between AED 1 billion and AED 3 billion, and 23% related to projects under AED 1 billion.

Some of the Group's major projects counted in its backlog with expected completion dates in the coming years have been set out below:

Project	Country	Backlog[(1)]	Sector	Expected Year of Completion
Wynn Al Marjan	UAE	AED 5,842 million	Hospitality	2027
Stargate Data Centre………………..	UAE	AED 5,261 million	Data Centre	2027
ADNOC Offshore Zakum EPC……..	UAE	AED 4,823 million	Energy	2030
ADNOC MMBD Offshore……………	UAE	AED 4,488 million	Energy	2028
Qiddiya Speed Park	Saudi Arabia	AED 2,758 million	Leisure	2027
COMO Residences	UAE	AED 1,719 million	Residential	2028
iLMI – Science Discovery Innovation Centre MISK	Saudi Arabia	AED 1,415 million	Education	2027
ADNOC Sahil EPC Works...............	UAE	AED 1,081 million	Energy	2027

(1) As at 30 June 2025.

The Group believes that its consistent performance demonstrates the resilience and strength of its business model. The Group has faced minimal project cancellations over the past three years and it therefore believes that the strength of its current backlog provides a longer-term indication of the Group's future revenue.

Furthermore, the Group remains active in pursuing further projects and it currently has a promising bidding pipeline with significant bids and pre-qualification tenders outstanding. See "*The Group aims to grow its core business in the UAE by leveraging its reputation, partnerships, differentiated capabilities and integrated offering" and "The Group aims to consolidate and expand its Saudi Arabia business through disciplined partnerships and projects selection*".

Experienced and performance-focused management team supported by an accomplished Board of Directors and Shareholder

The Group has a highly skilled, stable and committed leadership team. Each member of the Group's executive management team has over 30 years (and, together with the business heads and department heads, over 420 years combined) of industry experience and is equipped with extensive management skills, operating experience and knowledge of both the global and domestic construction industries. The Group's management team has a clear sense of long-term focus and commitment to the business which has been central to the Group's strong track record and the principal force of the Group's expansion strategy of entering new markets, growing the Group's backlog to AED 35.4 billion as of 30 June 2025, as well as the successful acquisition of Target Engineering in 2022. The Group believes that its management team has laid the foundation and roadmap for the continued successful development of the Group with a vision of driving the business for expansion and growth. In addition, the Group is supported by its sole shareholder, ICD, the principal investment arm of the Government of Dubai, with approximately AED 1.468 trillion in assets as of 31 December 2024 (see "*–Overview of the Investment Corporation of Dubai*"), and the Company's accomplished Board of Directors.

Group Strategy

The Group aims to grow its core business in the UAE by leveraging its reputation, partnerships, differentiated capabilities and integrated offering

The Group's strategy in the UAE is focused on growing its position as a contractor of choice for complex, high-profile projects by leveraging its strong track record of successful project delivery, long-standing partnerships, and fully integrated offering. With over two decades of operational experience in the UAE, the Group has built deep institutional relationships across Abu Dhabi, Dubai, and Ras Al Khaimah ("**RAK**"), and is positioned to play a central role in the next wave of development under government-led national agendas.

In Abu Dhabi, the Group is targeting participation in a number of major cultural and tourism projects concentrated on Yas Island and Saadiyat Island. These include proposed upcoming developments such as the Disney theme park and the Harry Potter theme park by Miral, and multiple large-scale hospitality and entertainment facilities. The Group also intends for Target Engineering to grow its share of ADNOC-related work on the back of its announced business plan. In the digital infrastructure sector, the Group is also well placed to benefit from the UAE's ambitions to become a global technology hub, supported by plans to develop a 5GW Artificial Intelligence data centre complex in partnership with OpenAI. The Group believes that ALEC Data Center Solutions is well positioned to become the leading digital infrastructure player in the region capitalising on its capabilities to develop advanced facilities and strong client relationships, as exemplified by select project wins (such as Stargate, see "*ALEC Data Center Solutions*").

In Dubai, the Group aims to play a critical role in the Al Maktoum International Airport expansion, which is projected to become the world's largest airport with a planned capacity of 260 million passengers annually. The Group also aims to capitalise on opportunities under the D33 Agenda, Dubai's AED 700 billion economic development programme over the next decade. These include new hospitality, residential and retail projects to meet growing demand for urban infrastructure and tourism.

In RAK, the Group aims to continue to build on its successful progression of the Wynn Al Marjan project by seeking to partner with the government on future hospitality and mixed-use developments. Additionally, the Group aims to support upgrades to RAK Airport and collaborate on planned development projects across the Emirate. The Group believes that it is well positioned to capture significant value through its end-to-end project execution model and comprehensive in-house capabilities.

The Group aims to consolidate and expand its Saudi Arabia business through disciplined partnerships and projects selection

The Group is executing a disciplined strategy to establish a significant presence in the dynamic and fast-growing construction market in Saudi Arabia.

The Group's expansion is focused on selectively targeting critical, high-profile projects that align with its technical expertise and operational strengths. The Group has already secured high-profile assignments in Riyadh, Saudi Arabia, including the Qiddiya Speed Park, a landmark motorsports and leisure development, and the Ilmi Science & Technology Centre. These projects mark the Group's entry into the giga-project ecosystem and demonstrate its ability to operate at scale within Saudi Arabia.

The Group is focused on further opportunities in Diriyah Gate, a 14 million m² heritage and tourism development expected to attract 27 million annual visitors, and Riyadh EXPO 2030, which is projected to receive 40 million on-site visitors and over 1 billion digital visits, in each case, according to the Industry Consultant. The Group intends to replicate its UAE success by expanding into adjacent segments, such as data centres, MEP and modular construction, through its specialised members including ALEC Data Center Solutions, ALEMCO and LINQ, which are already enhancing efficiency through off-site fabrication and innovation.

As part of its Saudi Arabia growth strategy, the Group aims to re-establish its partnership with Saudi Aramco through Target Engineering, its specialist energy subsidiary with a proven track record in delivering complex onshore and offshore projects. According to the Industry Consultant, Aramco is expected to award 99 major projects by 2026, presenting a significant opportunity for the Group to deepen its presence in the Saudi Arabian energy sector. In addition, Aramco's planned and unawarded project pipeline is estimated at AED 96.5 billion, further reinforcing the breadth of addressable opportunities. For example, Target Engineering was awarded the upgrade sulphur recovery unit Riyadh refinery by Aramco in November 2024, with a project value of AED 289 million (see "*Material Agreements–Subcontract for General Construction Works for the Upgrade SRU Project – Riyadh Refinery*"). The re-establishment of this strategic relationship is expected to support the Group's broader ambition to capitalise on Saudi Arabia's Vision 2030 energy and industrial infrastructure programmes.

The Group plans to establish itself as a regional leader in the high-growth data centre sector

Through ALEC Data Center Solutions, the Group aims to establish itself as a regional leader in the high-growth data centre sector, driven by accelerating demand across the UAE and Saudi Arabia. This growth is underpinned by increasing adoption of internet services, cloud computing, and artificial intelligence/machine learning technologies, alongside national ambitions to position the region as a global digital hub.

According to the Industry Consultant, the annual project spend on data centre infrastructure in the GCC is projected to grow approximately seven times between 2024 and 2033 with a cumulative data centre project spend of approximately AED 312 billion. This underscores both the strategic importance and significant scale of this high-growth industry. According to the Industry Consultant, some of the key developments contributing to this expansion include:

- The UAE and US governments have announced the establishment of a 5GW Artificial Intelligence ("**AI**") campus in Abu Dhabi, spanning 26 square kilometres. Once completed, it will be the largest AI campus outside the United States. The first phase of the project involves the development of a 200MW data centre that was awarded to the Group in 2025.

- In Dubai, the D33 strategic agenda aims to increase the productivity of the Emirate's economy by 50% through digital innovation. This focus on technology is expected to drive demand for AI-optimised data centres and position Dubai as a key regional hub for advanced digital infrastructure.

- In Saudi Arabia, DataVolt is developing an AI-ready data centre on a 55 square kilometre site within Riyadh's first technology park, supported by an investment of AED 2.5 billion. The initiative forms part of the broader Saudi Vision 2030 strategy.

- Quantum Switch Tamasuk, in partnership with the Saudi Ministry of Communications and Information Technology, is developing six new data centres with a combined capacity of 300MW by 2026. These facilities will be located in Riyadh, Dammam, Jeddah and NEOM and are designed to enhance Saudi Arabia's national digital infrastructure.

- NEOM is set to facilitate the establishment of an AED 1.8 billion hyperscale data centre to enhance services and connectivity across Saudi Arabia and the wider GCC market.

Leveraging its extensive experience in engineering and construction, the Group believes that ALEC Data Center Solutions delivers scalable, prefabricated, product-agnostic solutions and has already secured flagship contracts including Stargate. See "*Material Agreements – Stargate Contract*". Through this strategy, the Group plans to be a leading player in the region's data centre construction sector, with the aim of capturing significant value in this high-growth industry.

The Group seeks to expand margins and efficiency initiatives through project selection, business mix optimisation, operational excellence and economies of scale

The Group seeks to expand margins and improve operational efficiency through a disciplined approach to project selection, active optimisation of its business mix, and by leveraging economies of scale across its operations. This includes continuing to prioritise high-margin, technically complex projects where competition is limited and pricing power is stronger. The Group's strategic client and sector focus leverages strong relationships with the largest contributors to future project spend in the UAE. By investing in clients with recurring needs, the Group aims to generate synergies that justify better pricing. Additionally, the Group targets sectors with long-term capital programmes, such as airports and data centres, where quality, performance and reliability are valued over price alone.

The Group is committed to expanding high-margin integrated business units. This involves increasing the market share of related businesses to capture a greater portion of the construction project value chain, particularly in emerging sectors like data centres, which are characterised by higher margins. The Group continues to cross-sell integrated services through bundled offerings, enabling the delivery of large-scale, complex, and iconic projects that enhance client retention and command higher margins.

The Group also intends to pursue geographic margin optimisation by leveraging its successful partnership model in Saudi Arabia to minimise fixed cost exposure while capturing margin upside. The Group intends to pursue international projects selectively, focusing on jurisdictions where technical differentiation is valued and premium pricing can be achieved.

The Group plans to drive efficiencies and excellence through investment in technology and use of innovative methods of construction

The Group aims to drive operational efficiencies and achieve project delivery excellence by investing in modern methods of construction and advanced technologies. As part of this strategy, the Group plans to increase the use of modular, off-site manufacturing as the preferred approach for complex builds. Through the use of volumetric steel construction, off-site MEP modules, and prefabricated data centres, the Group believes it can significantly reduce on-site disruption, shorten project timelines, and achieve consistently high quality across its projects.

The Group believes that this parallel construction approach – where off-site manufacturing and on-site preparation occur simultaneously – will enable meaningful compression of project schedules. This aims to support earlier revenue recognition and to reduce exposure to common construction risks. The Group views this as a key enabler of both client satisfaction and project certainty.

The Group aims to optimise costs and enhance sustainability through the precision and efficiency of off-site fabrication. By improving material yields, reducing waste, and facilitating energy-efficient designs, the Group plans to realise competitive cost advantages over traditional construction methods while also advancing its sustainability objectives. The Group believes that its ability to leverage global supply chains and deploy next-generation construction technologies will further strengthen its market position.

Importantly, the Group plans to scale this modular platform across multiple sectors, including high-rise residential, hospitality, industrial, and hyperscale data centre developments. The Group believes that this adaptability will enable it to respond rapidly to evolving client needs and expanding demand across the GCC. Continued investment in digital design, off-site automation, and strategic partnerships is expected to keep the Group at the forefront of regional construction innovation, reinforcing its reputation for technical leadership and dependable delivery.

The Group intends to selectively pursue value accretive acquisition opportunities in adjacent sectors and geographies

To complement the Group's organic growth strategy and solidify its leadership position in the markets in which it operates, the Group expects to continue to selectively pursue investments and acquisitions that it believes will provide stable cash flows, scalable platforms and further scope for growth. With the GCC construction market valued at approximately AED 260 billion in 2024 (according to the Industry Consultant), the Group believes that there is significant headroom for growth.

The Group has pursued a strategy of making strategic acquisitions at favourable valuations through disciplined underwriting (e.g., its acquisition of Target Engineering in 2022), and it expects to continue to do so in the future. The Group plans for any inorganic growth to be highly disciplined and value accretive, with a preference for sectors with less competition, relatively high entry barriers and advantageous pricing.

The Group may explore expansion opportunities in other GCC countries which offer growth opportunities for leveraging its construction expertise. In addition, the Group may target growth within the industrial building space. The industrial sector, comprising a meaningful portion of construction projects value in the GCC region according to the Industry Consultant, offers growth potential for the Group.

History and Development

An overview of the principal events in connection with the history and growth of the Group's business is set out below.

Year	Milestone
1999	ALEC Construction was formed as a joint venture between Al Jaber Group and Grinaker LTA (South Africa).
2006	Sale by Grinaker LTA (South Africa) of their shares to Al Jaber Group and LEGT Construction Contracting Ltd. The company's name was changed to "Al Jaber LEGT Engineering & Contracting (ALEC)".
2006	Establishment of ALEMCO.
2009	Establishment of ALEC Fitout.
2010	Awarded the construction of Dubai International Airport Concourse A, and completion of Mirdif City Centre, one of the UAE's largest retail centres.
2015	Establishment of ALEC Energy.
2017	Acquisition by ICD of a 90% stake in ALEC Construction from Al Jaber Group. The company's name was changed to "ALEC Engineering and Contracting LLC-SPC".
2017	Awarded Dubai Hills Mall project.
2020	Construction of 27 projects at EXPO 2020.
2021	Completion of Dubai Hills Mall project.
2022	Acquisition of Target Engineering by ALEC Construction, expanding the Group's reach in oil and gas construction.
2022	Strategic expansion into Saudi Arabia. ALEC was awarded the construction of Aquarabia Waterpark, Qiddiya(1), its first construction project in Saudi Arabia.
2023	Sale by LEGT Construction Contracting Ltd of its 10% stake in ALEC to ICD. ICD holds 100% of the Group.
2023	ALEC was awarded the construction of Wynn Al Marjan, a landmark integrated development featuring a high-end hotel and mall among other facilities.

2024	ALEC Facades and LINQ expanded their operational reach to Saudi Arabia.
2024	Launch of ALEC Robotics Strategy to integrate advanced automation into core construction process.
2024	Awarded the Como Residences project by Nakheel in Dubai and the Qiddiya Speed Park Project by Qiddiya Investment Company in Saudi Arabia.
2025	Awarded the construction of a 200 MW data centre in Abu Dhabi by G42.
2025	Target Engineering awarded the field expansion contract for Upper Zakum by ADNOC.

(1) Contract awarded to El Seif and ALEC joint venture, of which ALEC owns 50%.

Principal Shareholders

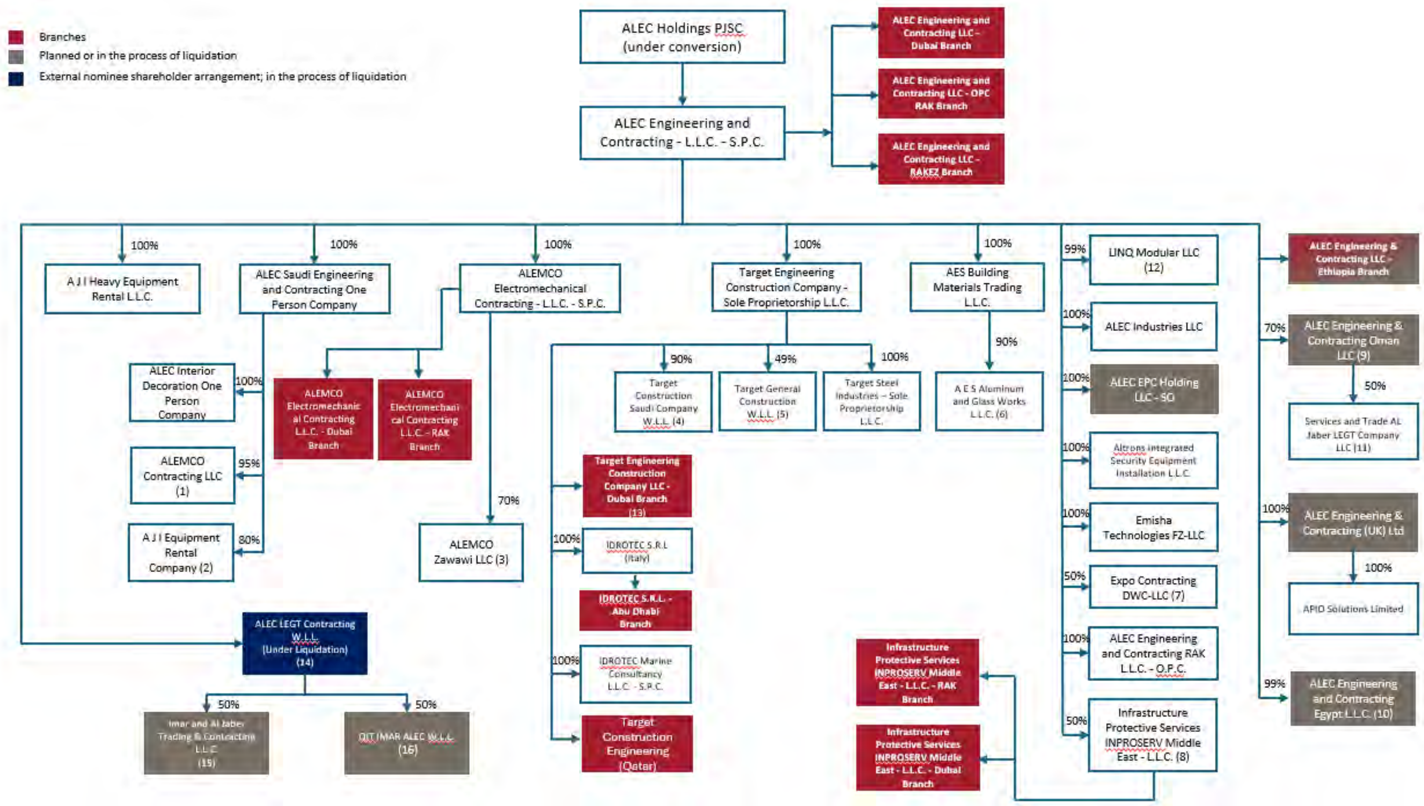
Pre-IPO Reorganisation

Prior to the Offering, the Group completed the reorganisation of its corporate structure with the aim of optimising the Group's structure and holdings. The reorganisation was done by virtue of a share purchase agreement dated 6 June 2024, whereby ICD acquired 100% of the share capital of the Company from ALEC Construction and Binaa Dubai LLC. On 20 August 2024, the Company acquired 100% of the share capital of ALEC Construction from Binaa Dubai LLC and Manzil Investments LLC.

As of the date of this Prospectus, ICD owns 100% of the Company, which in turn owns 100% of ALEC Construction.

Corporate Structure

The Group's current corporate structure is set out below:



1 – 5 % is owned by ALEMCO Electromechanical Contracting LLC.
2 – 20% is owned by AJI Heavy Equipment Rentals LLC.
3 – 30% is owned by Alawi Enterprise LLC.
4 – 10% is owned by Middle East Petroleum Company.
5 – 51% is owned by Phoenix Project Development WLL.
6 – 10% is owned by ALEC Engineering and Contracting - LLC - SPC.
7 – 50% is owned by LEGT Construction Contracting Limited ("**LEGT Construction**"), a Jersey company owned in equal shares by Messrs. John Deeb, Kobus Dreyer, Barry Lewis, Kieron Taylor, and Adam Viljoen.
8 – 38% is owned by Schalk Engelbrecht and 12% owned by Dean Jones.
9 – 30% is owned by Prestigious Coast LLC.
10 – 1% is owned by ALEC Industries LLC.
11 – 50% is owned by Services and Trade Company LLC.
12 – 1% is owned by ALEMCO Electromechanical Contracting LLC.
13 – Target Engineering Construction Co. Sole Proprietorship LLC has three Abu Dhabi location branches for stores under the following numbers: CN-5821922, CN-5821930, and CN-5822057.
14 – ALEC LEGT Contracting WLL ("**ALEC LEGT**") is owned by nominal shareholders on behalf of ALEC Engineering and Contracting LLC. 51% of shares is owned by International Company for Project Development WLL ("**ICPD**") and 49% of shares is owned by LEGT Construction.
ICPD is a nominal shareholder holding 51% of shares on behalf of LEGT Construction. Pursuant to the Shareholders Agreement dated 2 August 2018, LEGT Construction receives 99% of profit distributions and ICPD receives 1% of profit distributions. Pursuant to the Memorandum of Association dated 23 January 2018, should Qatari law permit a higher percentage of non-Qatari participation in ALEC LEGT Contracting WLL, ICPD shall immediately transfer all of its shares (or the maximum permitted number of shares) to LEGT Construction.

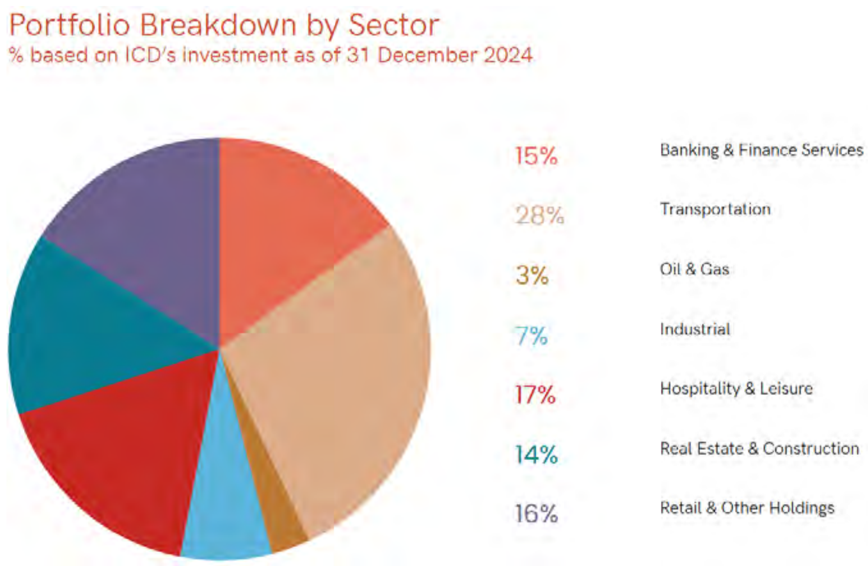
LEGT Construction is a nominal shareholder holding its shares on behalf of ALEC Engineering and Contracting LLC. Pursuant to the Deed made on 28 November 2017 by LEGT Construction Contracting Limited, LEGT Construction unconditionally and irrevocably declared that (i) it held its shares in ALEC LEGT as nominee of, and on trust for, ALEC Engineering and Contracting LLC and (ii) had no beneficial interest in the shares.
15 – 50% is owned by Imar Trading and Contracting Company WLL.
16 – 50% is owned by the consortium of Qatar International Trading Company and Imar Trading and Contracting Co. WLL.

Overview of the Investment Corporation of Dubai

ICD is the Group's ultimate beneficial owner. Established in 2006, ICD is the principal investment arm of the Government of Dubai with approximately AED 1.468 trillion in assets as of 31 December 2024. With a diverse portfolio spanning multiple sectors and geographies (in 6 continents and 85 countries), ICD plays a crucial role in supporting Dubai's dynamic economy and in driving its long-term prosperity. ICD's mandate is to consolidate and manage the Government of Dubai's portfolio of commercial companies and investments while providing strategic oversight through the development and implementation of investment strategies and corporate governance policies.

ICD's portfolio includes leading financial institutions in its Banking and Financial Services segment, such as Emirates NBD, Commercial Bank of Dubai, Dubai Islamic Bank, and National Bonds Corporation, as well as ownership in key financial exchanges, DFM and Nasdaq Dubai, owned via Borse Dubai. ICD's transportation segment, primarily focused on the aviation sector, features portfolio companies Emirates, dnata, flydubai, and DAE, which continue to redefine the passenger experience and strengthen Dubai's position as an aviation hub.

ICD's diverse holdings also encompass the oil and gas sector through Emirates National Oil Company (ENOC) as well as 25 major holdings in various other segments including real estate & construction, hospitality & leisure, retail, and industrial sectors.



As a forward-looking investment firm, ICD focuses on making strategic investments that strengthen its commitment to sustainable growth. ICD operates as an efficient organisation of dedicated professionals, balancing deep expertise with a focused investment strategy seeking to allocate capital by making new investments either, locally if commercially sound and strategically aligned with ICD's mandate, or internationally, to enhance financial returns and portfolio diversification.

ICD recognises the importance of Environmental, Social, and Governance ("**ESG**") issues and is committed to proactively managing its own ESG responsibilities. The corporation's ESG Policy and Framework for its investment activities is based on key principles, including the belief that incorporating ESG factors leads to better investment decisions and enhanced portfolio quality.

Principal Operations of the Group

The Group is organised into three major business segments based on their products and services (i) Building and Construction (which is mainly conducted by ALEC Construction), (ii) Energy (which is mainly conducted by Target Engineering), and (iii) Related Businesses (which is conducted through nine specialised members). The three major business segments are split across the UAE and Saudi Arabia.

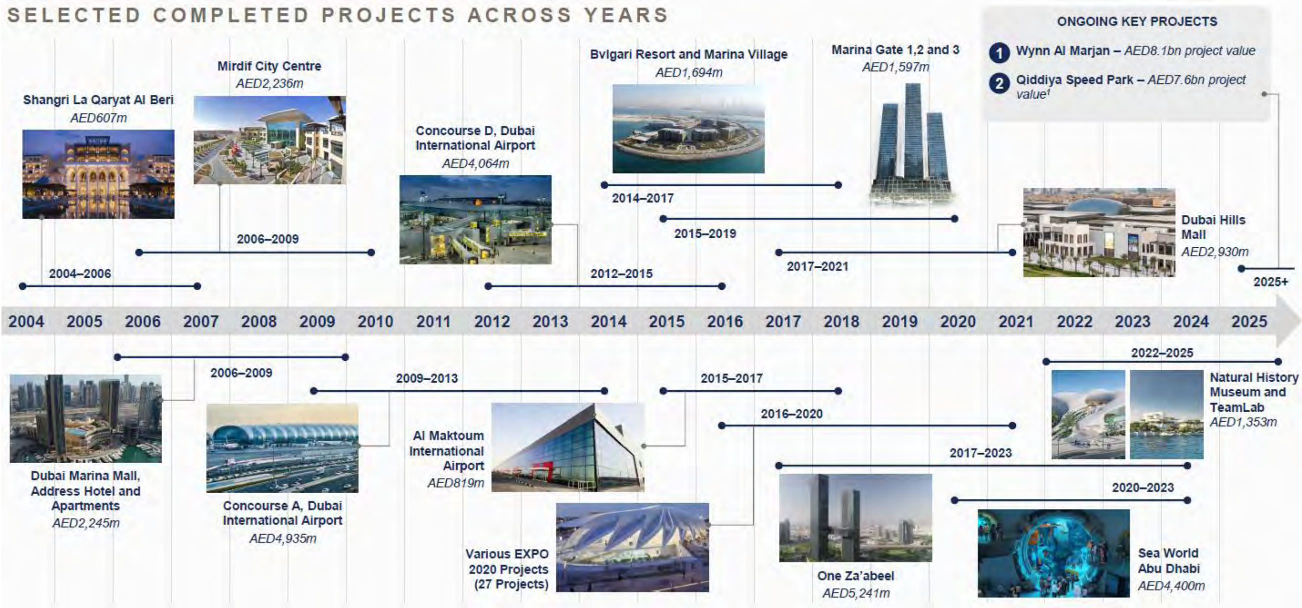
The Group's services encompass the overall responsibility for a construction project, including planning and realisation. The client deals exclusively with the Group; and the Group undertakes the coordination of architects, engineers, subcontractors and suppliers. The Group believes this model improves efficiency and quality, promotes timely project completion and helps to avoid cost overruns. The Group's strong market position and relatively large size enables it to bid for the most complex infrastructure projects.

Building and Construction

ALEC Construction

ALEC Construction is a leading engineering and construction company with a proven track record of executing landmark and complex projects across a variety of sectors including airports, retail, commercial and residential developments, leisure and entertainment, cultural and sporting venues, museums and pavilions, and luxury hotels in the UAE and Saudi Arabia.

ALEC Construction has in-depth expertise and extensive construction knowledge. It is an end-to-end construction company offering complete integrated services across all aspects of project design and delivery. ALEC Construction has built a strong reputation, over the course of 25 years of operations, for delivering innovative, high-quality, and reliable solutions across its projects.



(1) Contract awarded to El Seif and ALEC joint venture, of which ALEC owns 50%.

As of 30 June 2025, ALEC Construction had more than 15,400 employees (with approximately 60% of its employees in the UAE and the remaining 40% in Saudi Arabia) and had completed over 200 projects. The Group believes that ALEC Construction is at the forefront of deploying cutting-edge construction technology, including robotics, 3D modelling, and digital project management solutions, with the aim of providing best-in-class execution with a focus on efficiency and quality.

The Group believes that ALEC Construction's key competitive advantage is its strong focus on innovation, quality, reliability and operational excellence. The Group believes the company is a pioneer in the use of digital construction techniques, including BIM, virtual design platforms, and robotic automation, to drive efficiency and precision in execution. Its emphasis on early adoption of advanced technologies and continuous workforce development aims to ensure a highly skilled and future-ready team capable of tackling the most challenging projects.

ALEC Construction has delivered some of the region's most iconic projects, including (i) Dubai International Airport Concourse D, which had a project value of AED 4.1 billion and was the first project to deploy the use of BIM 3D modelling technology and was voted Construction Week Middle East Infrastructure Project of the Year in 2016; and (ii) Dubai Hills Mall, which featured first-time uses in the UAE of temporary works modelling and 4D planning, and received the Digital Project of the Year 2023 award by Middle East Digital Construction Awards, the Commercial Project of the Year 2022 award by Construction Week Awards, and the Retail Project of the Year 2022 award by Construction Innovation Awards. ALEC Construction is currently engaged in high-profile projects such as (i) the AED 8.1 billion Wynn Al Marjan; and (ii) the AED 7.6 billion Qiddiya Speed Park, which is set to be the world's longest Formula 1 circuit, the first open track and street circuit for Formula 1 and MotoGP, will feature the world's largest grandstand with 80 garage paddocks, and will include the world's first cantilevered track section.

Through its strategic expansion, ALEC Construction intends to replicate its success in the UAE, in the dynamic and fast-growing construction market of Saudi Arabia. The company intends to play a key role in Saudi Vision 2030 by executing giga-projects such as Aquarabia Waterpark, Qiddiya (with a project value of approximately AED 2.5 billion) and Qiddiya Speed Park (with a project value of approximately AED 7.6 billion), both of which it is executing through its joint venture in Saudi Arabia, and iLMI – Science Discovery Innovation Centre MISK (with a project value of approximately AED 1.8

billion), which it is executing on a stand-alone basis. ALEC Construction is also targeting opportunities in Diriyah Gate, Riyadh EXPO 2030, Qiddiya International Stage, and the King Salman International Airport expansion. See "*Group Strategies – The Group aims to consolidate and expand its Saudi Arabia business through disciplined partnerships and projects selection*".

Examples of projects relying on the use of advanced technology include:

	COMPLETED PROJECTS		ONGOING PROJECTS	
	DUBAI INTERNATIONAL AIRPORT CONCOURSE D	DUBAI HILLS MALL	WYNN AL MARJAN	QIDDIYA SPEED PARK
				
VALUE	AED4.1bn	AED2.9bn	AED8.1bn(1)	AED7.6bn(2)
TIMELINE	2012-2015	2017-2021	2023 - 2027	2024 - 2027
TECHNOLOGY, INNOVATION AND AWARDS	• First project to deploy the use of BIM 3D modelling technology • Construction Week ME Infrastructure Project of the Year 2016	• The project featured first-time use of temporary works modelling, 4D planning with Syncro and Visilean • Introduced virtual design with BIM 360 and NAVISWORKS • ME Digital Construction Awards – Digital Project of the Year 2023 • Construction Week Awards – Commercial Project of the Year 2022 • Construction Innovation Awards – Retail Project of the Year 2022	• **Improved 3D/2D model integration** for better tracking • **Launched Resolve VR and FulMax Cube** for interactive, multi-user reviews on-site and remotely • Implemented **two advanced robotic solutions**	• Focused digitisation strategy through the use of **tablets on site** as well as **e-forms project-wide** • Enhanced power efficiency with **downsizing generators and diesel consumption** on craneage through use of **batteries packs** • **IoT sensors** on plant and equipment in testing

(1) Value refers to full project value at the time of project award.

(2) Value refers to full project value at the time of project award, in which the Group has a 50% share.

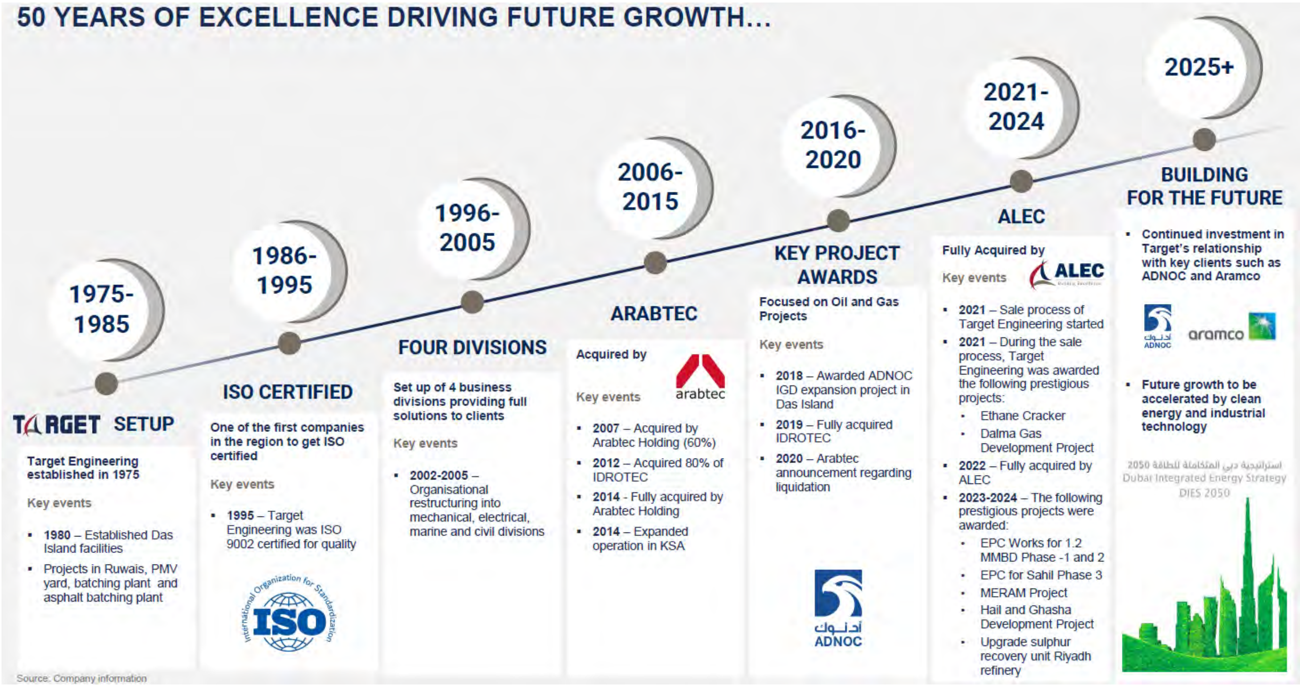
Energy

Target Engineering

The Group's energy business activities are primarily carried out by its subsidiary Target Engineering Construction Company ("**Target Engineering**"), which the Group acquired in the fourth quarter of 2022. Target Engineering is one of the leading energy contractors in the region offering comprehensive services in both onshore and offshore areas.

Target Engineering's marine vessels and engineering capabilities support the effective delivery of offshore and nearshore projects, with the aim of reducing reliance on external contractors. Its 110,000m² fabrication facility and broad range of construction equipment contribute to enhanced in-house production capacity, with the goal of improving cost efficiency and quality control. The presence of a permanent base on Das Island, UAE, helps facilitate operational continuity in a key oilfield. Additionally, ASME and API-certified fabrication capabilities add to the company's credibility in the energy sector. These attributes contribute to strengthening Target Engineering's market position, supporting cost optimisation and the delivery of complex, high-value projects.

With over 50 years of experience in this sector, Target Engineering offers a single source EPC service with standalone specialties to a client base comprising leading energy companies, major EPC contractors, government entities and property developers. Projects executed by Target Engineering include a combination of civil, mechanical, marine construction, electrical, power and instrumentation control works and MEP works for both onshore and offshore-based energy sector and the commercial sector. Set out below is a timeline of Target Engineering's key milestones:



Since its establishment, Target Engineering has completed over 500 projects, with over 30 projects ongoing and over 25,000 employees as of 30 June 2025.

Target Engineering operates through four specialised divisions: (i) Mechanical Oil & Gas; (ii) Power, Instrumentation and Control; (iii) Civil Industrial; and (iv) Marine.

Mechanical Oil & Gas

The Mechanical Oil & Gas division serves the oil & gas, petrochemical, energy, water and industrial sectors. It undertakes specialised design, engineering, procurement and fabrication/construction and installation of process skids/piping, steel structures, tanks and heavy equipment installations at green and brown fields for both on-shore and off-shore projects. Target Engineering has completed over 100 mechanical oil & gas projects since its establishment.

Power, Instrumentation and Control

Target Engineering's Power, Instrumentation and Control division has extensive experience in working with major oil & gas clients, EPC contractors and specialised vendors on the design and engineering, coordination, execution and installation of high voltage and low voltage electrical equipment (400KV – 415KV), instrumentation and controls works for various projects. These include desalination stations, aluminium smelters, substations, load centres, electrical control rooms, generator houses, power stations, gas turbine stations, overhead lines, high power cable duct systems, fuel buildings, chemical chambers, and ancillary buildings. Since its establishment, Target Engineering has completed approximately 100 projects in power, instrumentation and control.

Civil Industrial

The Civil Industrial division has built several landmark industrial and residential buildings, housing complexes, hotels and hospitals in Abu Dhabi, Al Ain and Dubai. Target Engineering specialises in fast-track and high-speed construction works using the latest formwork technology and methods of construction. The Civil Industrial division also undertakes projects involving industrial oil & gas, heavy civil engineering, large equipment foundations, blast proof structures in live plant areas and residential complexes in remote areas. Since its establishment, it has completed over 240 projects.

Marine

The Marine division owns and operates more than 35 marine vessels comprising dredgers, landing crafts, tugboats, transportation and construction barges, and motorboats fully licensed to sail in the waters of the UAE and the GCC covering an area of 22,000m², as of 30 June 2025. The marine fleet is supported and serviced by the Mussafah based logistics and maintenance support centre.

Target Engineering's design capability is strengthened by its ownership of IDROTEC srl, an Italian specialist design engineering company, whose services can be used by Target Engineering for projects on a priority basis. Founded in 1988 in Italy, IDROTEC srl is a marine coastal engineering company which was acquired by Target Engineering in 2012. IDROTEC srl has executed numerous projects in the UAE, including engineering and design of berthing facilities for super yachts in Jumeirah, Dubai. Due to the success of IDROTEC's UAE operations, Target Engineering intends to relocate IDROTEC srl's headquarters to Abu Dhabi by the end of 2025.

Some of the landmark projects executed by Target Engineering include:

BOROUGE 4 – ETHANE CRACKER — UAE

Borouge

VALUE	AED5.7bn / AED1.8bn (Target Engineering)
SCOPE OF WORK	Detailed engineering, procurement, construction, pre-commissioning and commissioning of installation of ethane cracker unit with 1.5m tons of capacity per annum
PROJECT DURATION	Jan 2022– project start Q4 2026 – anticipated completion

EPC WORKS FOR 1.2 MMBD PHASE 1 & 2 — UAE

أدنوك البحرية ADNOC Offshore

VALUE	AED4.8bn
SCOPE OF WORK	Construction of modularized water injection plants, produced water treatment plants and disposal pumps, crude oil transfer pumps among others
PROJECT DURATION	Mar 2024 – project start Q2 2028 – anticipated completion

UPGRADE SULPHUR RECOVERY UNIT RIYADH REFINERY — KSA

aramco

VALUE	AED289m
SCOPE OF WORK	Underground pressurized piping works, civil works, piping erection works, E & I works, steel structure erection works, insulation works, shop and site painting works
PROJECT DURATION	Nov 2024 – project start Q3 2026 – anticipated completion

Related Businesses

Related Businesses complement the Group's core Building and Construction and Energy segments by offering a range of integrated services that deliver significant strategic and operational advantages. These businesses enable the Group to exercise full ownership and benefit from enhanced visibility over its supply chain, providing greater control over project costs, quality standards, and delivery timelines. By consolidating key capabilities in-house, the Group is able to function as a one-stop partner for complex, multidisciplinary projects, simplifying coordination for clients and strengthening its competitive position. The integration of a digital strategy and innovation across its Related Businesses further drives efficiency, promotes standardisation, and supports data-driven decision-making.

1. *ALEC Fitout*

Established in 2009, ALEC Fitout specialises in the fitout and refurbishment of hotels and resorts, commercial offices, retail, cultural exhibitions, themed entertainment, sculptures, artistic installations and luxury mixed-use developments in the UAE and Saudi Arabia. The company has a portfolio of over 100 completed projects, covering 1.73 million square metres, with an aggregate project value of

AED 7.5 billion. As of 30 June 2025, the company had over 350 members of staff and a workforce of over 750 skilled labourers.

ALEC Fitout is engaged as a trusted partner of choice by some of the GCC region's largest developers and government agencies. The company has a strong record of on-time delivery and is one of the few players highly specialised in high-end fitout. It has access to leading international, regional and local partners and adopts a client-centric approach aimed at providing high-quality solutions. In 2024, it was awarded Fitout Contractor of the Year by Design Middle East (see "*Selected Awards*"), and since its establishment, it has won 38 fitout industry awards.

ALEC Fitout offers a broad range of services designed to support the delivery of luxury, large-scale, and complex fitout and refurbishment projects. Its 'Design & Build' approach allows for the progression of projects from concept or schematic design through to completion under a single contract, aiming to provide streamlined coordination in line with client requirements. The company also places emphasis on 'Value Engineering', proposing alternative solutions that align with client budget targets by leveraging a diverse network of local, regional, and international suppliers to optimise design and specifications. For projects requiring accelerated timelines, non-traditional, non-linear delivery methods are adopted to promote collaboration between clients, designers, and contractors. In addition, ALEC Fitout adopts a 'Design to Budget' strategy, built on a negotiated procurement approach, which is designed to meet the client's budget targets by providing customised delivery solutions.

Some of the landmark fitout projects executed by the company include:

AQUARABIA WATERPARK, QIDDIYA — KSA

القدية Qiddiya

VALUE	AED215m
SCOPE OF WORK	▪ 122,000m² of hyper realistic themed rockworks ▪ 61 animal icons involving 3D prototyping and painting ▪ 33,000m² of themed paintwork facades
PROJECT DURATION	Feb 2023 – project start Q3 2025 – anticipated completion

MARSA AL ARAB LUXURY HOTEL & RESIDENCIES — UAE

Jumeirah HOTELS & RESORTS

VALUE	AED216m
SCOPE OF WORK	▪ Fitout including furniture, fixtures and equipment of: – Hotel public areas and signature F&B – Hotel residences public areas – 5 ultra prime penthouses and events suites – 4,000m² spa & wellness
PROJECT DURATION	Jul 2022 – project start Jan 2025 – project completion

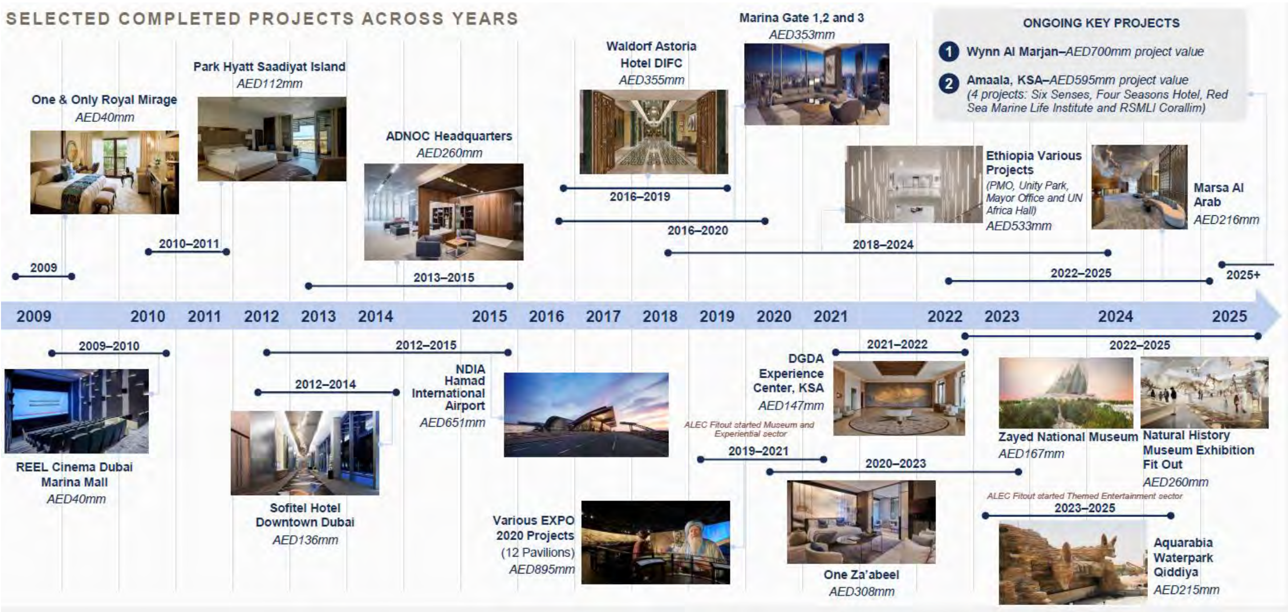
NATURAL HISTORY MUSEUM EXHIBITION FITOUT — UAE

ميرال MIRAL

VALUE	AED260m
SCOPE OF WORK	▪ Showcases, models and replicas, AV integration, exhibition lighting, architectural finishes as well as MEP and base build integration ▪ Delivery of 12 galleries, each representing the recreation of a distinct sector that showcases different geological areas and geographical locations
PROJECT DURATION	Dec 2022 – project start Q4 2025 – anticipated completion

These projects highlight ALEC Fitout's expertise in delivering high-end luxury, cultural, and themed entertainment spaces.

ALEC Fitout has a long track record of delivering large-scale and complex fitout projects:



2. *ALEMCO*

Established in 2006, ALEMCO is a leading provider of engineering, construction, and technology solutions, specialising in MEP engineering, data centre construction, ELV systems, and fast-track turnkey projects across various sectors. ALEMCO delivers comprehensive electromechanical and building services solutions. It specialises in all development phases, offering MEP services from pre-construction planning through building technical operations. It has significant expertise in building quantity surveying, value engineering, and MEP systems cost optimisation. ALEMCO operates advanced prefabrication and modular production facilities in Dubai and RAK, which enables the company to complete projects more efficiently and to a high standard of quality.

As of 30 June 2025, the company had over 6,000 employees, had successfully delivered over 125 projects, and had achieved BSI BIM Kitemark certification which is a globally recognised certification issued by the BSI that demonstrates an organisation's commitment to excellence in BIM.

ALEMCO provides a comprehensive range of electrochemical solutions tailored for landmark projects, with a particular focus on efficiency, quality, and innovation in delivery. One of its key offerings is the use of prefabricated MEP modules, a versatile solution applicable across commercial, residential, and industrial developments. These modules are integrated through the adoption of Design for Manufacturing and Assembly (DfMA), a methodology in which most of the work is carried out offsite in a controlled manufacturing environment before being transported and assembled on-site. This approach is designed to support reduced project durations, enhance construction quality, improve site safety, and lower overall labour requirements and costs.

ALEMCO's core offering spans a wide range of projects, including: (i) 19 hotel projects (including 7 luxury hotels); (ii) 26 airport projects (out of which, 18 are ongoing projects); (iii) 17 special projects, which include a variety of work such as EXPO 2020, museums and infrastructure; (iv) MEP engineering with over 3 million metres squared of airconditioned spaces having been completed; and (v) fast-track execution.

Some of the key competitive advantages of ALEMCO include its ability to (i) successfully manage and execute highly technical projects; (ii) leverage expert engineering skills to provide timely and efficient delivery; (iii) provide critical systems within buildings with efficient and innovative solutions; and (v) execute projects off-site and through modular production.

ALEMCO's operations include the following business units: (i) ALEC Data Center Solutions; (ii) ALEC Technologies; and (iii) ALEC Lite, all of which are highly specialised in addressing diverse electromechanical needs throughout the construction process.

ALEC Data Center Solutions

Established in 2022, ALEC Data Center Solutions is a leading provider of comprehensive, reliable and scalable data centre solutions, which offers specialised engineering, procurement, and construction services for large-scale traditional, AI, and prefabricated data centres. Its expertise includes delivering tailored liquid cooling solutions across all project types and enhancing IT efficiency through automation. ALEC Data Center Solutions also provides end-to-end project coordination capabilities including due diligence studies, procurement, project and commissioning management services for its clients. Its core offering spans across: (i) traditional hyperscale data centres; (ii) pre-fabricated data centres; (iii) edge deployments; and (iv) liquid cooling and immersive solutions.

ALEC Data Center Solutions offers data centre companies a number of critical advantages, including (i) it acts as a one-stop data centre solutions provider, covering the majority of construction needs for building a data centre facility; (ii) it is an in-house manufacturer of bespoke (and product agnostic) pre-fabricated data centres; (iii) it has the ability to scale and oversee data centre projects of any size; and (iv) it is a regional leader in deployment of liquid cooling solutions.

In 2022, ALEC Data Center Solutions received the Sustainable Data Centre Provider award by Future Enterprise Awards.

ALEC Technologies

Established in 2022, ALEC Technologies is a provider of diverse electronic solutions. It offers advanced ELV solutions, complete information and communications technology systems including data centre whitespace and cabling, complete audio-visual solutions for all types of built environments, and provides and instals safety and security alarm systems, access control and intercom systems among others. ALEC Technologies also uses next-generation IoT systems and solutions for interconnected building spaces and delivers control and entertainment solutions for high-end smart living systems. Its core offering includes the installation of (i) information and communications technology systems, (ii) security cameras and systems, (iii) audio-visual systems, (iv) IoT and automation systems, and (v) guest room systems.

Some of its key competitive advantages include that (i) it provides solutions that are fully integrated and end-user oriented rather than vendor oriented; and (ii) it uses proprietary IoT platform which operates as a cloud and on-premises hybrid solution.

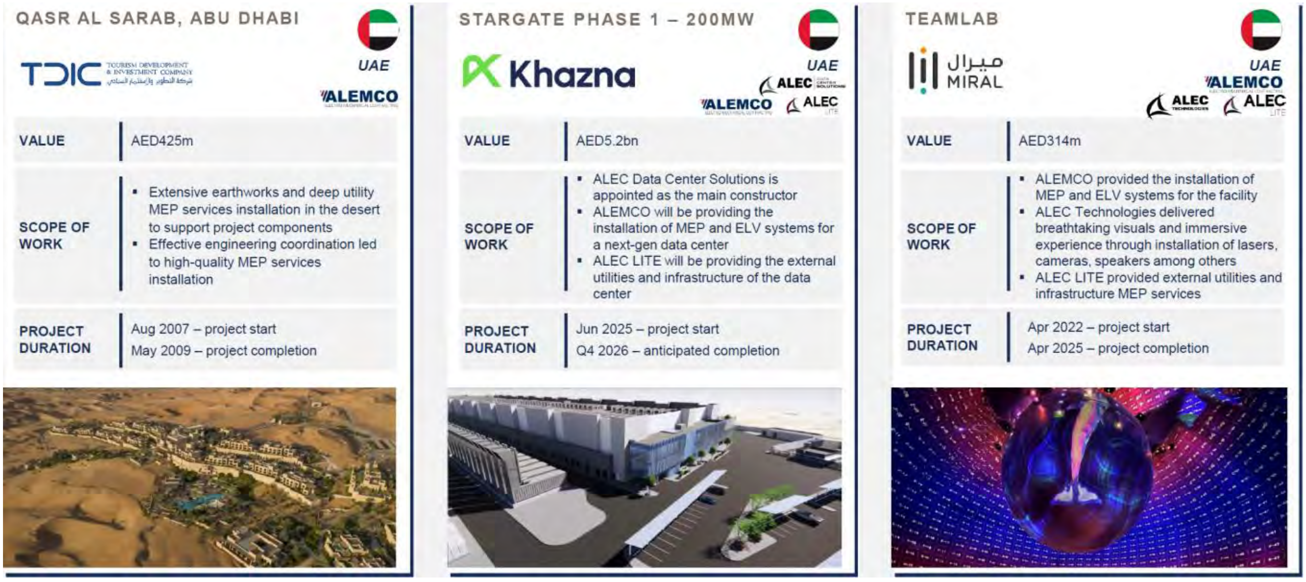
ALEC Lite

Established in 2019, ALEC Lite is a comprehensive turnkey solutions provider for small projects. It provides fast-track, turnkey construction solutions across MEP, civil, and architectural services, specialising in small-scale projects. ALEC Lite specialises in construction of buildings, infrastructure, and other civil engineering projects, including excavation, foundation laying and structural work. It provides end-to-end construction services, from project planning to completion, including procurement, logistics, and project management.

Its core offering includes (i) turnkey solutions provided by its in-house design team; (ii) projects executed live in hotels and malls; (iii) services being provided to special sectors such as pharmaceutical and clinic projects; (iv) the use of eco-friendly materials; and (iv) a fast-track record of 67 projects being handed over within 31 months.

Some of its key competitive advantages include (i) turnkey solutions being provided across all construction phases for both new builds and the refurbishment of small projects; and (ii) delivering fast-track projects ahead of time (less than 4 months to delivery on average).

Some of the landmark projects executed by ALEMCO, ALEC Data Center Solutions, ALEC Technologies and ALEC Lite, include the following:



3. ALEC Solutions

ALEC Solutions is a comprehensive provider of advanced off-site construction solutions, offering a seamless, end-to-end approach to meet the evolving demands of the construction industry.

ALEC Solutions' operates through the following business units: (i) ALEC Facades; (ii) LINQ; and (iii) ALEC Energy.

ALEC Facades

Established in 2019, ALEC Facades provides innovative solutions for complex building envelopes and complex facades, and adopts the latest global technologies for superior engineering and execution. ALEC Solutions provides turnkey building envelopes for bespoke and complex projects, including skylights, retractable roofs, solar façade enclosures, and free-form steel. It connects developers with experienced, cost-efficient and technologically superior suppliers worldwide. ALEC Solutions also has an in-house team of designers, engineers, and project managers who collaborate with international suppliers with the aim of ensuring that top-quality project design is provided. Its core offering includes:

Some of ALEC Facades' key competitive advantages include (i) its vast experience as an operator in highly regulated markets, including airports; (ii) access to specialised partners in the supply chain globally; and (iii) competitive pricing given its ability to share resources with other members of the Group.

Since its inception, ALEC Facades has completed six projects, with an average of 10,000m² of completed facades delivered monthly and 99% of façade installations passing the quality inspection without requiring any further work.

LINQ

Established in 2020, LINQ is a provider of modular solutions for off-site manufactured housing, which operates the largest modular facility in the GCC. LINQ delivers prefabricated modules directly to sites and assembles them through its skilled operations team. It also offers a range of modular solutions with options for energy-efficient features and tailored layouts to meet diverse client needs.

In 2025, it was awarded "Best Contractor of Innovation in Construction Techniques" as part of the Construction Innovation Awards KSA.

Its core capabilities include:

LINQ's modular housing solutions are built off-site in a factory-controlled environment and then transported to the final location for assembly. The Group believes that this approach offers several benefits over traditional construction methods, such as providing accelerated completion times, cost savings, and enhanced design flexibility to meet clients' needs. Based in Dubai Industrial City, LINQ's factory has a plot area of 31,000m² and a manufacturing area of 10,500m², and has six dedicated modular lines.

As of 30 June 2025, LINQ had delivered approximately 600 modules.

ALEC Energy

Established in 2015, ALEC Energy specialises in comprehensive solar solutions. It offers complete turnkey solutions for various projects in the solar energy space and provides a complete range of services from concept to commissioning, as well as operations and maintenance for solar photovoltaics projects in the UAE and Saudi Arabia. ALEC Energy is able to leverage its experienced project management team and industry experts with strong technical know-how in the construction of a wide range of solar photovoltaic power plants. Its core capabilities include (i) Building Integrated Photovoltaics (BIPV) solutions; (ii) Building Applied Photovoltaics (BAPV) solutions; (iii) turnkey solar solutions; and (iv) Engineering, Procurement and Construction (EPC).

Since its inception, ALEC Energy had approximately 35 MWp of solar energy installed and approximately 56 MWp in the pipeline.

Some of the landmark projects executed by ALEC Solutions, ALEC Facades, LINQ and ALEC Energy, include the following:

GUGGENHEIM MUSEUM

دائرة الثقافة والسياحة DEPARTMENT OF CULTURE AND TOURISM

UAE — ALEC FACADES

VALUE	AED281m
SCOPE OF WORK	• Complex facade structure including 2,150m of steel cones for a total surface of 61,137m²
PROJECT DURATION	Mar 2022 – project start Q3 2025 – anticipated completion

SINDALAH

NEOM

KSA — LINQ

VALUE	AED180m
SCOPE OF WORK	• Design, supply, supervision of installation and finishing of 510 volumetric hotel room modules
PROJECT DURATION	July 2023 – project start August 2024 – project completion

DUBAI HILLS MALL

EMAAR

UAE — ALEC ENERGY

VALUE	AED24m
SCOPE OF WORK	• Design, engineer, supply and oversee installation of the grid connected 6.5MWp solar carpark & rooftop PV project
PROJECT DURATION	Nov 2019 – project start Jan 2021 – project completion

4. AJI Rentals

Established in 2016, AJI Rentals operates as a comprehensive provider of equipment rental and custom service solutions, catering to a wide range of project needs. The company's business model is built around offering equipment both with and without operators, ensuring flexibility for clients across various industries. Its operational scope includes powered access equipment, mini cranes, site power solutions, and material handling equipment, as well as cleaning equipment. AJI Rentals manages a substantial fleet, with a total value of approximately AED 220 million and an average unit age of just 33 months, compared to a typical equipment life cycle of up to 120 months. This young and well-maintained fleet is a testament to the company's commitment to operational excellence and reliability. Approximately 75% of the fleet is access equipment sourced from world leading manufacturers, including JLG Industries (ranked as one of the world's leading designers and manufacturers of access equipment).

Beyond equipment rentals, AJI Rentals distinguishes itself by providing a suite of ancillary services designed to support clients throughout the project lifecycle. These services include certified training programs, equipment sales, and annual maintenance contracts, all delivered through an in-house team of experts. The company is also an approved training centre, further enhancing its value proposition by ensuring that clients' personnel are fully equipped to operate the machinery safely and efficiently. Notably, AJI Rentals owns 850 fleet units and the largest fleet of battery energy storage systems in the region, with more than 40 units available, positioning the company at the forefront of sustainable and innovative energy solutions.

Key Projects and Selected Clients

The Group offers an integrated suite of services with extensive expertise in a wide range of industries enabling it to be a contractor of choice for blue-chip companies across the UAE and Saudi Arabia. Some of the Group's most prominent clients and key projects are set out below:

BLUE-CHIP CLIENTS	KEY HIGHLIGHTS	AGGREGATE VALUE OF AWARDS TO ALEC	SELECT PROJECTS
EMAAR	#1 Contributor to UAE project pipeline[1]	AED6.5bn Completed projects	DUBAI HILLS MALL AED2.9bn
DAEP	#2 Contributor to UAE project pipeline[1]	AED10.3bn Completed projects	DXB CONCOURSES A&D AED9.0bn
NAKHEEL	#4 Contributor to UAE project pipeline[1]	AED1.8bn Awarded projects	COMO RESIDENCES AED1.8bn
أدنوك ADNOC	#5 Contributor to UAE project pipeline[1]	AED7.3bn Completed projects	ADNOC OFFSHORE EPC WORKS AED4.5bn
ميرال MIRAL	5 Landmark projects awarded to ALEC	AED6.7bn Awarded projects	SEAWORLD ABU DHABI AED4.4bn
Wynn RESORTS	Wynn Al Marjan in Ras Al Khaimah awarded to ALEC	AED8.3bn Awarded projects	WYNN AL MARJAN AED8.3bn
Qiddiya	2 Landmark projects awarded to ALEC	AED10.1bn Awarded projects*	QIDDIYA SPEED PARK AED7.6bn*
Misk مسك	Ilmi Science & Technology Centre in Riyadh awarded to ALEC	AED1.7bn Awarded projects	ILMI SCIENCE & TECHNOLOGY CENTRE AED1.7bn

(1) 2024-2026 UAE project pipeline is defined as project spend from 2024 to 2026, based on the projects that have been announced.

(2) The Qiddiya Speed Park project has been entered into through the joint venture formed by and between ALEC Saudi and El Seif Engineering Contracting Co. See "*Material Agreements*". Value refers to total value of the project, in which ALEC Saudi has a 50% share.

Selected Awards

The Group has been repeatedly recognised as a high-quality constructor with over 250 awards won since inception. Examples of awards include:

Construction Process

The Group mainly acts as the general contractor and assumes responsibility in such role for overall project management and supervision, including planning, design and quality control and the provision of technical services. The Group generally constructs buildings and structures based on the specifications and drawings agreed between the Group and its clients. The Group's project management department, which includes engineers and specialised technicians, acts as the project manager and monitors the construction of each phase of a project. The Group's project management department also aims to ensure that the work is carried out in conformity with technical specifications, its quality and safety standards and the proposed construction schedule.

As part of the Group's integrated suite of services, it has implemented a sophisticated project management system that monitors all activities associated with a project. This allows the Group to set project plans and projections efficiently according to the Group's internal project management standards and share information about the construction schedule with its clients, subcontractors, vendors and other project partners.

The Group selects its suppliers and construction subcontractors through open bidding or direct negotiation with a specific party. The Group selects these parties based on their technical skills, financial condition, length of operations, organisation and the quality of their prior work. The Group regularly uses subcontractors for its construction projects, primarily for the provision of labour and services such as excavation, electrical work, interior work and other activities. Subcontracting is a standard practice in the industry which allows companies to quickly scale operations and adapt to project demands without overextending internal resources, and on average per project, 35–60% of the Group's work is performed by subcontractors. Subcontracting is used by the Group as a lever for greater flexibility and risk off-loading. The Group subcontracts to both internal and external vendors to be competitive, although the final subcontracting decision is managed by the client. With respect to any risks associated with subcontractors, such as quality control, coordination, reliance on external parties, communication barriers, and risk management, the Group attempts to mitigate such risks through a range of targeted measures. These include implementing robust oversight mechanisms to ensure quality; using integrated project management tools to access specialised skills and maintain project alignment; developing strong partnerships and managing resources effectively to control costs; establishing clear communication protocols to enhance scalability; and conducting thorough risk assessments to maintain focus on core activities. The Group generally reflects the terms of its contracts with its clients in the contracts it enters into with subcontractors. The Group maintains a long-term working relationship with a select group of subcontractors and consults them for most bids at the appropriate time. See "*Contracts and Risk Management Framework – Contract Structures – Cash Flow Discipline*".

Innovation and Digital Construction

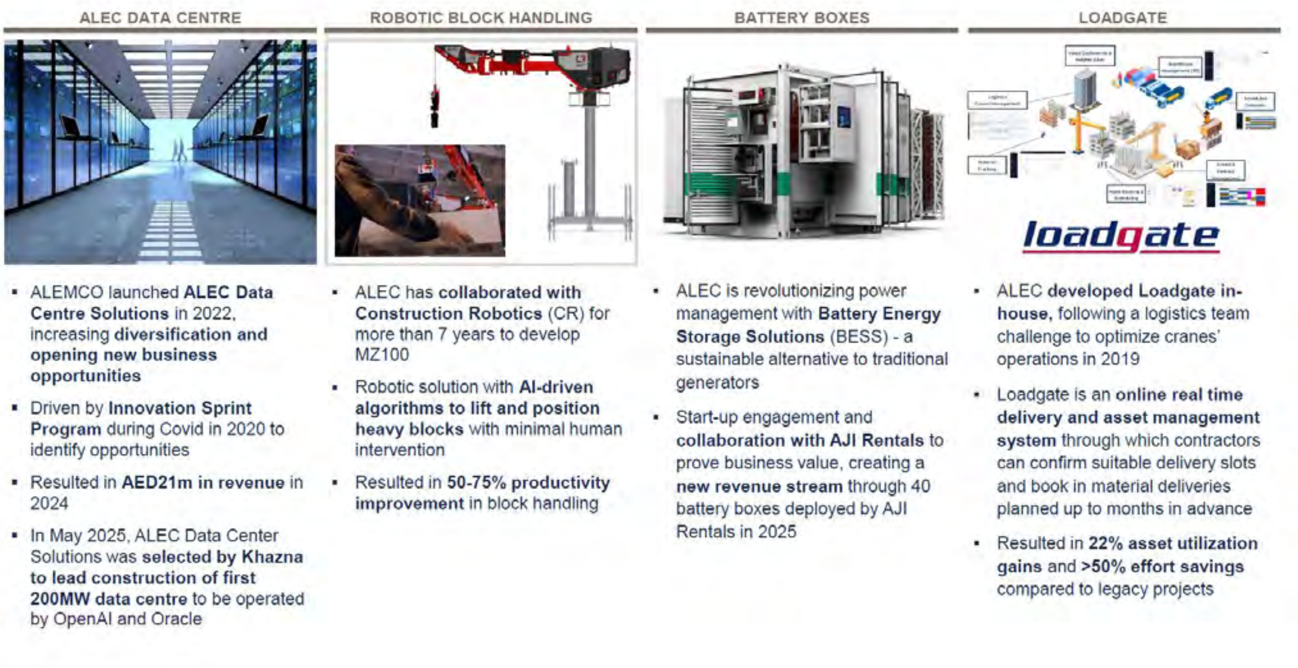
The Group places innovation at the core of its operations, embedding it across all business units through a clearly defined framework. The Group encourages innovation by focusing on five key segments: people, organisation and culture; continuous improvement; health, safety and environment; technology and automation; and new business opportunities. The Group develops skills and capabilities internally, runs challenge-based programmes, and collaborates with startups and digital companies to identify and implement new solutions. Employees participate in a transparent innovation point system, which assigns points to each engagement based on its impact, motivating staff to contribute ideas and drive change.

The Group manages the innovation process through a structured idea lifecycle, using an internal dashboard to track and support ideas from conception to implementation. In 2024, the Group generated over 4,000 ideas, with 600 implemented. The Group's approach to innovation includes programmes such as Tahadiy, a flagship challenge-based programme that brings together self-nominated teams to address top business challenges over a nine-month period. The Group also engages with external partners, piloting and rolling out solutions that address specific operational needs, such as robotics for block handling, hybrid energy systems, and digital tools for equipment tracking and logistics optimization.

In digital construction, the Group integrates technology and data-driven approaches to improve efficiency and project delivery. The Group adopts Building Information Modelling (BIM) as a central component of its digital construction strategy. The Group achieved BSI BIM Kitemark certification for design, construction, and commissioning in accordance with ISO 19650, which demonstrates its commitment to consistent information management and collaboration across projects. The Group uses BIM to win more contracts, standardise processes, and improve collaboration with suppliers.

The Group also leverages a suite of digital tools to support all stages of construction, from tendering and design to handover and operation. These tools include cloud-based databases for information management, collaboration platforms for 3D and 2D model integration, and internally developed software for document management and logistics. The Group equips site teams with tablets and mobile devices, enabling real-time access to project data and facilitating issue management. The Group also uses virtual reality (VR) and augmented reality (AR) for interactive model reviews, allowing teams to visualise and coordinate complex projects more effectively.

The Group's digital construction capabilities extend to the use of robotics and automation. For example, the Group collaborates with technology partners to develop robotic solutions for block handling, which improve productivity and reduce manual labour. The Group also implements battery energy storage solutions to optimise power management on construction sites, and develops in-house systems like Loadgate for real-time delivery and asset management. These initiatives support the Group's goal to drive efficiencies, enhance project certainty, and deliver high-quality outcomes for clients. Some of the Group's innovative solutions' applications are set out below:



By integrating innovation and digital construction, the Group seeks to maintain a competitive edge, improve operational efficiency, and deliver complex projects with greater certainty and quality. The Group's focus on continuous improvement, technology adoption, and employee engagement underpins its approach to meeting evolving industry demands.

Supplies

It is the Group's view that the choice of materials, their sourcing locations and manufacturing methods, play a significant role in the 'upfront' embodied carbon of the assets it builds. The choice of these materials also determines the durability, cost, ability to reuse or recycle building elements and determines the lifespan of the assets. Within the EPC model, materials are specified by the consultant on behalf of the client, and the main contractor is expected to show compliance to these specifications and procure them within budget. The Group, however, is directly involved in the procurement and execution of substructure and super structure-related works (referred to as ALEC Direct Works) and typically subcontracts the remaining packages. Materials used by the Group in its construction work include concrete, cement, steel beams, pipes, glass, aluminium, and other materials based on the requirements of each project.

Generally, the Group purchases most of the materials used in its construction projects from domestic sources but also purchases some of its materials from overseas suppliers. The Group purchases materials from over 1,300 suppliers, and it is not dependent on any one or group of suppliers. The Group seeks to maintain and improve the quality of the construction materials it purchases by requiring suppliers to provide quality guarantees and by continuing to diversify the Group's supply sources. Some of the materials used in the Group's construction projects are not purchased by the Group itself, but by its subcontractors, who are given the applicable quantity, quality and other specifications. The Group's local subcontractors are responsible for procuring materials subject to applicable quantity, quality, price and other specifications for the project provided by the Group.

For permanent works' materials, the Group requires its subcontractors and suppliers to confirm that all proposed materials have local municipality, Civil Defence and all other related authority approvals / registration and are compliant with any restrictions on the country of origin. All subcontractors and suppliers are required to provide an undertaking that their proposed method statements and materials are in complete adherence to the client's material specifications and the materials undergo a rigorous inspection and testing regime, undertaken by the Group's Quality Assurance and Quality Control ("**QAQC**") teams. For temporary works, where the Group has more operational control, the Group explores reuse of excess materials, pilot low-carbon material alternatives and undertakes feasibility studies from the operations teams. To increase longevity of formwork and scaffolding stock through reuse and utilisation, the Group has switched from predominantly wood-based to aluminium items. Given the recyclability of aluminium and its ability to be used multiple times with less upkeep, the Group has managed to reduce the wastage of timber-based formwork significantly over the years.

The Group generally only purchases strategic items of construction machinery such as tower cranes and rents other items from the market.

Contracts and Risk Management Framework

Selective Tendering Process

The Group employs a disciplined, data-driven tendering approach that concentrates managerial time and capital on a narrow set of opportunities aligned with its technical strengths and return expectations. Every invitation to tender is subjected to a structured screening process managed jointly by commercial, technical and risk teams. Projects are advanced to the "focused tender" stage only where they satisfy defined quantitative and qualitative criteria including, among other factors, an estimated margin that meets internal hurdle rates, a contract value that is generally AED 1 billion or more, and the involvement of blue-chip counterparties with a proven payment record. The Group also favours assignments that are nationally significant, require innovative construction methods, or involve complex scopes that benefit from the Group's integrated suite of in-house capabilities.

During the year 2024, the Group received 205 tender invitations. Following the initial screen, fewer than 3% proceeded to the focused tender stage, reflecting the rigour of the selection process. At that point, dedicated estimating, engineering and planning teams work in parallel to develop detailed workplans, cash-flow models and risk registers. Multiple internal checkpoints are built into the timeline, covering commercial assumptions, supply-chain capacity and resource allocation, to ensure that each submission remains consistent with the Group's contractual risk parameters and financial objectives.

The selectivity of this process has two principal benefits. First, it preserves bidding capacity for contracts where the Group's specialist know-how (such as high-rise cantilever structures, complex MEP installations or high-profile developmental projects) creates a clear competitive edge, thereby enhancing win probabilities. Second, it underpins disciplined growth: of the 7 tenders pursued in 2024, 4 were awarded to the Group, resulting in a 57% success rate and ensuring that manpower, equipment and resources are committed only to projects capable of delivering attractive, risk-adjusted returns, which in turn allows the Group to maintain a strong backlog, strong cash-flow visibility and an operating model resilient to market cycles.

Set out below are a sample of the projects awarded through the Group's selective tender process:

Project Name	**Client**	**Award Year**	**Reason for Selection**	**Type**	**Project Value** (***AED millions***)
Das Island Scope	ADNOC	2025	Tender Process	Energy	4,830
Como Residences	The Palm Jumeirah	2024	Capabilities to deliver complex projects	B&C	1,823
Natural History Museum	Miral	2022	Track record for similar projects	B&C	1,353
teamLab Phenomena	Miral	2022	Track record for similar projects	B&C	535

Access to Landmark Projects through bilateral negotiations

On average, for the period between 2021 and the first six months of 2025, 60% of the Group's awards were from bilateral negotiations as opposed to through selective tender processes. The Group views this as a testament to the Group's differentiated offering in comparison to its peers and its ability to provide tailored solutions.

Set out below are a sample of the projects awarded through bilateral negotiations:

Project Name	**Client**	**Award Year**	**Reason for Selection**	**Type**	**Project Value** (***AED millions***)
Wynn Al Marjan	Wynn Resorts	2023	Track record for similar projects	B&C	8,100
Qiddiya Speed Park	Qiddiya Investment Company	2023	Track record for similar projects	B&C	7,626[(1)]
Stargate – Data Centres	G42 Sky5 Technological Projects LLC	2025	Track record in delivering on time and with high quality standards	B&C	5,204

iLMI – Science Discovery Innovation Centre MISK	Misk City Company	2024	Track record for similar projects	B&C	1,800
Yas Water World Expansion	Miral Asset Management	2023	Add-on to the main project (executed by ALEC Construction)	B&C	447

(1)The Qiddiya Speed Park project has been entered into through the joint venture formed by and between ALEC Saudi and El Seif Engineering Contracting Co. See "*Material Agreements*". Value refers to total value of the project, in which ALEC Saudi has a 50% share.

Contract Structures

Contractual Framework

The Group enters into engineering and construction contracts that are designed to balance clear responsibility allocation with disciplined risk management. Each agreement begins by defining the parties' general obligations, including a detailed division of design responsibilities, a statement of key deliverables, and protocols for coordinating third–party requirements. By setting these parameters at the outset, the Group establishes a reference point against which contractual and operational performance can be assessed through bi-weekly contractual performance checks and monthly financial performance reviews.

Cash-Flow Discipline

The payment provisions in the Group's contracts are mainly structured to maintain predictable liquidity over the life of a project. At the outset, the client typically releases an advance equal to roughly 10% of the contract price, secured by appropriate on-demand bonds, which is intended to provide the working capital required to mobilise labour, equipment and long-lead materials. Once mobilisation is complete, the Group submits a payment application at the end of each month, which is expected to be paid within approximately 60 days of submission, establishing a consistent two-month cash-collection cycle throughout the life-cycle of a project. Approximately 5% of every amount received for the work completed is retained in the form of a retention bond, and retentions are mainly reduced by half upon the client taking over the project with the balance being released at the end of the defect liability period.

Outbound cash flows are aligned with this cash inflow profile described above. Salaries are paid to employees at the end of each month, while other project overheads and material suppliers are ordinarily paid on 60-day terms. Direct labour hired through subcontractors are paid on 30-day terms, whereas subcontractors' progress payments are released 7 to 10 days from the time the Group is paid. Approximately 10% of each subcontractor payment is retained monthly and is paid in two equal tranches at the end of the relevant project. Before tender submission, a detailed month-by-month cash-flow model is prepared to confirm that the project remains cash-positive. These terms, together with the back-to-back arrangements that synchronise supplier and subcontractor obligations with the Group's own payment cycle, help to protect project cash flow, minimise working-capital lock-up and reduce the incidence of payment delays across the supply chain.

Risk Allocation

The Group seeks to minimise exposures that can erode profit margins or disrupt delivery. The Group seeks to address material price fluctuations at the tender stage through negotiated pricing arrangements and the early procurement of critical supplies. Where appropriate, the Group attempts to further mitigate risk by passing defined obligations to subcontractors on back-to-back terms. Contracts also typically incorporate pre-agreed liquidated damages that set a fixed rate for schedule slippage, coupled with caps on overall financial liability and clearly defined carve-outs for periods in which damages do not apply. The Group's contracts also include dispute-resolution mechanisms, which provide an orderly forum for resolving any contractual disagreements.

Project Timelines and Quality Assurance

Commitments to completion dates are supported by detailed construction programmes and a framework of frequent progress checks that enable early identification of potential variances. Regular site inspections, independent audits, and supplier management protocols are embedded within the contractual documentation to uphold service quality. As a result of these measures, the Group has historically experienced a limited incidence of bond calls, with performance bonds called on approximately 0.2% of projects since the Group's inception.

This contractual model, characterised by clearly defined obligations, structured cash-flow protection, and tailored risk-sharing provisions, underpins the Group's ability to deliver projects within agreed time, cost, and quality parameters while maintaining disciplined financial and operational oversight of the relevant project.

Risk Management Strategy

The Group seeks to embed risk management at every stage of the project life-cycle so that exposure is identified early and addressed through practical measures rather than after-the-fact remediation. A dedicated commercial and technical team uses CCS software for pricing and quotations for compiling estimates, allowing each tender to be stress-tested for sensitivity to movements in key inputs such as steel, concrete and specialised façade elements. Where price volatility is material, the Group aims to lock in supply terms for the full project duration or, where appropriate, share that risk with the client through contractual escalation clauses. This approach reduces the likelihood that unforeseen fluctuations in material costs will erode project margins.

To protect cash generation, each contract is supported by an upfront cash-flow model that aligns anticipated inflows with scheduled outflows for payroll, direct materials and subcontractor payments. The Group seeks to negotiate payment schedules that include advances of roughly 10% of contract value and monthly certificates that are normally settled within 60 days, thereby keeping a near-neutral working capital position with the aim of ensuring cash positivity throughout the project lifecycle. Subcontractor payments are released on a back-to-back basis once the Group has received the corresponding funds from the client, limiting working-capital absorption and mitigating the risk of cash-flow delays. See "*Contract Structures – Cash Flow Discipline – Risk Allocation*".

For multi-year tenders, the Group undertakes a comprehensive risk assessment that focuses on price escalation, programme drift and scope change. To avoid being exposed to prolonged commercial uncertainty, the Group seeks to agree in detail on matters such as the bid validity periods, provisional sums and milestone definitions. During the execution of a project, a detailed tender programme and employer deliverables schedule are maintained, and contractual performance is reviewed bi-weekly. These measures enable early identification of critical path slippage and allow corrective action before delays crystallise. See "*Contract Structures – Contractual Framework*".

The Group also engages early with key specialist subcontractors and aims to secure long-lead items before project mobilisation to attempt to avoid any supply-chain risks. Where projects involve joint procurement with clients, the Group seeks to educate the employer on the importance of technical capability and capacity rather than lowest price alone, thereby reducing the risk that an under-qualified vendor is selected. The Group also maintains relationships with multiple qualified suppliers to mitigate redundancy if a single provider experiences disruption.

The Group views human capital as a strategic asset, and it aims to maintain competitive remuneration and structured career development to reduce the impact of turnover in critical roles. From a financial standpoint, the Group seeks to preserve a conservative capital structure and to fund growth largely through internally generated cash.

Collectively, these policies aim to ensure that the Group can continue to deliver complex, landmark developments in the UAE and Saudi Arabia while containing the operational, financial and contractual risks inherent in the sector.

The Group's Medium-term Outlook

As part of the Group's business strategy aimed at positioning it for long-term growth, the Group has set certain medium-term targets. The medium-term targets are not a profit forecast and no statement or projection in this Prospectus should be interpreted to mean that earnings for the current or future financial periods or years would necessarily match or exceed historical earnings or meet the targets set out below. The Group's ability to meet the medium-term targets depends on a variety of factors, including market conditions and industry knowledge, the accuracy of various assumptions involving factors that are beyond the Group's control and are subject to known and unknown risks, uncertainties and other factors that may result in it being unable to implement the strategy and achieve such medium-term targets. See "*Information Regarding Forward-Looking Statements*" and "*Risk Factors – Risks Relating to our Business – The Group may not be able to successfully achieve and implement its business and growth strategy or meet its medium-term targets*".

Employees

As at 30 June 2025, the total number of staff and labourers was approximately 47,500. The table below sets forth the Group's approximate total number of staff and labourers by business segment as at 30 June 2025:

	Number of staff and labourers as at 30 June 2025
Building and Construction	15,400
Energy	25,600
Related Business	6,500
Total number of employees..	47,500

In the UAE, the Group has approximately 32,000 labourers and 9,400 staff members. The workforce in Saudi Arabia consists of approximately 4,900 labourers and 1,200 staff members.

Skilled Employee Benefits

The Group endeavours to provide employee compensation that it considers to be competitive with other organisations in its area of operation. The Group also provides a range of employee benefits, such as health insurance and performance-linked bonuses, as well as additional benefits such as overseas flight tickets, and parental leave. There are different types of leaves provided to employees to help them attend to their exigencies such as compassionate leave, sick leave, leave without pay, study leave, CSR leave and other types of special leave. These employee benefits are periodically reviewed based on market studies by external consultants, to ensure that the Group can attract and maintain a skilled workforce.

In accordance with the laws of the UAE, the Group provides end of service benefits to non-UAE national employees. Entitlement to these benefits is based on the employee's length of service and the completion of a minimum service period. UAE national employees benefit from a government instituted pension plan to which both the Group and UAE national employees contribute at prescribed rates.

The Group launched the Tomohy programme in 2022. Under the Tomohy programme, Emirati graduates can apply for an eight-week internship program to explore and develop their careers across various departments of the Group's business. 33 interns participated in the program and, following completion, 21 interns were offered, and 15 accepted, full-time employment across the Group's business in the following departments: Digital Construction, Legal, Engineering, QA/QC, Operations, IT, HSE, Commercial, Design, Business Development and Surveying.

In February 2024, the Group launched the Mustaqbal programme, a year-long mentorship and training initiative to support the UAE's efforts to increase Emirati participation in the private sector. Designed to nurture the next generation of Emirati talent in the construction and real estate sectors, the programme enrolled 15 young professionals in its inaugural cohort (around 60% of whom are women). Participants receive training in essential workplace skills such as accountability, communication, and time management, alongside hands-on technical exposure at ALEC project sites. The programme also includes leadership development through mentoring by in-house experts and guest professionals, focusing on team dynamics, management, and presentation skills. It concludes with a capstone placement in ALEC's Innovation Division, where participants apply their learning to live R&D projects. The Mustaqbal programme reflects ALEC's broader commitment to developing local talent and contributing to the UAE's long-term workforce goals.

In October 2024, the Group launched AHLAN programme, a focused 30-day onboarding and training initiative introduced to increase Saudi participation in the construction sector as part of Vision 2030 and the Nitaqat Saudisation drive. Tailored for new Saudi recruits, the programme pairs daily one-on-one sessions with managers, immersive workshops, and mentorship led by ALEC's Learning & Development team, all designed to help participants quickly build both job-specific technical skills and a comprehensive understanding of the company's operations.

Labourers Benefits

All of the Group's labourers are housed in labour accommodation either on site or close to site and transported by bus each working day. Each labourer is allocated sleeping quarters of at least four metres squared (which is 25% over the legal minimum). Labourers are provided with fresh and catered food three times per day. The Group also provides labourers with medical care and insurance. In addition to housing, food and medical care, the labourers are provided with the following benefits (free of charge) within their accommodation: (i) laundry; (ii) bedding; (iii) overalls (and required PPE and health and safety equipment); WiFi; (iv) internet cafes (with access to Skype, Zoom, Google); (v) fully fitted gymnasiums; and (vi) cinema room.

The Group has a dedicated worker welfare team which reviews subcontractor worker welfare-related policies and implementation and hosts independent third-party worker welfare audits conducted on ALEC Construction's sites. The Group's subcontractor staff and labourers undergo mandatory welfare induction covering the following topics: (i) right to personal documents; (ii) salary payment and overtime details; (iii) costs associated with recruitment; (iv) medical care and insurance; (v) PPE and health and safety; and (vi) accommodation and transport.

Labour succession within the Group consists of a formal training programme that allows unskilled labourers to participate in the upskilling programme to develop into qualified tradesmen. In the year ended 31 December 2024, over 4,600 workers were trained by ALEC Construction and ALEMCO.

Moreover, the Group organises several sports activities for its labourers, including cricket, carrom, football, volleyball, and tug-of-war as well as recreational activities such as visits to Global Village Dubai, Labour Day festivities, Iftar gatherings, Eid al-Etihad, and Christmas celebrations. In the year ended 31 December 2024, the number of workers participating in sports events exceeded 760 and the number of workers participating in engagement events exceeded 18,300.

Long-Term Incentive Plan

The Group implemented a long-term incentive plan ("**LTIP**") through ALEC Construction which may be entered into by executive management, business heads and departments heads of the Group.

The LTIP is a three-year cash-based performance programme that runs from 1 January 2025 to 31 December 2027. At the outset of the cycle, each eligible employee receives an individual "**Grant Letter**" that specifies the maximum cash award denominated in either AED or SAR. This award represents the participant's opportunity, expressed at "Target" performance, to earn a cash payment once the plan has vested.

Vesting is wholly performance-contingent and is measured against three independent key performance indicators ("**KPIs**"): (i) Total Shareholder Return, (ii) Net Income, and (ii) Operating Cash. Each KPI carries an equal one-third weighting in the vesting calculation. All awards vest, if at all, only at the end of the performance period. To be eligible for payment, a participant must (i) remain in employment with the Group on the vesting date, (ii) not be under notice of termination, and (iii) have maintained at least a "Standard Performance" rating throughout the cycle. After the Company's audited results are approved, the remuneration committee confirms the extent to which the KPIs have been met and authorises the cash payout. Payment is made no later than the end of the first quarter following the performance period. Accordingly, for the 2025–2027 cycle, any vested amounts will be paid by the end of the first quarter of 2028.

The plan contains clear leaver provisions. Participants whose employment ends for reasons such as mandatory retirement, redundancy, expiry of a fixed-term contract, nationalisation, disability, death, or other involuntary termination without cause are classified as "**Good Leavers**". Good Leavers' outstanding awards vest on a pro-rated basis to reflect the portion of the performance period actually served, and vesting is still subject to KPI performance measured over that shortened period.

Participants who resign voluntarily or are dismissed for cause are deemed "**Bad Leavers**". All unvested awards held by Bad Leavers lapse in full on their termination date, and no payment is made.

Nationalisation Programmes

The Group is committed to increasing the proportion of staff who are UAE and Saudi nationals and to develop their training and expertise. The Group's recruitment experts work closely with academic and government institutions, providing opportunities to young UAE and Saudi nationals as well as experienced professionals. The Group's local talent performs in professional roles across multiple departments including but not limited to: Operations Delivery, Engineering, Digital Construction, Design, QAQC, HSE, People & Culture and Government Relations. As of 30 June 2025, the Group met its Emiratisation target, which is set to increase by 1% every 6 months up to a maximum of 10% of its UAE workforce. In Saudi Arabia, the Group has exceeded the Saudisation requirements, employing a 28% Saudi contingent against a required 17-21.99% of its Saudi workforce.

ESG Strategies

The Group's approach is to align its strategies and operations with the United Nations' Sustainable Development Goals ("**UN SDGs**"), namely UN SDGs 4 on Quality Education, 5 on Gender Equality, 6 Clean Water and Sanitation, 7 on Affordable and Clean Energy, 8 on Decent Work and Economic Growth, 9 on Industry Innovation and Infrastructure, 11 on Sustainable Cities and Communities, 12 on Responsible Consumption and Production, 13 on Climate Action and 16 on Peace and Strong Institutions. In May 2023, the Group joined the United Nations Global Compact ("**UNGC**"), the world's largest corporate sustainability initiative that promotes responsible business practices and the advancement of the UN SDGs. As a participant of the UNGC, the Group has publicly committed to implementing the Ten Principles of the UNGC in the areas of human rights, labour, environment, and anti-corruption, and it has reported and will continue to publicly report its progress on these efforts annually.

The Group also aims to use the Emirates Green Building Council (EGBC) as a forum to showcase its latest practices as well as learn from industry peers and supply chain partners on opportunities in decarbonising the sectors in which it operates. The EGBC is an industry forum focused on enhancing sustainability in the built environment in the UAE through the promotion of high-performance green buildings and environmentally friendly technologies and products.

Moreover, the Group has been a member of the British Safety Council since 2015, demonstrating its commitment to health, safety, and wellbeing and transparency in reporting.

Environmental

The Group is subject to numerous environmental, health and safety laws and regulations in the countries in which it operates, including laws and regulations relating to the generation and handling of hazardous substances and wastes, the clean-up of hazardous substance releases and the discharge of regulated substances to air or water. Violations of environmental, health and safety laws can result in substantial penalties, court orders to install pollution control equipment, civil and criminal sanctions, permit revocations and facility shutdowns. In addition, environmental, health and safety laws and regulations may impose joint and several liability, without regard to fault, for clean-up costs on potentially responsible parties who have released or disposed of hazardous substances into the environment.

The Group's operations contribute to greenhouse gas emissions. The majority of the Group's carbon emissions are related to on-site energy use. The Group's UAE and KSA carbon footprint in 2024 for

Scope 1 emissions was 163,035 tCO2e and Scope 2 emissions was 14,472 tCO2e (amounting to a total of 177,507 tCO2e). Scope 1 emissions are primarily driven by on-site plant generators, as well as marine transport of materials and labour to offshore sites. Scope 2 emissions result from generation of purchased electricity. Given the global challenge of climate change, the Group's strategy emphasises reducing carbon emissions. The Group's approach involves measuring its carbon footprint and exploring further emission reduction opportunities (e.g., offsite construction and modular volumetric solutions). The solid waste generated by the Group in 2024 amounted to 143,451 tonnes, out of which 71% was recycled and re-used.

The Group adopts a decarbonisation approach to construction. ALEC Construction, as a main contractor, predominantly follows a traditional contracting model. Target Engineering follows an Engineering, Procurement, and Contracting (EPC) model. The Group inherits designs and materials specifications from consultants based on the client's decarbonisation ambition, limiting its scope to influence the upfront embodied carbon emissions associated with its projects. Therefore, the Group focuses its decarbonisation efforts on minimising the impact of site establishment, temporary works and construction processes on the natural environment, adopting digital technologies and resource-efficient construction methods. The Group also reduces fossil fuel dependence by increasing on-site renewable energy production and investing in low-emission plant and equipment as well as reusing, recycling and diverting waste from landfill.

The Group has also invested in developing its own modular volumetric construction capabilities and offsite construction offerings. Through capacity building trainings and its innovation platform, the Group supports its supply chain partners in piloting and testing low-carbon solutions, utilising these solutions in owned assets where feasible, and sharing its expertise and knowledge.

The Group's ISO 14001:2015-certified Environmental Management System covers operations across ALEC Construction, ALEMCO, Target Engineering, LINQ and AJI Rentals operations. As of 31 December 2024, 8 projects achieved LEED certification, the Group headquarters in Dubai received the LEED Platinum rating for LEED v4 Interior Design and Construction: Commercial Interiors, and the ALEMCO corporate office and ALEC Construction DIC Yard received the LEED Gold rating for LEED v4 Interior Design and Construction: Commercial Interiors.

Social

The Group's policies and practices are designed to ensure inclusion, empowerment, diversity and gender equality. The Group has sought to empower a diverse and inclusive workforce of over 65 nationalities, with women representing 6.5% of management positions and a dedicated Emiratisation programme policy focusing on the training and career development of Emirati nationals with a dedicated mentoring system in place. For further information, see "—*Emiratisation*".

The Group provides an employee development programme for all staff, including leadership development, team building and communication skills. The Group is committed to creating an inclusive and empowering environment for its employees.

The Group is also an active leader within its communities and, in alignment with the UN SDGs and local sustainability plans. The Group's corporate and social responsibility is at the core of its business model and priorities. The Group's community impact strategy focuses on supporting local communities, such as schools in need of repair or blue-collar workers, through in-kind or monetary support. The Group focuses on projects where it could leverage its construction expertise – whether it is through educating and upskilling on construction-related topics or sponsoring infrastructure development. The Group selects causes based on consultation with its community partners to find those who are in need and projects without sufficient funding. For the Group's local community programmes, the Group invites its subcontractors and consultants and clients to participate when these are held across project sites.

In 2024, the Group donated AED 200,000 for school refurbishment to the National Charity Primary School as part of Dubai Cares' Volunteer Emirates initiative and committed an additional AED 400,000 towards school refurbishments at UAE-based non-profit schools until 2026. In addition, the Group donated AED 186,000 to the Dubai Cares "Adopt a School" programme for constructing a school in Nepal, and donated AED 50,000 to a South African school. As part of the Goup's annual Ramadan community outreach, in 2025, the Group donated dry food and hygiene care packages with a value of AED 160,000 to labourers and low-income families in the UAE and Saudi Arabia, by matching donations made by the Group's employees. These items were distributed among beneficiaries through the Group's partners, such as Emirates Red Crescent, SmartLife (NPO/NGO) and Charity Association in Riyadh. Additional donations of AED 95,000 were made towards Emirates Red Crescent's Tarahum campaign for Gaza and the King Salman Humanitarian Aid & Relief Centre's relief efforts in Palestine, while AED 65,000 were donated for Smartlife's Smart Medic programme to provide critical treatment and surgeries for labourers in the UAE. Furthermore, the Group also distributed 3,563 care packages to subcontracted labourers across 15 of the Group's sites in the UAE.

The Group also collaborated with universities such as AUS, NYU Abu Dhabi, and BITS-Pilani Dubai to organise educational site visits and workshops on construction practices. Additionally, LINQ Modular partnered with the UAE Ministry of Culture & Youth to provide tours of their factory to participants of the ministry's Summer Camps, demonstrating sustainable building techniques.

Governance

The Group's governance practices include a set of corporate policies, which are further divided into objectives, KPIs and procedures.

In addition, the Group has established an Enterprise Risk Management model and an Information Security Management system to adopt and comply with best international practices and approved Quality, Occupational, Health, Safety and Environment ("**QHSE**") standards, which includes complying with all applicable, rules, policies and other requirements related to QHSE that are globally accepted and applicable to the Group. Other policies of the Group include its whistleblowing policies and human capital policies.

In addition, the Group's Board committees, which are expected to be put in place prior to the Offering, include the audit and nomination and remuneration committees and appoint independent board members. The Group also has various management-level committees and sub-committees (such as the finance and audit committee, technical committee and information security steering committees) and comprehensive policies covering all function of its operations.

Health and Safety

The Group upholds rigorous health and safety standards in accordance with its ISO 45001, 14001 and 9001 certified Occupational Health and Safety Management System and Abu Dhabi's Occupational Safety and Health Centre's (OSHAD) System framework. The Group's health and safety management system and associated safety controls are extended to all Group employees and directly supervised contractors across sites as far as applicable.

The Group seeks to ensure that strict health and safety standards are observed throughout its operations. The Group is committed towards quality assurance and for each project, the health and safety team prepares risk assessments on all tasks and prepares a risk mitigation plan, which is reviewed and approved by the Group's consultant and client.

Furthermore, the Group provides health and safety training to all its employees and provided a total of 646,793 health and safety training hours to 501,343 attendees in 2024. In addition, Group holds systematic health and safety internal audits, health and safety meetings, project safety walk-throughs and emergency drills.

To further enhance the culture of health and safety, project directors on site are accountable for maintaining health and safety and further delegate responsibilities to operating teams, who are trained and supported by the health and safety teams through reporting, training as well as inspection audits. ALEC Construction and Target Engineering sites are subjected to audits by third-party auditors appointed on behalf of the clients, consultants as well as local regulators. As of 31 December 2024, 84% of ALEC Construction and 98% of Target Engineering operational HSE team members were qualified by the National Examination Board in Occupational Safety and Health. Besides the ISO recertification audits conducted every three years, the Group also conducts annual third-party surveillance audits by the Group's certification body. Additionally, OSHAD audits are conducted annually, and Abu Dhabi Municipality's Self-Regulating Audit (SRA) audits are conducted every three years.

All project sites in which the Group operates have qualified first aiders trained as first responders in the event injuries occur in the workplace. Escalation protocols are also in place to either move injured parties to a local hospital or clinic, or in the event of a serious injury, enlist the aid of local emergency services.

Furthermore, the Group had an LTIFR of 0.203 in 2024 and 0.157 in the first six months of 2025. This is reflective of the Group's strong health and safety measures, such as the use of systematic implementation of risk assessment, permit to work procedure, site supervision, trainings, QHSE site inspections which are the key tools mitigating the incidents at the Groups working environment.

Insurance

The Group maintains insurance coverage of its assets and operations at levels which management believes to be appropriate. However, the Group's operations are subject to certain uninsurable risks (including, but not limited to, unforeseen conditions encountered during construction and the impact of inflation upon costs), particularly since contracts for major projects are performed over an extended period of time. See "*Risk Factors—Risks Related to the Group—The Group may not be able to maintain sufficient insurance coverage for the risks associated with the operation of its business*".

Management believes, however, that the Group's experience in analysing purchasing trends and project needs and its use of such information in preparing and negotiating bids and purchase orders enable it to minimise such risks. The Group focuses on carefully selecting projects that provide sufficient margin to offer a profit as well as adequately cover the risk involved, and management believes that the Group's extensive experience in each of the business segments allow it to establish accurate cost estimations. To further reduce the above risks, the Group seeks to include in its contracts provisions to exclude consequential damages, to cap liquidated damages, to generally limit its liability and to allow for price adjustments in the event of changes in the law that affect the project. Whenever possible, the Group seeks to limit exposure to unforeseen events by obtaining indemnification from its clients, subcontractors and partners against certain claims relating to injury to its employees, damage to its property and consequential damages. The Group also generally includes a cap for potential environmental damages and requires its clients and subcontractors to indemnify the Group up to an agreed amount for certain claims and liabilities relating to environmental damage.

In addition, the Group obtains appropriate and specialised insurance to cover construction and financing risks for each of its projects and generally maintains comprehensive insurance covering its assets and operations at levels which management believes to be appropriate.

Properties, Plant and Equipment

As of 30 June 2025, the Group owned one property, an office in Marsa Dubai, had 5 long-term leases (via usufruct, *musataha* or *ejari* arrangements) (see "*Material Agreements–Other Material Arrangements of the Group*") and had over 40 short-term leases (through lease, tenancy, commercial tenancy, *ejari* or furnished accommodation contract arrangements) in the UAE.

Property Name	Location	Tenant[1]	Legal Right	Start	End	Use
DIC Yard	Dubai Industrial City	ALEC Construction	Usufruct Full	10 October 2006	9 October 2046	Yard
DIC NEW YARD	Dubai Industrial City	ALEC Construction	Musataha Agreement	25 October 2017	24 October 2047	Yard
AJI YARD	Dubai Industrial City	AJI Rentals	Usufruct Full	14 December 2023	24 May 2048	Yard
PRECAST YARD AT RAK	Ras Al-Khaimah	ALEC Engineering and Contracting RAK LLC-OPC	Musataha and Leasehold Agreement	30 May 2025	30 May 2055	Yard, Offices, Camp, Factory
LINQ Factory	Dubai Industrial City	LINQ	Usufruct Full	30 June 2021	1 August 2055	Factory
Abu Dhabi Office No. 205 - Khalifa City, South West 17_01 - 29	Abu Dhabi, Khalifa City	ALEC (Abu Dhabi)	Tenancy Contract	20 March 2025	19 March 2026	Offices
Abu Dhabi Office No. 318 - Khalifa City, South West 17_01 - 29	Abu Dhabi, Khalifa City	ALEMCO (Abu Dhabi)	Tenancy Contract	20 April 2025	19 April 2026	Offices
Office M1, Building No. Al Shaimaa, Sheikh Saqr Bin Mohammad Al Qasimi Street, Al Qasidat / RAK.	Ras Al-Khaimah, Al Qasidat	ALEC (Ras Al-Khaimah)	Commercial Tenancy Contract	1 January 2023	31 December 2025	Offices

Office M1, Building No. Al Shaimaa, Sheikh Saqr Bin Mohammad Al Qasimi Street, Al Qasidat / RAK.	Ras Al-Khaimah, Al Qasidat	Inproserv (Ras Al-Khaimah)	Commercial Tenancy Contract	7 May 2025	6 May 2026	Offices
Office M6, Building No. Al Shaimaa, Sheikh Saqr Bin Mohammad Al Qasimi Street, Al Qasidat / RAK.	Ras Al-Khaimah, Al Qasidat	ALEMCO (Ras Al-Khaimah)	Commercial Tenancy Contract	24 April 2025	23 April 2026	Offices
Office (unit) 2, RAK, Suhaila	Ras Al-Khaimah, Suhaila	ALEC Energy (Ras Al-Khaimah)	Commercial Tenancy Contract	1 June 2023	31 May 2026	Offices
Office 3601, Marsa Dubai, Marina Plaza	Marsa Dubai	ALEC	Title Deed	11 November 2014	-	Offices
Office 2602, Marina Plaza, Marsa Dubai	Marsa Dubai	ALEC Energy	Ejari	1 January 2025	31 December 2025	Offices
Office 2603, Marina Plaza, Marsa Dubai	Marsa Dubai	AJI Rentals	Ejari	1 January 2025	31 December 2025	Offices
Office 2802, Marina Plaza, Marsa Dubai	Marsa Dubai	ALEC (Dubai)	Ejari	15 July 2023	14 July 2026	Offices
Office 2803, Marina Plaza, Marsa Dubai	Marsa Dubai	ALEMCO (Dubai)	Ejari	15 July 2023	14 July 2026	Offices
Office 2303, Marina Plaza, Marsa Dubai	Marsa Dubai	ALEC FITOUT / Inproserv (Dubai)	Ejari	9 January 2024	8 January 2027	Offices
Office 2304, Marina Plaza, Marsa Dubai	Marsa Dubai	ALEC FITOUT / Inproserv (Dubai)	Ejari	9 January 2024	8 January 2027	Offices
Office (Work Station 319 & 320), Building DMC5, Dubai Media City	Media City	EMISHA	Lease Agreement	26 November 2023	25 November 2025	Offices
Abu Dhabi, Office 6, Musaffah M39, 12	Abu Dhabi Musaffah	Inproserv (Abu Dhabi)	Lease Agreement	9 December 2025	8 December 2025	Offices

Office DLC-BC-A3-3-OSD41-059	Dubai South	Expo Contracting	Lease Agreement	13 December 2024	12 December 2025	Offices
Office 102, Al Mezan tower Property No. 210, Muhaisanah 4th	Dubai, Muhaisanah 4th	ALEC Construction	N/A	1 June 2024	31 August 2027	Offices
Office 103, Al Mezan tower Property No. MZ-103, Muhaisanah 4th	Dubai, Muhaisanah 4th	ALEC Construction	N/A	1 June 2024	31 August 2027	Offices
ADIA Office No. 10F, Building P/607, Khalifa Str.W_2,C13	Abu Dhabi, Khalifa Street	ALEC Construction	N/A	7 November 2024	6 November 2025	Offices
Storage Room | L2-09-3 | 447 sq. ft. | Marina Plaza (Marketing Storage)	Marsa Dubai	ALEC Construction	N/A	20 May 2024	19 May 2026	Storage
Storage Room L5-09-02 ALEC FIT OUT Marina Plaza, Dubai Marina	Marsa Dubai	ALEC Construction	N/A	15 November 2024	14 November 2025	Storage
Storage Room | L6-15-4 | 447 sq. ft. | Marina Plaza (IT Storage)	Marsa Dubai	ALEC Construction	N/A	19 May 2025	18 May 2026	Storage
Showroom, Saih Shuaib 3 - P2 / BLOCK A Plot 532-8359	Saih Shuaib 3	ALEC FITOUT	N/A	19 June 2025	18 June 2026	Showroom
Camp 11	Jabal Ali, Industrial First	ALEC (Dubai)	Ejari	8 January 2025	7 January 2026	Camp
Camp 12	Jabal Ali, Industrial First	ALEC (Dubai)	Ejari	8 January 2025	7 January 2026	Camp
Camp 57 - UAQ Camp – Al Naseem	UAQ	ALEC Construction	Lease Agreement	1 May 2025	31 October 2025	Camp
RAKEZ Camp 58	Ras Al-Khaimah Economic Zone Authority	ALEC (Ras Al-Khaimah)	Lease Agreement	21 September 2024	20 September 2025	Camp
Camp 59 - UAQ Camp – Al Naseem	Umm Al-Quwain	ALEC (Dubai)	Lease Agreement	1 March 2025	28 February 2026	Camp

Camp 60_BLDG 6A , UAQ Camp	Umm Al-Quwain	ALEC (Dubai)	N/A	1 April 2025	31 March 2026	Camp
Camp 60_BLDG 8A, UAQ Camp	Umm Al-Quwain	ALEC (Dubai)	N/A	20 July 2024	19 July 2025	Camp
Camp 60_BLDG 9A, UAQ Camp	Umm Al-Quwain	ALEC (Ras Al-Khaimah)	N/A	1 June 2025	31 October 2025	Camp
Camp 60 BLDG 10 to 12B, UAQ Camp	Umm Al-Quwain	ALEC (Ras Al-Khaimah)	N/A	15 May 2025	14 May 2026	Camp
Camp 61 - RAKEZ, phase 1	Ras Al Khaimah	ALEC (Ras Al-Khaimah)	N/A			Camp
Camp 61 - RAKEZ, phase 2	Ras Al Khaimah	ALEC (Ras Al-Khaimah)	N/A	On or around 10 October 2024	On or around 10 October 2027	Camp
Camp 61 - RAKEZ, phase 3	Ras Al Khaimah	ALEC (Ras Al-Khaimah)	N/A			Camp
Camp 62 - Assent Labor Camp	DIC	ALEC (Dubai)	N/A	1 January 2025	31 January 2026	Camp
HIRMAS Camp	Abu Dhabi, Al Saadiyat Island	ALEC Construction	Furnished Accommodation Contract	15 September 2025	15 September 2026	Camp
HIRMAS Camp	Abu Dhabi, Al Saadiyat Island	ALEC (Dubai)	Furnished Accommodation Contract	9 May 2025	8 May 2026	Camp
HIRMAS Camp	Abu Dhabi, Al Saadiyat Island	ALEMCO	Furnished Accommodation Contract	1 January 2025	31 December 2025	Camp
HIRMAS Camp	Abu Dhabi, Al Saadiyat Island	ALEMCO (Dubai)	Furnished Accommodation Contract	9 May 2025	8 May 2026	Camp
Al Salam Living City	Abu Dhabi	ALEC (Dubai)	Lease Agreement	19 August 2025	19 August 2026	Camp

(1) References to “(Dubai)”, “(Abu Dhabi)” and “(Ras Al Khaimah)” are references to the respective company’s branch in that Emirate.

The Group has established itself as a leading engineering and construction group in the GCC, in part due to its significant investment in production equipment and specialised machinery. The Group's approach to equipment ownership and utilisation is both strategic and disciplined, ensuring that it maintains control over project capacity, quality, and delivery timelines. The Group owns an extensive and market-leading fleet of equipment, which is a critical enabler for the execution of large-scale, complex, and technically demanding projects across sectors such as building and construction, energy, airports, and data centres.

The Group's equipment portfolio is comprehensive and includes a wide range of assets tailored to support diverse project requirements. Set out below is an overview of the Group's equipment as of 30 June 2025:

Intellectual Property

The Group is not dependent on any intellectual property owned by third parties.

The Group holds the trademark "ALEC" in the UAE. The Company's principal Internet website domain is www.alec.ae.

Information Technology

Information technology ("**IT**") is a key component to the Group's ability to operate efficiently. The Group invests in and maintains information technology systems at its headquarters, branch offices, construction sites, plants, and related subsidiaries in order to support its performance and growth strategy.

Most of the Group's digital products are developed in-house using agile methodologies, to automate manual processes, improve operational excellence and deliver business value. In addition, the Group has developed a digital governance framework to assess and pilot digital tools at the project sites with digital experts to help in adopting and scaling the standard digital tools.

The Group leverages a multi-cloud strategy to host the infrastructure and data with multiple workloads on Microsoft Azure, AWS, and Oracle to provide it with the needed scalability and flexibility. Business continuity is considered one of the important IT operating procedures where the Group has developed and tested full disaster recovery for all critical applications and data.

The Group recently launched ALEC Data Hub to consolidate data from multiple data sources in a plan to provide real-time analysis and self-services business intelligence to different departments.

Litigation

The Group has not been involved in any material governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Group is aware) during the last 12 months preceding the date of this Prospectus which may have, or have had, a significant effect on its financial position or profitability.

3. Statement of capital development

Company's current share capital structure before commencement of the Offering

The Company's share capital at incorporation was AED 300,000 divided into 300 shares with a nominal value of AED 1,000 each. During the year ended 31 December 2024, the share capital of the Company was increased to AED 50,000,000 divided into 50,000 shares with a nominal value of AED 1,000 AED each. After its conversion into a public joint stock company, the Company's share capital structure will be AED 50,000,000, divided into 5,000,000,000 (five billion) Shares with a nominal value of AED 0.01 (one fils) each. All Shares are equal in respect of all rights.

The following table illustrates the Company's ownership structure before and after completion of the Offering:

As at the date of this Prospectus –

Before Offering

Name	Nationality / Country of Incorporation	Type of shares	Number of shares owned	Total value of shares owned*	Ownership proportion
Investment Corporation of Dubai	United Arab Emirates	Ordinary	5,000,000,000	AED 50,000,000	100%

*_**Based on a nominal value**_ **of AED 0.01 (one fils) each**

After Offering

Name	Nationality / Country of Incorporation	Type of shares	Number of shares owned	Total value of shares owned*	Ownership proportion
Investment Corporation of Dubai	United Arab Emirates	Ordinary	4,000,000,000	AED 40,000,000	80%
Successful Subscribers at Listing	Various	Ordinary	1,000,000,000	AED 10,000,000	20%

*_**Based a nominal value**_ **of AED 0.01 (one fils) each**

Company's capital structure upon completion of the Offering

Upon the completion of the Offering, the Company's paid-up share capital shall be AED 50,000,000 (fifty million UAE dirhams), divided into 5,000,000,000 (five billion) Shares with a nominal value of AED 0.01 (one fils) per Share.

Assuming all of the Offer Shares are allocated, the Selling Shareholder will hold in aggregate 80% (eighty per cent) of the total share capital of the Company, assuming that the Selling Shareholder sells all of the Shares being offered and the Offering size is not increased. The Company has presented its plan to SCA for the Selling Shareholder to offer 20% (twenty per cent) of the total share capital of the Company. The Selling Shareholder reserves the right to amend the size of the Offering and size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and after notifying the SCA.

No. of Selling Shareholder's Shares:	4,000,000,000 (four billion) shares
No. of total Subscribers' Shares (assuming all Offer Shares are allocated including all tranches mentioned under the Prospectus):	1,000,000,000 (one billion) shares
Total:	5,000,000,000 (five billion) shares

4. Statement of the status of litigation actions and disputes with the Company over the past three years

The Group has not been involved in any material governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Group is aware) during the last three years preceding the date of this Prospectus which may have, or have had, a significant and material adverse effect on its financial position or profitability.

5. Statement of the number and type of employees of the Group:

As at 30 June 2025, the total number of staff and labourers were approximately 47,500. The table below sets forth the Group's approximate total number of staff and labourers by business segment as at 30 June 2025:

	Number of staff and labourers as at 30 June 2025
Building and Construction.......................................	15,400
Energy..	25,600
Related Business	6,500
Total number of employees	**47,500**

6. Accounting policies adopted by the Company:

The Company prepares its financial statements in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC) and the applicable requirements of laws of the United Arab Emirates.

7. Statement of Company's financings, credit facilities and indebtedness and the most significant conditions thereof:

Please refer to the "*Material events and contracts concluded (including related party agreements)*".

8. Statement of current pledges and encumbrances on the Group's assets:

None.

9. Decision of the Company's Shareholder to convert the Company and to offer its shares:

On 21 November 2024 and on 24 January 2025, the Company's Shareholder approved (1) the Company's conversion from a limited liability company to a public joint stock company by offering the Company's Shares for public subscription, (2) offering a percentage of the Company's Shares by the Selling Shareholder for public subscription, in accordance with the allocation policy contained in this Prospectus that will be published to the public, which includes the price building mechanism of the shares, and (3) submitting an application for listing all the Company's Shares on the DFM.

10. Founders' Committee:

The Selling Shareholder formed a committee (the "**Founders' Committee**") to undertake all steps and procedures necessary on their behalf and on behalf of the Company to complete all the procedures required with regard to the Offering, including dealing with the competent authorities.

The Founders' Committee is composed of the following individuals:

- Mr. Barry Roy Lewis (Chairman).
- Ms. Kamillia Ahmed AlMarashi (Member).
- Mr. John Joseph Deeb (Member).

11. Investment Risks:

Investing in and holding the Offer Shares involves financial risk. Prospective investors in the Offer Shares should carefully review all of the information contained in this Prospectus and should pay particular attention to the following risks associated with an investment in the Group and the Offer Shares, which should be considered together with all other information contained in this Prospectus. If one or more of the following risks were to arise, the Group's business, results of operations, financial condition, prospects or the price of the Offer Shares could be materially and adversely affected and investors could lose all or part of their investment. The risks set out below may not be exhaustive and do not necessarily include all of the risks associated with an investment in the Group and the Offer Shares. Additional risks and uncertainties not currently known to the Group or which we currently deem immaterial may arise or become material in the future and may have a material adverse effect on the Group's business, results of operations, financial condition, prospects, or the price of the Offer Shares.

Risk Factors

Risks Relating to the Group

The business performance of the Group depends on its ability to secure new contracts

The Group's business and financial performance is dependent on its ability to secure new contracts and to attract work from existing clients. The Group's ability to enter into new contracts is affected by a number of factors, including the implementation of the Group's business and growth strategy, its ability to make competitive proposals to the Group's clients while maintaining a satisfactory profit margin, as well as other factors beyond the Group's control, such as general market conditions, prices of hydrocarbons, conditions affecting the clients of the Group, demand for the Group's services and competition, conditions affecting supply chain capability and capacity, all of which can have an impact on the certainty of future earnings and profitability. Moreover, because the timing of project awards and execution are often uncertain, effective utilisation of the work force is a critical factor in achieving satisfactory profit margins.

For the six months ended 30 June 2025, 47% of the Group's total revenue was derived from the Building and Construction segment, 34% from the Energy segment and 19% from the Related Businesses segment". Although the Group targets complex projects that present higher barriers to entry to competitors, it is generally difficult to project whether or when the Group will receive such awards as these contracts frequently involve a lengthy and complex bidding and selection process. See "*Business Description–Selective Tendering Process*". Accordingly, the Group's results of operations can fluctuate from quarter to quarter depending on timing of contract awards, as well as receiving payments from the Group's clients pursuant to construction and payment schedules for each project. Furthermore, many of these contracts are subject to financing contingencies and, as a result, the Group is subject to the risk that the client will not be able to secure the necessary financing for the project.

In addition, any new contracts, including the rates and fees the Group can secure, are typically assessed by taking into account prevailing market conditions at the time of renewal or contracting. As a result, even if the Group was to be successful in entering into new contracts, the terms may be less favourable to the Group and could result in a lower contribution to its consolidated revenue and profits than under the existing contract for the same service. If the Group's clients are not satisfied with the quality of the Group's work or with the types of services or solutions delivered or otherwise seek to renegotiate their contracts (for example, as part of their internal cost-cutting initiatives), the Group could incur additional costs to address the situation and the profitability of such work might be impaired. Clients may decline to extend contracts or may direct future business to the Group's competitors. If the Group is unable to enter into new contracts or attract new business from existing clients, or if new contracts are entered into at rates that are materially lower, the Group's results of operations in subsequent periods could be materially lower than expected, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The majority of the Group's projects are with various forms of state-owned enterprises. While this provides certain advantages, it also exposes the Group to specific risks associated with government-backed projects, such as potential changes in government policies, budgetary constraints, and increased scrutiny. These factors could impact project timelines, payment schedules or contract terms, potentially affecting the Group's financial performance.

While the Group primarily self-executes its contracts, it does engage in joint ventures in certain circumstances, such as in respect of the Qiddiya Speed Park project pursuant to a joint venture agreement between ALEC Saudi (50%) and El Seif Engineering (50%) in Saudi Arabia (see "*Material Agreements–Qiddiya Speed Park and Aquarabia Waterpark, Qiddiya*") or when entering new markets or for particular segments where appropriate. While joint ventures can help balance risk and provide access to new markets, they also introduce additional complexities and risks. These may include differences in operational approaches, potential disputes with joint venture partners, shared control and decision-making, and the need to align different corporate cultures and objectives. Failure or delay in overcoming such differences or to align on objectives and processes, may adversely impact the Group's ability to execute on its contracts as part of a joint a venture and may result in cost overruns or delays in delivering projects which may, in turn, adversely impact the Group's ability to secure future contracts through joint ventures. The materialisation of any such risks could have a material adverse effect on the Group's business, results of operations, financial condition, and prospects.

Risks associated with the tender process and resource allocation

The Group's business relies heavily on its ability to successfully bid for and execute construction projects. The tender process involves inherent risks, including uncertainties in accurately estimating project costs and timelines, potential misalignment between available resources and project requirements, risks of winning more projects than the Group can effectively resource and possibility of scope changes after contract award. The tender processes frequently result in construction projects being awarded based on the best bid in terms of pricing rather than overall quality and reliability. As a result, in order for a construction project to be profitable, it is critical that several factors such as the expected duration of a project, contract modifications creating unanticipated costs, changes in the availability, proximity and costs of materials, the availability and skill level of workers, suppliers' or subcontractors' failure to perform, mechanical problems with machinery or equipment, and constraints as to timing and completion dates of construction projects, are taken into account in the planning stage and factored into the calculation. There can be no assurance, however, that these factors can be successfully managed on any given project.

In addition, participating in tenders requires significant time and internal resources, including the involvement of technical, commercial, and legal teams in preparing detailed submissions and evaluations. As a result, the Group typically participates in a limited number of tenders per year, focusing its efforts on opportunities that align with its capabilities and strategic objectives. See "*Business Description–Contracts and Risk Management Framework–Selective Tendering Process".*

While the Group continuously monitors and aligns its resources with project requirements, it may not always be able to do so effectively. Early stages of projects are typically not resource-heavy, and the Group usually has sufficient lead time to allocate resources from completed projects or recruit as needed. However, if the Group fails to accurately assess its capacity or market conditions, it may face challenges such as underutilised employees or assets, needing to accept contracts on less favourable terms to maintain workforce utilisation and potential inability to execute all projects it has won to the required standards.

Although the Group mitigates these risks by maintaining a portfolio of multiple ongoing projects, allowing for flexible resource allocation, any significant misjudgement in the tender process could adversely affect the Group's operational efficiency and financial performance, which could, in turn, have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's projects may be adversely affected by delays or cancellations

The Group's projects may face delays or cancellations due to various factors, such as changes in client requirements, delays in information release, poor quality or incorrect information, unforeseen site conditions, unavailability of resources, shortages or escalating costs of construction materials, increased global commodity prices, shortages or increases in the costs of equipment, work stoppages, or labour disputes. Such delays or cancellations could lead to increased costs, reduced revenue, and damage to the Group's reputation. While the Group takes proactive measures to mitigate development and construction risks, the materialisation of one or more of these risks could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

In addition, if the Group is unable to complete a contract within the agreed timeframe or to the agreed standard, the client may be entitled to levy penalties (e.g., liquidated damages) under the terms of its relevant agreement, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

A number of significant client relationships and contracts comprise a material part of the Group's business

Despite having a diversified client base with strong relationships, the Group has a number of key client relationships, each of which represents a material part of the Group's business. The top 5 clients represented approximately 77% and 64% of the Group's revenue and 86% and 88% of the Group's backlog for the six months ended 30 June 2025 and the year ended 31 December 2024, respectively. As a result, the Group is exposed to the risk that such counterparties who the Group considers material clients or from whom the Group generates repeat business may become insolvent, reduce the scale and scope of their business, cease to be creditworthy, cease to contract with the Group in the future (or reduce the number and size of contracts entered into with the Group in the future) or may be unable or unwilling to pay, or delay in paying, for services provided by the Group, in addition to the cancellation of business by one or more of these major clients. If the Group was to cease providing services to these clients (or reduce the level of services provided to them), without capturing new clients to replace the loss of business, or the Group ceased to be paid by these clients, this could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. In addition, dependency on a limited number of significant clients and/or concentration of the business of the Group to significant projects increases vulnerability in respect of delayed payment from, and disputes with, clients. In addition, any failure by the Group to complete any one of its significant contracts on time or according to contractual performance obligations could materially adversely affect its business, results of operations, financial condition and prospects.

The Group's financial performance may be impaired by unanticipated increases in costs with its services on projects being executed

A substantial portion of the Group's revenue is derived from lump-sum construction contracts. Under these contracts, the Group assumes the risk that the costs associated with its performance may be greater than anticipated. The Group's failure to accurately estimate the resources and time required for a project or to complete its contractual obligations within the timeframe and costs committed could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. This may be caused by various reasons, including challenges in procuring or delivering building and raw materials, fluctuation of the prices of building and raw materials and cost of labour, a difference in the cost estimated by the Group for a sub-contractor's work and the actual cost quoted by sub-contractors, and the Group's inability to hedge such prices between the time it submits its bid and the time the contract is awarded. In addition, clients deciding to change the scope of work following the tender process may also lead to inaccuracies in the budgets prepared by the Group and unanticipated increases in cost, which may in turn affect the Group's estimates and profitability. Profitability will be reduced if the actual cost to complete a contract exceeds the original estimate or if the Group is unable to accurately quantify and claim any cost increase due to any variation in the scope of work ordered by the Group's client, a change order, or any other reason. The Group's profitability is therefore dependent upon the Group's ability to accurately estimate the costs associated with its services. These costs may be affected by a variety of factors, such as lower than anticipated productivity, conditions at the work sites differing materially from what was anticipated at the time the Group bid on the contract (see "*The Group may be affected by difficult work sites and environments, which could cause delays and result in additional costs*") and higher costs of materials and labour, delays in the availability of financing, political or social disruptions, among other factors. See "*–Disruption in the supply of raw materials or equipment could negatively impact the Group*" and "*Continued instability and unrest in the MENA region, or the escalation of armed conflict, may materially adversely affect the Group's business, results of operations, financial condition, and prospects*".

Amounts included in the Group's backlog are management estimates that may not

result in actual revenue or translate into profits, and the Group's backlog is subject to cancellation, delay and adjustments and therefore is an uncertain indicator of future operating results

The Group's backlog is based on its estimates of awarded and on-going projects which have not yet been completed and therefore may not result in actual receipt of revenue in the originally anticipated period, or at all. The Group's backlog does not constitute a profit forecast or estimate.

Backlog is computed based on facts known and assumptions deemed appropriate at the computation date. Backlog is calculated as per the Group's best estimate of the remaining contractual value of a project as at the date of announcement and is conservatively calculated to include signed written contracts and letters of award from the Group's clients. The Group may decide to include or exclude any projects in the backlog it deems necessary to accurately reflect estimated revenue visibility. The Group's definition of backlog may not necessarily be the same as that used by other companies engaged in activities similar to those carried out by the Group. As a result, the amount of the Group's backlog may not be comparable to the backlog reported by such other companies.

In addition, contracts included in the Group's backlog may not be profitable as the Group may experience variances in the realisation of its backlog because of contract termination or suspension, project delays, terminations or cancellations resulting from weather conditions, other project deferrals or delays, scope adjustments, foreign exchange rate movement, force majeure, legal impediments, default by the Group's clients, external market factors and economic or other factors beyond its control.

The Group's backlog as of any particular date is an uncertain indicator of future cash flow and earnings. Further, there can be no assurance that the Group will secure contracts that are equivalent in both scope and duration to replace the current backlog or that the current backlog will perform as expected. Accordingly, the backlog figures are not necessarily indicative of future revenues, cash flows, earnings or profits related to the performance of the related contracts. Furthermore, historical correlation between backlog and revenues may not occur in the future. The risk of contracts being suspended (and to a lesser degree, cancelled) generally increases during periods of wide economic slowdowns. There is no assurance that backlog will be realised as revenue in the amounts reported or, if realised, will result in profits.

The Group's use of the percentage-of-completion accounting method for construction contracts could result in a reduction of previously recorded profits

In accordance with IFRS, the Group measures and recognises a large portion of its revenue and profits under the percentage-of-completion accounting methodology for construction contracts. This methodology allows the Group to recognise revenue and profits rateably over the life of a construction contract, without regard to the timing of receipt of cash payments, by comparing the amount of the costs incurred to date against the total amount of costs expected to be incurred. This method relies on estimates of the extent of progress towards completion, including estimates regarding the scope of deliveries and services required for fulfilling the contractually defined obligations, total contract costs, remaining costs to completion, total contract revenues, contract risks, including technical, political and regulatory risks, and other judgments. Management continually reviews such estimates and adjusts these as necessary.

The effect of revisions to estimated costs is recorded when the amounts are known and can be reasonably estimated and may lead to an increase or decrease in revenues in the reporting period in which it is recorded. These revisions can occur at any time and could be material. On a historical basis, the Group believes that it has made reasonably reliable estimates of the progress towards completion on its long-term contracts. However, given the uncertainties associated with these types of contracts and inherent in the nature of the Group's industry, it is possible for actual costs to vary from estimates previously made, which may result in reductions or reversals of previously recorded profits, which could in turn have a material adverse effect on the Groups' business, results of operations, financial condition and future prospects.

The Group may not be able to successfully achieve and implement its business and growth strategy or meet its medium-term targets

As part of the Group's business and growth strategy, the Group is in the process of implementing numerous expansion plans, while also focusing on enhancing its capabilities and improving operational efficiency across the entire organisation. The Group's strategy may also involve further acquisitions (such as the acquisition of Target Engineering which was completed in September 2022) in the future, including in new business areas which the Group may not have much experience. For example, the Group (i) is investing in high-growth construction technologies, including modular construction and prefabricated data centre solutions, which the Group believes is helping it build a long-term tech-enabled competitive advantage; (ii) is targeting participation in a number of major cultural and tourism projects; (iii) is focused on Target Engineering growing its share of ADNOC-related work on the back of their announced business plan and capital expenditure of AED 550 billion between 2023 and 2027, and to re-establish its partnership with Saudi Aramco; and (iv) intends to pursue potential acquisitions that may further enhance the Group's offering, in addition to entering into and strengthening its relationship with existing and new clients. See "*Business Description—Group Strategy*". Consequently, the Group's future growth and financial performance will depend in part on its ability to identify new opportunities and gain new clients, effectively compete in new markets and identify and enter into suitable acquisitions.

There can be no assurance that the Group will be successful in implementing its planned business and growth strategy or achieve intended targets. In particular, the implementation of the Group's business and growth strategy may be costly and ineffective or delayed. Furthermore, the Group's business strategy, as described in this Prospectus (including its medium-term targets set out in "*Business Description—Medium-Term Targets*"), represents the Group's objectives only and should not be relied upon to predict actual near, medium or long-term results or future events. The Group's medium-term targets are unaudited and reflect a number of assumptions relating to market growth, changing market conditions, the pace of technological change, the timing and probability of contracts being awarded to the Group as well as the historical patterns observed by the Group in the past, any of which may not be borne out due to both known and unforeseen risks, uncertainties and other important factors beyond the Group's control that could affect actual results. The Group's medium-term targets and the assumptions and judgments underlying such targets carry an inherent degree of uncertainty and may not take into account all relevant considerations. If the assumptions upon which the Group's targets are based prove to be inaccurate, or if the Group's actual financial results and performance are less favourable than expected, there could be a material adverse effect on the Group's business, results of operations, financial condition, and prospects in the near, medium or long-term.

The Group has substantial business in markets with economies that rely heavily on hydrocarbons and whose ability to fund infrastructure and other projects is dependent on oil and gas prices

The Group conducts business in markets with economies that rely heavily on hydrocarbons (such as the Emirate of Abu Dhabi and Saudi Arabia), where a portion of the governments' ability to fund infrastructure and other projects is influenced by oil and gas prices. See "*The Group faces risks associated to the changes in the global economic and political environment and global trade*". These hydrocarbon-based economies are sensitive to changes in global oil and gas prices, which can be volatile and subject to fluctuations due to various factors. The global price of oil may have an impact on the development of government regulations, policies, and the overall economic well-being of these countries, which in turn could affect the demand for the Group's services.

In particular, Target Engineering, a subsidiary of the Company, which contributed approximately 34% of the Group's total revenue for the six months ended 30 June 2025, predominantly operates in the onshore and offshore oil and gas sector and is therefore reliant on the infrastructure spending of clients operating in that sector. In the event of a prolonged decline in oil and gas prices, the economic growth and performance of these markets could be negatively impacted. This could lead to reduced infrastructure spending and a decrease in both private and public-sector investments. Such a scenario could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The business of the Group is vulnerable to the cyclical nature of the end-markets the Group serves which could result in a decrease in demand for its services

The Group's business is closely linked to the growth and performance of the sectors that it serves, including but not limited to commercial real estate, oil and gas, power generation, transmission and distribution, infrastructure, heavy industry, and tourism. The demand for such services in these sectors has been, and will likely continue to be, cyclical in nature and vulnerable to general downturns in the global economy impacting public and private sector investments, and, accordingly, may result in volatility between periods of low and high demand and activity in these sectors. Depending on when the Group is awarded a new contract and when it receives payments from its clients regarding existing contracts (pursuant to the construction and payment schedules for such projects), the Group's results of operations can fluctuate from quarter to quarter.

There is significant correlation between commodity prices and spending of the Group's oil and gas clients: generally, when commodity prices are relatively high, demand for the Group's services from its oil and gas clients is high, while the opposite is true when commodity prices are low. Worldwide military, political and economic events, including initiatives by OPEC and other major petroleum producing and/or exporting countries, may affect demand for, and the supply of, oil and gas and its pricing. Weather conditions, governmental regulations, royalty regimes, levels of consumer demand, the availability of transportation capacity, global storage levels, environmental laws, policies, green activism, global economic and oil demand forecasts, and other factors beyond the Group's control also affect the supply of, demand for, and pricing of oil and gas, and therefore demand for the Group's services from its oil and gas clients. Prolonged low commodity prices (as was the case from late 2014 to early 2021) generally depress the level of activity and spending by the Group's oil and gas clients, which may cause a corresponding decline in the demand for the Group's services. There can be no assurance that the future level of demand from the Group's oil and gas clients does not decline.

Additionally, commercial and residential real estate as well as infrastructure construction tend to be cyclical. Real estate activity and spending levels vary across the Group's markets as they are influenced by interest/profit rates, inflation, consumer spending habits, demographic shifts, environmental laws and regulations, employment levels, and the availability of funds for public infrastructure projects. Economic downturns may lead to recessions in the real estate and public and private infrastructure sectors, either in individual markets, nationally, or regionally. A reduction in real estate and infrastructure development may result in reduced demand and therefore revenues and profitability of the Group.

Furthermore, due to the cyclical nature of the markets in which the Group major clients operate, the Group's clients may not have the ability to fund capital expenditures for projects, or may have difficulty obtaining financing for projects, which may result in cancellations of announced projects or deferrals of projects to a later date. Additionally, during economic downturns, the Group's clients may not have the ability or desire to continue to fund capital expenditures for projects or may decide to outsource less work. Slowdowns in real estate, fluctuations in commodity prices and decreased demand by end-clients for services could also affect the Group's clients and their capital expenditure plans. Such cancellations or deferrals could result in decreased demand for the Group's services or the profitability of those services and could materially adversely affect the Group's business, results of operations, financial condition and prospects.

Many of the parties that the Group contracts with (including project developers) are sovereign or quasi-sovereign entities

Due to the structure of the markets in which the Group operates, many of the major projects in the oil and gas, commercial and residential real estate, and infrastructure sectors are developed, or financed, by sovereign or quasi-sovereign entities. Contracting with sovereign and quasi-sovereign project developers, lenders and other parties (such as large private developers) has certain characteristics that may present risks to the Group.

- It may take longer to negotiate and enter into agreements with governmental and semi-governmental entities due to public procurement processes and internal contracting and compliance policies and procedures, which may result in disrupting the Group's ability to exploit the allocated resources.

- Agreements with governmental and semi-governmental entities are sometimes standardised and include more onerous terms with little room for negotiation. Such onerous terms often include the requirement to provide performance bonds and/or parent company guarantees, subcontracting restrictions, local component requirements, stricter penalties, and other terms that could materially adversely affect the Group's interests.

- Agreements with governmental and semi-governmental entities often have fixed prices and a limited room for contract price adjustment due to stricter public budget controls. This may result in losses for the Group in the event the project pricing methodology does not match a project's actual costs or there are cost overruns that cannot be charged back to the client.

- Projects developed by governmental and semi-government entities are highly dependent on the political will and other political and economic factors beyond the Group's control compared to private sector projects, and may be terminated, or reduced in scope, due to a changing political and economic environment, resulting in potential losses for the Group.

- Projects developed by governmental and semi-governmental entities are subject to deeper public scrutiny and media attention. Any negative public attention to such projects or the governmental or semi-governmental entities developing them could materially adversely affect the Group's business and reputation.

- Projects developed by governmental and semi-governmental entities are subject to a higher degree of regulatory and financial monitoring than privately developed projects. Any issues alleged or identified by the regulatory authorities and enforcement agencies through such monitoring may result in various financial, criminal, and administrative penalties, in the termination of one or more of the Group's contracts, and blacklisting of the Group for the purposes of any future projects. This could have a material adverse effect on the Group's business, reputation, and ability to contract with governmental and semi-governmental entities.

Failure to adequately manage such risks could have a material adverse effect on the Group's business, financial health, results of operations, and future prospects.

Conversely, contracts with private developers may present different challenges, including potentially higher counterparty financial risks, less standardised terms, more volatile project pipelines, and in some cases, more onerous contractual obligations.

Disruption in the supply of raw materials or equipment could negatively impact the Group

The Group depends on reliable access to certain raw materials and equipment essential to its operations, including concrete products, steel, fuel, gypsum, and other building materials and construction machinery and tools required for its projects. While the Group often acts as a general contractor, and subcontracts certain construction works and supplies to other subcontractors and suppliers, the ultimate responsibility for the delivery of the projects lies with the Group. Supply shortages, supply chain problems, other market conditions and import/export controls, among other factors could trigger certain constraints in supply. Disruptions to the delivery of materials and equipment to the Group may occur for reasons such as poor handling or transportation bottlenecks, such as the Suez Canal blockage in March 2021, and geopolitical factors such as the Houthi attacks over the past few years on cargo ships and tankers in the Red Sea which led to the delay of certain materials and equipment. The recent conflict between Iran, Israel and the United States may also heighten the risk of a potential blockage of the Strait of Hormuz, which would significantly disrupt the

Group's supply chain and increase costs or delivery times. See "*Continued instability and unrest in the MENA region, or the escalation of armed conflict, may materially adversely affect the Group's business, results of operations, financial condition and prospects*". In addition, in the event of ongoing closures of sea freight channels and / or ports, the Group's dependency on air freight could increase, which could result in the Group incurring additional costs or reduce the available supply of materials and equipment.

In the event of supply disruption, there could be project delays, and such delays could materially adversely affect the Group's business, results of operations, financial condition and prospects.

The Group's operations are subject to third-party contractor, third-party suppliers and personnel risks

The Group is dependent on third-party suppliers and sub-contractors and outsources various phases of its projects, including planning, design, and construction, to third-party contractors. The Group sources materials and supplies from third-party suppliers and also engages sub-contractors on significant projects, although there are instances in which subcontractors are directly appointed by the Group's clients and the Group is not therefore involved in negotiation the budget, scope or standard of work of such subcontractors. The use of third-party suppliers and sub-contractors exposes the Group to potential liabilities that may arise in cases where such third-party suppliers or sub-contractors fail to meet pre-agreed budgets, timelines and quality of a particular project or materials supplied to the Group. The materials and supplies used in many of the Group's projects are required to conform to high quality specifications, and the work the Group is contracted to provide must be provided to a minimum standard. See "*Disruption in the supply of raw materials or equipment could negatively impact the Group–and–The Group's operations are subject to third-party contractor, third-party suppliers and personnel risks*". The use of third-party suppliers and sub-contractors also increases the demands on the Group's quality control personnel and exposes the Group to risks that the materials purchased from such suppliers or services provided by such sub-contractors may not meet necessary quality standards and consequently result in delays in correcting any deficiencies. To the extent that the Group is unable to rely on these third-party suppliers or sub-contractors, either due to an adverse change in the Group's relationships with them, increases in the cost of their goods and services, or a supplier's inability to provide the Group with materials or services in a timely manner or of the necessary quality, the Group could be adversely affected through higher costs or the resulting potential inability to service its clients, which could have a material adverse effect on the Group's business, results of operations, financial condition, and prospects.

Furthermore, while the Group typically includes penalty clauses in its agreements with third-party contractors in the event of their non-performance or underperformance, these are often limited to a cap of 10% of the contractor's contract value. In contrast, the Group itself may be liable for up to 10% of the overall contract value to its clients. This disparity in liability caps exposes the Group to potential financial losses that exceed what it can recover from its third-party contractors in the event of their non-performance or underperformance. The Group implements mechanisms to mitigate development and construction risks, such as proactive reporting, contractor due diligence and assessment, as well as regular monitoring of engineering, procurement and construction activities undertaken by third parties. Historically, for these reasons, delays or execution issues are usually identified and addressed early on and it is rare that penalties are imposed by clients. However, there can be no assurance that the Group will continue to effectively maintain such mechanisms for oversight and mitigation.

Moreover, the Group's construction solutions and services, including those provided by various suppliers and subcontractors, could contain errors or defects that the Group has not been able to detect and that could adversely affect the performance of the construction solutions or services and negatively impact the demand for such solutions and services. If errors or defects are discovered, the Group may incur significant capital expenditures to eliminate them and may not be able to successfully correct them in a timely manner or at all. Errors and failures in construction solutions or services could result in a loss of, or delay in, market acceptance of such construction solutions or services and could damage the Group's reputation. Any such errors or defects could result in adverse client reactions and negative publicity. Furthermore, any errors in construction solutions or services could result in the need to provide concessions and corrective measures by the Group to existing clients in order to maintain their business. While the Group may be able to seek damages and other contractual and legal remedies from its subcontractors and suppliers in the event any such errors or defects are caused by such subcontractors and suppliers, the ultimate responsibility for the delivery of the Group's projects lies with the Group, and the Group's clients in the first instance would seek remedies for any delays, cost overruns, or defective performance from the Group. Accordingly, the Group may be exposed to the risk of financial losses and reputational damage through its subcontractors' and suppliers' fault.

Furthermore, in addition to recruiting its own employees and buying and maintaining equipment, the Group relies on the provision of labour (including expert technicians and manpower to handle certain advanced equipment and equipment maintenance services), equipment and services by third parties for each of its business segments, including manufacturers, service providers and contractors. As a result, the Group's operations are subject to a number of risks, some of which are outside of its control, including failure of third parties to comply with the terms of an agreement, interruption of a third party's operations due to various risks beyond the Group's control or counterparty credit risks in the event that a third party ceases its business due to insolvency or otherwise and increased costs to find alternative providers. In addition, the Group may be exposed to additional risks or other unforeseen circumstances, such as a failure of a contractor to comply with applicable legal and regulatory requirements or the Group's policies and difficulty in managing the contractors' workforce, labour unrest or other employment issues.

The occurrence of one or more of these risks could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group is, and may continue to be, involved in litigation

In the ordinary course of business, the Group may be subject to risks relating to legal and regulatory proceedings. Although the Group is currently involved in ordinary course legal proceedings which it does not believe to be material, the Group may be involved in material disputes, in the future, including those initiated by regulatory, competition and tax authorities as well as proceedings with competitors, suppliers, clients and other parties. The Group's involvement in litigation, arbitration and/or regulatory proceedings may result in the imposition of fines or penalties or reputational damage. Certain of these disputes may relate to key operational matters, such as the Group's permits, and if determined adversely, could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

In addition, although the Group considers its employee relations to be good, the Group cannot be certain that disputes with employees will not occur in the future. Such disputes could impact employee performance and workplace relations which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group may not be able to maintain sufficient insurance coverage for the risks associated with the operation of its business

The Group's operations are subject to various risks, including accidents, business interruptions, and potential damage to the Group's facilities, property, and equipment caused by inclement weather, human error, pollution, labour disputes, and natural catastrophes. While the Group maintains insurance policies to mitigate potential losses, it may not be fully insured against all risks associated with its business operations. See *"Warranty claims resulting from the services provided by the Group could have a material adverse effect on the Group*".

Although a significant portion of the construction contracts in which the Group is involved are insured by the client to cover all participants in the project, there may be instances where the Group's insurance coverage is insufficient to cover losses arising from certain events. For example, while 'Project all risk' insurance typically covers liability up to 100% of the contract price, this coverage may not apply in cases of negligence. Additionally, there are exceptions to this liability cap, such as potential bodily injury to personnel arising from the execution of the contract.

Furthermore, incidents may occur for which the Group has no insurance coverage or inadequate insurance coverage. These may include cases of negligence, structural integrity issues post-completion, and certain types of bodily injury to personnel. The Group also remains jointly liable with the relevant engineer(s) for the structural integrity of the building for 10 years following its completion, a period during which the 'Project all risk' insurance would have lapsed.

In such situations, the Group could lose the capital invested in, and anticipated future revenue relating to, any damaged or destroyed property. In certain cases, the Group may remain liable for financial obligations related to the impacted property, even if it is not adequately insured.

If the Group were to incur significant liability for which it was not fully insured, this could have a material adverse effect on the Group's business, results of operation, financial condition and prospects.

The Group may not be able to raise additional capital in the future on favourable terms which could impair the Group's ability to operate its business or achieve its growth objectives

The Group has historically financed its operations primarily through cash flows from operating activities and operates with minimal debt. See "*Material Agreements–Summary of Financing*

Arrangements". However, in the event that the Group's cash balances and cash flow from operations become insufficient to make investments, fund acquisitions, or provide needed additional working capital in the future, the Group may require additional financing from other sources. The Group's ability to obtain such additional financing will depend in part upon prevailing market conditions, as well as conditions in its businesses and operating results, and those factors may affect the Group's efforts to arrange additional financing on terms that are satisfactory. While the Group currently operates with minimal debt, there can be no assurance that it will be able to secure borrowings / financings on commercially acceptable terms or at all, should the need arise in the future. If additional financing is obtained, it could come with high associated costs which may impact the Group's profitability and financial condition. Additionally, if such funding is obtained through debt financing, the Group may be subject to restrictive covenants that limit its flexibility in operating its business. The Group is currently subject to customary information undertakings, affirmative covenants and negative covenants under a number of existing financing arrangements (see "*Material Agreements—Certain Financing Arrangements of the Group*").

A breach of any such covenants may result in a default under the Group's debt obligations in which the relevant covenant is included, which may result in all amounts outstanding thereunder becoming immediately due and payable and the termination of all commitments to extend further credit to the Group unless the Group is able to obtain waivers of the relevant covenant at risk of non-compliance. In this regard, Target Engineering obtained waivers in relation to the following covenants for the financial year 2024: (i) the minimum current ratio covenant under its facility with National Bank of Fujairah, for which a waiver was obtained on 16 January 2025; (ii) the leverage ratio covenant under its facility with First Abu Dhabi Bank, for which a waiver was obtained on 20 January 2025; and (iii) the tangible net worth covenant under its facility with Emirates NBD, for which a waiver was obtained on 22 November 2024. Any future non-compliance with relevant covenants, or the Group's inability to secure timely waivers on acceptable terms, could adversely affect the Group's financing arrangements. The occurrence of the events above could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Furthermore, the Group's ability to raise debt funding may be further limited by its obligations to provide performance bonds, advance payment guarantees and/or parent company guarantees pursuant to certain material agreements with its clients. Due to the construction industry's nature, contractors are often required to provide performance bonds, advance payment guarantees and/or parent company guarantees to project developers. A number of construction contracts that the Group has entered into contain the requirement for the contractor to provide a performance bond, advance payment bond and/or parent company guarantee. The Group has relevant arrangements in place to issue performance bonds and advance payment guarantees, if required by project developers, as some of the facility agreements the Group has entered into with the lenders include performance bond and advance payment guarantee facilities; however, this may impact the Group's balance sheet and its ability to obtain additional borrowings / financings from lenders / financiers.

The Group faces competition from existing competitors and may face additional competition in the future

The construction industry is highly competitive, and the Group competes with other companies in most of the markets in which it operates, ranging from small independent firms servicing local markets to larger firms servicing regional and international markets. There are relatively few barriers to entry into certain sectors or the markets in which the Group operates and, as a result, any organisation that has adequate financial resources and access to technical expertise and skilled personnel may become one of the Group's competitors in certain of the sectors it operates in (see "*Business Description-Principal Operations*"). Additionally, the Group faces competition in the large-scale government infrastructure and oil and gas project space, including from other government-backed companies.

In the future, the Group may face competition from other service providers, including state-owned and government-subsidised entities, smaller competitors as well as new entrants. For example, it was announced in February 2023 that the Public Investment Fund acquired strategic stakes in four companies in Saudi Arabia's construction services sector with the aim of enabling the construction services sector and improving local supply chains for current and future projects in Saudi Arabia as part of further developing the country's construction ecosystem, which may result in increased competition for the Group in Saudi Arabia. The competitive landscape is differentiated regionally by numerous factors, such as the number of competitors operating in a specific market, the national and regional infrastructure investment plans by governments, the pricing policies, the level of overhead expenses and the products and services of such competitors, their market penetration, scheduling, the pre-existing relationships with clients or clients' prior experience with specific contractors, the total capacity serving the market, up-to-date technology in terms of methods and equipment, properties, quality, logistics, availability, reliability and innovation, market barriers to entry, and the proximity of resources, as well as general economic conditions and demand within the market.

The Group competes on the basis of price, execution capability and track record, reputation and brand, and construction solution and service quality. Price is often the principal factor for many clients in determining which service provider is selected. The Group's competitors could be inclined to take greater or unusual risks or accept terms and conditions in a contract that may not be deemed acceptable to the Group to, among other things, maintain their market share. Additionally, the Group's competitors are sometimes able to win bids for projects based on their lower costs and financial return requirements as compared to the Group's. The occurrence of any of the factors above could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group may be harmed by negative publicity and/or erosion of the ALEC and Target brands

The Group believes that the success of its operations is dependent in part on the continuing favourable reputation, market value and name recognition associated with the ALEC and Target brands, as the ALEC and Target brands are used in a wide range of projects in the UAE and internationally. In addition to the Group's operations, the ALEC and Target brands are associated with the operations of the Group companies. Erosion of the value of such brands for any reason, including due to the activities and operations of the Group companies, could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Furthermore, while the Group has developed and implemented internal controls, policies and procedures designed to prevent or mitigate employee misconduct or misconduct by third parties, including subcontractors, such controls, policies and procedures may not be effective and may be difficult to monitor and enforce with third parties and subcontractors. For example, it is not always possible to identify and deter misconduct or errors by the Group's employees or third parties and the precautions the Group takes to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses. The discovery of misconduct or fraudulent activities by any of the Group's employees or third parties could result in significant negative publicity in relation to such misconduct and harm the Group's reputation and brand.

Adverse publicity and negative customer sentiment arising out of these and other incidents may render clients, legislatures and other governing bodies, regulatory authorities and government officials less likely to view the Group in a favourable light, and may cause it to be susceptible to less favourable legislative, regulatory and economic outcomes, as well as increased regulatory or other oversight and more stringent regulatory or economic requirements. Unfavourable publicity could lead to adverse regulatory and economic outcomes, including the enactment of more stringent laws and regulations governing the Group's operations, as well as fines, penalties or other sanctions or requirements. The imposition of any of the foregoing could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's business may be harmed if it fails to attract and retain qualified and experienced employees

The Group's business is labour intensive and given the nature of the highly specialised work the Group performs or is involved in, many of its employees are trained in and possess specialised technical skills. Accordingly, it can be difficult for the Group to find qualified and affordable personnel, and the Group may be unable to hire and retain a sufficiently skilled labour force necessary, such as project managers, engineers, architects, and specialised tradesmen, to support its operating requirements and growth strategy.

The Group sources workers which provide a wide-ranging set of expertise in construction operations. While the Group has historically not experienced any issues with sourcing of its workers, there can be no assurance that the Group will continue to source sufficient workers for its operations going forward. In particular, as the majority of the workers for certain positions come from India, Nepal, Pakistan and Bangladesh, finding qualified workers by the Group's outsourcing agencies is impacted by a number of factors beyond its control, including political instability and other factors affecting availability of such workers. The Group uses third-party recruitment agencies to recruit labour from abroad, which may introduce additional risks related to the recruitment process. Any workers provided by such agencies remain subject to the Group's security clearance, limits on nationalities, and visa restrictions policies and procedures in the UAE and Saudi Arabia, which could result in delays or otherwise impact the Group's ability to source workers.

As the Group aims to expand its operations and drive revenue growth, the Group will require an increased workforce. If the Group is unable to recruit or retain experienced, capable and reliable personnel, especially senior and middle management, engineers, information technology professionals, project managers, engineers, architects, and specialised tradesmen, with appropriate professional qualifications, the Group's expansion strategy and operations may be adversely affected. Experienced and capable personnel in the engineering and technical fields remain in high demand in the markets in which the Group operates, and there is significant competition for their talents. Consequently, when talented employees leave, the Group may have difficulty replacing them and may incur additional costs and expenses in securing such replacements. In addition, the Group must adhere to certain Emiratisation and Saudisation requirements (see "*The UAE's Emiratisation initiative and compliance with Saudisation requirements may increase the Group's costs"*) which if breached could have adverse impact on the Group.

The occurrence of any of the foregoing events may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group is reliant on its senior management and key personnel

The Group's business is managed by a number of key employees and operational officers and is dependent upon retaining and recruiting qualified management, as well as its ability to identify, hire, develop, motivate and retain qualified personnel in the future. The Group believes that its committed senior management team has been of central importance to the Group's growth historically and is key to its ability to deliver the Group's future growth strategy. See "*Management–Senior Management*". The Group cannot guarantee that it will retain all of these key personnel. The loss of any member of the Group's senior management team, or the loss of any of the Group's other key employees may result in a loss of organisational focus, poor execution of operations or an inability to identify and execute potential strategic initiatives such as expansion of capacity. In addition, competition for senior management and key employees in the industry in which the Group operates is intense, and the Group cannot guarantee that it will be able to retain its personnel or attract new and suitably qualified personnel. The occurrence of any of these events may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Certain of the Group's senior management have limited experience in managing a publicly listed company

Prior to its conversion, the Company operated as a limited liability company and, accordingly, some of the Group's senior management have limited experience in managing a publicly listed company complying with the specific laws and regulations pertaining to public companies listed in the UAE. While the Group has historically operated in accordance with robust internal policies and procedures, the regulatory oversight, compliance and reporting obligations imposed on public companies will require substantial attention from senior management, including in order to rapidly invest time and financial resources in the appropriate governance and compliance infrastructure, as well as to attract, empower, and retain professionals able to ensure governance and compliance in a manner meeting or exceeding legal and regulatory requirements for a public company. There can be no assurance that such senior management will be successful in this transition, which could have a material adverse effect on the Group's business. Non-compliance in a timely manner with the regulations and disclosure requirements imposed on listed companies may expose the Group to regulatory sanctions and fines. The imposition of fines on the Company could materially adversely impact the Group's business, results of operations, financial condition and prospects.

The Group may be affected by difficult work sites and environments, which could cause delays and result in additional costs

The Group performs work under a variety of conditions, including, but not limited to, difficult and hard to reach terrain and difficult site conditions. Performing work under such conditions can result in project delays or cancellations, potentially causing the Group to incur additional, unanticipated costs, reductions in revenues or the payment of liquidated damages. Some of the Group's projects involve challenging engineering, procurement and construction phases that may occur over extended time periods, sometimes over several years. The Group may encounter difficulties in engineering, delays in designs or materials provided by the client or a third party, equipment and material delivery delays, schedule changes, delays from clients, failure to timely obtain rights-of-way, weather-related delays, and other factors, some of which are beyond the Group's control, but which impact its ability to complete a project within the original delivery schedule. These factors may include information delays, poor information quality, changes in scope, late approvals and signoffs, and delayed decision making by external stakeholders. In some cases, delays and additional costs may be substantial and the Group may be required to cancel a project and/or compensate the client for the delay. The Group may not be able to recover any of such costs. Any such delays or cancellations, defects or errors or other failures to meet client expectations could result in damages claims substantially in excess of the revenue associated with a project. Delays or cancellations could also negatively impact the Group's reputation or relationships with its clients, which could adversely affect its ability to secure new contracts, and in turn, materially adversely affect the Group's business, results of operations, financial condition and prospects.

Furthermore, the Group primarily relies on generators for power supply at its construction sites. While this approach provides flexibility and independence from local power grids, it also exposes the Group to additional risks. These include potential fuel shortages, mechanical failures of generators, or increased operational costs due to fuel price fluctuations. Any significant disruption in the Group's ability to operate these generators effectively could lead to project delays or increased costs. Although this approach mitigates dependence on local utilities, it introduces its own set of challenges that, if not managed properly, could adversely affect the Group's business, results of operations, financial condition and prospects.

The Group is reliant on its manufacturing facilities and unplanned manufacturing curtailment or shutdowns may materially adversely impact the Group's business and financial performance

The Group operates several manufacturing facilities, including ALEMCO's plant yard in Dubai Industrial City which has a duct manufacturing facility and a prefabrication and modular production facility, the LINQ Factory in Dubai Industrial City, a steel fabrication facility, and ALEC Fitout's joinery factory in Ras Al Khaimah (which the Group expects will be operational during 2025). While the Group has the ability to source the necessary materials from third party suppliers, any unplanned suspensions of operations, production curtailments or unscheduled shutdowns of such facilities may adversely affect the Group's ability to pre-fabricate and manufacture components, which could result in lost sales or increased costs, and in turn have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Such unanticipated events include, but are not limited to, adverse weather conditions, power outages, equipment failures, fires, force majeure events or interruptions to the supply of key raw materials. Although no significant events have materially impacted the Group's operations to date, there can be no assurance that more substantial outages or similar incidents will not occur in the future, which could result in loss of sales or increased costs.

Moreover, the Group's facilities may be subject to the failure of certain equipment, and it may experience delays in securing replacement parts. Any such risk could result in operational disruptions and have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group may be exposed to risks associated with the execution of data centre projects

The Group, through ALEC Data Center Solutions, provides engineering, procurement and construction services for large-scale data centres, including traditional facilities, AI-driven centres, and prefabricated modular solutions. Data centre projects are often complex, technically demanding, and subject to rapid technological evolution and regulatory scrutiny. These projects must meet stringent client specifications relating to operational reliability, cooling, power supply, and data security. The failure to meet these requirements may result in significant liability for defects, delay penalties, reputational harm and reduced opportunities for future work in this specialised segment.

In addition, the pace of innovation and rising demand for AI-optimised infrastructure and prefabricated modular solutions presents execution and integration challenges. The Group must manage evolving client requirements, strict commissioning procedures, and the risk of reliance on specialist subcontractors and equipment providers. Prefabricated data centre projects, in particular, require close coordination of off-site manufacturing and on-site installation activities, and are susceptible to delays due to supply chain constraints or quality control issues in the manufacturing process. Any failure to timely deliver or mobilise these projects to required performance benchmarks may adversely affect the Group's business, financial condition, results of operations and prospects.

The Group's business involves numerous operating hazards

Construction projects undertaken by the Group expose its employees to electrical lines, pipelines carrying potentially explosive materials, heavy equipment, mechanical failures, transportation accidents, adverse weather conditions and the risk of damage to equipment and property. These hazards can cause personal injuries and loss of life, severe damage to or destruction of property and equipment and other consequential damages and could lead to the suspension of operations and large damage claims. In addition, if serious accidents or fatalities occur, or the Group's safety record were to deteriorate, the Group may be restricted from bidding for certain projects and obtaining other new contracts and certain existing contracts could be terminated. The occurrence of accidents in the Group's business could result in significant liabilities, employee turnover, increased project costs, or harm the Group's ability to perform under its contracts or enter into new contracts with clients, which could materially adversely affect the Group's business, results of operations, financial condition and prospects.

The Group's operations are dependent on maintaining permits and meeting certain requirements from governmental authorities

The Group is required by various governmental and quasi-governmental agencies to obtain certain licences, certificates, approvals, permits and financial assurances with respect to its operations. In addition, there are federal procurement laws that impose certain conditions, such as the requirement to obtain and comply with permits and authorisations or specifications for the materials to be used, to be able to bid in public tenders. The Group's failure to maintain necessary licences, certificates, approvals, permits or financial assurances could disqualify it from being able to bid on tenders, require the Group to incur substantial costs to remedy or rectify any such failures.

The Group holds permits and approvals authorising operations, such as commercial licences and branch professional licences which are renewed on an annual basis. A decision by a government agency to deny or delay issuing a new or renewed material permit or approval, or to revoke or substantially modify an existing permit or approval, could have a material adverse effect on the Group's ability to continue its operations and on its business, results of operations, financial condition and prospects. In certain cases, as a condition to procure or maintain such permits and approvals, the Group may be required to comply with regulatory financial assurance requirements. Additional financial assurance requirements or other increases in local regulations and taxes could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group may not be successful in acquiring or integrating new businesses and may not be able to realise its projected returns from strategic transactions

Apart from the acquisition of Target Engineering in September 2022 ("**Target Acquisition**"), the Group has primarily relied on organic growth to expand its business and has no immediate plans for major acquisitions. However, the Group may consider strategic transactions in the future, such as partnerships, joint ventures, business combinations, dispositions, or spin-offs, if such opportunities arise and align with its business objectives. These transactions, if pursued, may require significant managerial resources and divert attention from other activities, potentially impacting the operation of the Group's business. Should the Group engage in strategic transactions in the future, it may face several challenges, including:

- integrating the operations, systems, technologies, products, data, internal policies and frameworks, and personnel of the acquired entity or partner;
- marketing strategy and brand integration;
- incurring significant transaction-related expenses and other unanticipated costs, such as integration or restructuring costs;
- inability to obtain the desired financial or strategic benefits, operating and financial efficiencies, synergies, or cost savings from transactions, and the potential impairment of goodwill, intangible assets, or other assets related to the transaction may occur if the anticipated financial benefits prove to be less than expected;
- difficulties in retaining key business relationships, including those with key personnel,

employees, clients, partners, and suppliers;

- exposure to risks associated with entering new markets or engaging with unfamiliar products through transactions;
- challenges in obtaining necessary regulatory and third-party approvals and consents, such as anti-trust and competition approvals; and
- cash flow requirements diminishing reserves in the short and medium term.

Although the Group does not have any immediate plans for any other major acquisitions, the failure to successfully integrate or execute any potential future strategic transactions could have a material adverse effect on the Group's business, results of operations, financial condition, and prospects.

Warranty claims resulting from the services provided by the Group could have a material adverse effect on the Group

The Group generally warrants the work it performs for varying periods of time following substantial completion of a project, subject to further extensions of the warranty period following repairs or replacements. In addition, certain jurisdictions in which the Group operates impose statutory warranty periods in respect of construction projects. A number of these warranty periods may be of a material duration (for example, the UAE and the KSA have an up to 10-year liability period in respect of certain structural building construction works) and may involve strict liability. While the Group, in respect of projects which it believes are characterised by a higher degree of risk associated with potential warranty claims, has insurance policies in place covering such potential warranty claims and otherwise makes provisions for such potential claims, such policies and provisions may not be sufficient to cover the costs associated with potential warranty claims (and warranty claims may be made relating to matters in respect of which the Group has not made any provision).

In every project, between 35-60% of the Group's work is executed by subcontractors and third-party specialist entities, and while most warranties associated with these works are passed through the Group directly to the client, this does not eliminate the Group's potential liability. Although claims are typically directed to these subcontractors directly by the client rather than through the Group, the Group may still be held ultimately responsible by the client for any defects or issues. This arrangement could potentially increase the complexity of managing warranty claims and may result in additional costs or reputational damage if subcontractors fail to address claims adequately.

Such claims may be triggered by deficiencies in the execution of construction projects (including design, installation and/or structural defects), defects in building materials, injuries or death caused to third parties or damage to property of third parties caused by the Group, as well as other claims that may or may not be anticipated by the Group. The costs associated with any such warranty claims, including any warranty-related legal proceedings, could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group may be subject to claims in relation to its business activities. No assurances can be given that the Group will prevail in any such disputes, and an adverse decision or an extended or high-profile dispute could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group may not meet its ESG strategy, or may incur additional costs in connection with such strategies

Companies are increasingly being judged by their performance on a variety of environmental, social and governance matters ("**ESG**") which are considered to contribute to the long-term sustainability of a company's performance. In addition, investment in funds that specialise in companies that perform well in such assessments are increasingly popular, and major institutional investors have publicly emphasised the importance of such ESG measures to their investment decisions. Topics considered in such assessments include, among others, the company's efforts and impacts on climate change and human rights, ethics and compliance with law, and the role of the company's board of directors in supervising various sustainability issues. The Group is committed to ESG principles, and ESG is at the centre of the Group's priorities and strategic initiatives. The Group regularly considers environmental and social factors, such as climate change, and governance responsibilities in its business and investment decisions and, accordingly, has set ESG strategies in accordance with its ambition to support Dubai's transition to a 100% clean energy economy. See "*Business Description—ESG Strategies*".

If the Group is unable to meet these strategies fully, partially or in a timely manner, it may affect the ease with which it can raise new capital from the increasing number of financiers and investors who consider it important to incorporate disclosure of and performance against ESG-related metrics into their investment criteria. Additionally, in the event of repeated unfulfillment of these strategies, the Group may face the risk of higher cost of capital by such financiers or investors, which may materially adversely affect the Group's business, results of operations, financial condition and prospects. Moreover, there can be no assurance that the Group will implement ESG measures fully, manage such matters successfully, or that it will successfully meet investors', regulators or other stakeholders' expectations. Any failure or perceived failure by the Group in this regard could have a material adverse effect on its reputation as well as business, results of operations, financial condition and prospects, including the sustainability of its business over time.

Environmental and other regulatory matters could adversely affect the Group's ability to conduct its business and could require it to make substantial expenditures

The Group's operations are subject to various environmental laws and regulations relating to the management, disposal and remediation of hazardous substances and the emission and discharge of pollutants into the air, water and soil. Despite comprehensive precautionary measures and risk management, such substances may occasionally cause damage to customers, employees and third parties and expose the Group to liability. In addition, the Group could be held liable under any of these laws and regulations for contamination resulting not only from its own activities but also from the historical activities carried out by others on its project sites or on properties acquired by the Group. The Group's operations are also subject to laws and regulations relating to workplace safety and workers' health, which, among other things, regulate employee exposure to hazardous substances. These laws and regulations have become, and are becoming, increasingly stringent. The Group cannot predict the nature, scope or effect of any new or amended requirements that could be imposed, or how existing or future laws or regulations will be administered or interpreted, with respect to products or activities to which they have not been previously applied. As a result, the Group could become subject to substantial fines and penalties, cleanup obligations, third-party property damage or personal injury claims as well as to reputational damage. In addition, increased sensitivity on the part of the public and, at times, resistance by citizens' initiatives against major construction projects may cause such construction projects to be delayed or frustrated. Any such risk could result in operational disruptions and have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group is exposed to cybersecurity risks and risks associated with the use of information technology which could result in disruptions to its business operations and adverse operating results

The Group relies on information technology and computer systems to carry out its day-to-day operations, including internal and external communications, the management of its accounting systems and its operations, including the management of facilities at which the Group provides its services. As a result of the increasing complexity of electronic information and communication technology, the Group is exposed to various risks, ranging from the loss or theft of data, cyber-attacks, stoppages and interruptions to the business, to systems failure and technical obsolescence of information technology systems.

Increased global information security threats and more sophisticated cyber-crimes pose a risk to the confidentiality, availability and integrity of the Group's data, operations and infrastructure of the information technology systems, networks, facilities, solutions and services. Cyber security risks include attacks on information technology and infrastructure by hackers, damage or loss of information due to viruses or ransomware, the unintended disclosure of confidential information, the misuse or loss of control over computer control systems, and breaches due to employee error. The Group's exposure to cyber security risks includes exposure through third parties on whose systems the Group places significant reliance for the conduct of its business and exposure through third party suppliers whose systems may be vulnerable to cyber-attacks.

The non-availability, violation of confidentiality, or the manipulation of data in critical information technology systems and applications can lead to the uncontrolled outflow of data and expertise and have an adverse effect on the Group's business and operations. Any such violation of confidentiality, manipulation of data or uncontrolled outflow of data could be in breach of the UAE's Federal Decree by Law No. 45 of 2021 Concerning the Protection of Personal Data which may in turn result in penalties being imposed on the Group.

In addition to its use of open-source software, the Group also relies on software, hardware and applications from various third parties to deliver its construction solutions and services. If any of these software, hardware or applications become unavailable due to extended outages or because they are no longer available on commercially reasonable terms, it could result in delays in the provisioning of the Group's services until equivalent technology is identified, obtained and integrated, which could increase the Group's expenses or otherwise harm its business.

The Group is also currently implementing or planning various IT strategy initiatives targeting operational efficiency, agility and business sustainability through 21 IT projects, eight of which are completed, seven are currently being implemented and six are yet to be started. As with any complex IT systems, failure to properly implement the migration and integration of data sources and IT systems may cause loss of data, misuse of confidential information and other security breaches, adversely affecting the Group's operational results and resulting in litigation or potential liability.

As part of the Target Acquisition, the Group has acquired Target's own IT team of three members. Target's IT systems, databases and IT personnel are yet to be fully integrated into the Group's IT infrastructure. As different teams are currently managing different IT systems and services within the Group, different parts of the Group's IT infrastructure may be subject to different rules, principles and governance standards. Failure to integrate these systems and teams may adversely affect the Group's IT security.

While the Group has implemented various security measures, including a Security Operations Centre (SOC) that monitors network traffic, Advanced Threat Protection (ATP), Microsoft Defender for Office 365, and security awareness training for all employees, the Group cannot guarantee complete protection against all cyber threats. The rapidly evolving nature of cyber risks means that new, unforeseen threats may emerge, and existing security measures may become outdated or ineffective.

Any failure in the Group's cybersecurity measures could potentially lead to the compromise of confidential information, improper use of systems and networks, manipulation and destruction of data, and operations disruptions, which in turn could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group faces risks related to technological developments and evolving client demands in the construction industry

While the Group's core business is construction rather than software or IT services, it relies on technology for information management and back-office functions. The Group also uses various digital tools and technologies in its construction projects to meet client demands and improve efficiency. However, there can be no assurance that the Group will be able to continue to effectively utilise and implement technological advancements in its construction solutions and capabilities to address the evolving needs of its clients across different segments and verticals.

The construction market is characterised by ongoing technological advancements, increasingly sophisticated client requirements, and evolving industry standards. As the industry in the UAE and wider region further develops, clients may require more specialised technological solutions integrated into their projects. The Group's future success depends on its ability to continue to implement and utilise services and solutions that are attractive, timely, and cost-efficient for its existing and new clients. This requires the Group to anticipate and respond to changes in technology and industry developments to serve the evolving needs of its clients.

While the Group invests in and regularly reviews the latest tools and technologies, if it does not adapt and develop its use of technology in response to changes in client demand, its ability to maintain a competitive advantage could be negatively affected. The Group operates in an environment where competitors may offer new technological solutions in construction. If the Group fails to keep up with such changes or to convince clients of the value of its technologically enhanced services and solutions, this could have a material adverse effect on the Group's business, results of operations, financial position, and prospects.

The Group is exposed to risks associated with the use of intellectual property and technology licences

The Group's operations depend upon a wide range of intellectual property to support its business and it has obtained licences for certain technologies which are used in its services and manufacturing facilities. The Group's operations are primarily based on technology process licences from third parties. Any termination of a material technology licence or dispute related to its use could require the Group to cease using the relevant technology and therefore possibly adversely affect its ability to produce the relevant products. Furthermore, the Group may fail to protect its intellectual property and other proprietary information such as processes, product know-how, technology, trade secrets or proprietary know-how or fail to make adequate legal remedies for related actions. See "*Business Description–Intellectual Property*". The Group may inadvertently infringe on the intellectual property rights of third parties and could be required to pay substantial damages and/or be enjoined from using or selling the infringing products or technology. The Group may not have validly acquired intellectual property rights from its present or former employees and cooperation partners such as clients and research organisations in the past and potentially may not always validly acquire them in the future.

Any of the foregoing could have a material and adverse effect on the Group's business, results of operations, financial condition and prospects.

The Company may be unsuccessful in enhancing the integrity, reliability and efficiency of its internal controls

The Group's business relies on internal controls and procedures that regulate client and management information, finance, credit exposure and other aspects of its business. In preparation for the Offering, the Company has implemented a number of new policies, processes, systems and controls intended to permit the Company to operate and provide reports and other information consistent with a company listed on the Dubai Financial Market.

However, the Company has a limited or no operating history with certain of these policies, processes, systems and controls, and therefore can provide no assurance that it will be able to implement them successfully, and that it will be able to operate and provide reports and other information on a timely and accurate basis. Moreover, there can be no assurances that these policies, processes, systems and controls will be adequate for the Company's requirements generally or its requirements as a publicly owned company. Any material weaknesses in the Company's internal controls could have a material adverse effect on its business, results of operations, financial condition and prospects.

Risks Relating to the UAE, Saudi Arabia and the MENA Region

The Group is exposed to general economic, financial and political conditions in the UAE, Saudi Arabia and the MENA region more generally

General economic, financial, and political conditions in the UAE, Saudi Arabia and more generally the MENA region where the Group conducts all of its operations, may have a material adverse effect on the Group's business, results of operations, financial condition and prospects. An adverse change in the credit rating of the UAE or Saudi Arabia, declines in consumer confidence and/or consumer spending, changes in unemployment, significant inflationary or deflationary changes or disruptive regulatory or geopolitical events could contribute to increased volatility and diminished expectations for the UAE or Saudi Arabia economies and markets, including the market for the Group's construction solutions and services, and lead to demand or cost pressures that could materially adversely affect the Group's business, results of operations, financial condition and prospects. In addition, the Group's business operations are subject to numerous risks and uncertainties, including:

- difficulties and costs associated with complying with a wide variety of complex laws, treaties and regulations;
- unexpected changes in regulatory environments;
- inflation levels;
- changes to tax treaties or tax rates;
- changes to domestic and international tax law;
- earnings that may be subject to withholding requirements;
- foreign investment and/or trade restrictions or requirements; and
- the imposition of tariffs, exchange controls or other restrictions.

Unfavourable developments in respect of any of the above risks in any one of the jurisdictions in which the Group operates could have a material adverse effect on its business, results of operation, financial condition and prospects.

Moreover, the UAE's and Saudi Arabia's economies may be adversely affected by tightening global economic conditions and external shocks, including financial market volatility, trade disruptions and protectionist trade policies or threats thereof. Several of the Group's projects in the UAE and Saudi Arabia have been, and may continue to be, driven by the 'We the UAE 2031' Vision and Saudi Vision 2030. Accordingly, any significant reduction in the scope of such visions could potentially result in less projects for the Group. In particular, a global shift in policies, including towards protectionism, with lower global growth due to reduced trade, migration and cross-border investment flows, could slow non-oil growth in the UAE and Saudi Arabia. These conditions could affect all of the Group's business segments. Examples of such conditions could include:

- a general or prolonged decline in, or shocks to, regional or broader macro-economies;
- regulatory changes that could impact the markets in which the Group operates; and
- deflationary economic pressures, which could hinder the Group's ability to operate

profitably in view of the challenges inherent in making corresponding deflationary adjustments to its cost structure.

In addition, in the event of a significant geopolitical conflict or a macroeconomic downturn, the demand of the Group's clients may fall. Similarly, political or economic upheavals in certain countries or markets could lead to a downturn in client demand for the Group's services. There can be no assurances that any escalation of geopolitical tension in the future will not create instability in macroeconomic and social conditions. The nature of these types of risks makes them unpredictable and difficult to plan for or otherwise mitigate, compounding their potential impact on the Group's business, results of operations, financial condition and prospects.

Furthermore, the Group is subject to applicable anti-corruption laws and regulations and economic and trade sanctions and export control programmes, antitrust and competition laws in various jurisdictions. As a result of doing business internationally, the Group is exposed to a risk of violating anti-corruption laws and sanctions regulations applicable in those countries where the Group, its partners or agents operate. Violations of anti-corruption and sanctions laws and regulations are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts (and termination of existing contracts) and revocations or restrictions of licences, as well as criminal fines and imprisonment. Any violation of applicable laws, including by the Group's employees, consultants, agents or partners, could subject the Group to penalties and reputational damage and could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. In one instance, following a thorough internal investigation, an employee of the Group was dismissed for misconduct in relation to allegations of bribery in June 2025. The Group maintains a strict zero-tolerance policy in relation to such matters. The relevant authorities were notified, including the police and the Federal Audit Authority, and all necessary legal and procedural steps were taken. The incident did not have any repercussions on the Group. However, there can be no assurance that similar incidents may not occur in the future that could adversely affect the Group, including its reputation.

In addition, changes in antitrust laws globally, or in their interpretation, administration or enforcement, may limit the Group's existing or future operations and growth.

Violation of these laws and regulations could result in penalties, which could have a material adverse effect on its business, results of operations, financial condition and prospects.

The Group faces risks associated with changes in the global economic and political environment and global trade

The economic and political environment as well as other factors, such as oil and gas prices, the COVID-19 pandemic, unemployment, inflation, inclination to invest, economic growth, conflicts, military action, terrorist attacks and general instability throughout the world and in the UAE and Saudi Arabia, as well as the development of the world economy have a fundamental influence on the Group's business and operations.

The global economy has been suffering from elevated levels of inflation, which has triggered a cost-of-living crisis in many regions. Paired with an energy crisis triggered by the war in Ukraine and subsequent redirection of energy sources away from Russian producers, the prices of oil and gas have become more volatile. Many economic sectors within the UAE and

Saudi Arabia remain in part dependent, directly or indirectly, on crude oil prices, so extended periods of low crude oil prices may have a negative impact across the economic landscape of Dubai and other Emirates. For example, the Dubai, Abu Dhabi or other Emirati governments may decide to reduce government expenditures in light of the budgetary pressures caused by lower crude oil prices, which may, in turn, reduce fiscal spending on infrastructure and other projects that create revenue streams for the Group.

A slowdown of, or persistent weakness in, economic activity and global trade caused by a deterioration of global market and economic conditions could adversely affect the Group's business in the following ways, among others: conditions in the credit markets could affect the ability of the Group's clients and their clients to obtain sufficient credit to support their operations; financial difficulties suffered by the Group's clients, subcontractors or joint venture partners; the failure of the Group's clients to fulfil their obligations to the Group, which could result in payment delays or defaults, increases in bad debts, impact the Group's working capital, financial position and profitability; and the failure of certain key suppliers could increase the Group's exposure to disruptions in supply or to financial losses. The Group also may experience a decline in awards, delay or cancellation of projects, a decline in demand for its construction solutions or services including its backlog, which may in turn result in a decline in revenue, underutilisation of the Group's contracting capacity, and payment delays or defaults, or adversely impact the Group's project execution, notwithstanding its large work force and employee cost base.

The overall impact of a global economic downturn or deterioration in the global trade patterns on the Group is difficult to predict, and its business, results of operations, financial condition and prospects could be materially adversely impacted. In addition, declines in client confidence and/or client spending, changes in unemployment, significant inflationary or deflationary changes or disruptive regulatory or geopolitical events could contribute to increased volatility and diminished expectations for the economy and the Group's markets, including the market for the Group's construction solutions and services, and lead to demand or cost pressures.

The overall global economic outlook remains uncertain and the Group cannot reliably predict it. Any downturn in regional or worldwide economies, global trade, market crisis or prolonged periods of instability could have a material and adverse effect on the Group's business, results of operations, financial condition and prospects.

Continued instability and unrest in the MENA region, or the escalation of armed conflict, may materially adversely affect the Group's business, results of operations, financial condition and prospects

Although Dubai, the wider UAE and Saudi Arabia have enjoyed domestic political stability and generally positive international relations since 2011, there has been political unrest in a number of countries in the MENA region, including Bahrain, Egypt, Iran, Iraq, Lebanon, Libya, Syria, Tunisia and Yemen. The unrest has ranged from public demonstrations to, in extreme cases, armed conflict and civil war and has given rise to a number of regime changes and increased political uncertainty across the region. It is not possible to predict the occurrence of events or circumstances such as civil unrest, war or other hostilities, or the impact that such events or occurrences might have on Dubai and the UAE. The MENA region currently is subject to a number of armed conflicts including those in Yemen, Syria (in which multiple state and non-state actors are involved, such as the USA, Russia, Turkey and Iran), Iraq and Palestine, as well as conflicts with militants associated with the Islamic State. The ongoing conflict between Israel and Palestine and the Israeli strikes on Lebanon in October 2024 and Syria in December 2024 further heightened tensions in the region and globally. More recently, on 13 June 2025, Israel launched an airstrike and missile campaign targeting strategic sites on Irani military infrastructure. Iran has also launched missile strikes on Israeli military sites. On 22 June 2025, the United States conducted its own strike targeting three Iranian nuclear facilities, Fordow, Natanz and Isfahan. On 23 June 2025, Iran retaliated with missiles aimed at the U.S. Al Udeid Air Base in Qatar. These exchanges caused Gulf nations, including Kuwait, UAE, Qatar, Bahrain and Oman to temporarily close their airspace due to safety concerns, disrupting regional air travel.

Furthermore, Dubai and the other Emirates are, and will continue to be, affected by political developments in or affecting the UAE and the wider MENA region, and investors' reactions to developments in any country in the MENA region may affect securities of issuers in other markets, including the UAE. On 14 September 2019, the Abqaiq processing facility and the Khurais oil field in Saudi Arabia were significantly damaged in attacks by unmanned aerial vehicles and missiles, which caused an immediate significant reduction in the oil output of Saudi Aramco. In January 2020, direct confrontation occurred between the USA and Iran when a targeted drone strike killed a senior Iranian military commander in Iraq which was followed by an Iranian attack using ballistic missiles on a USA military base in Iraq. In the course of this confrontation, the government of Iran confirmed that it would no longer adhere to the terms of the Joint Comprehensive Action Plan in respect of Iran's nuclear power programme. On 11 April 2021, a major power failure occurred at the Natanz complex south of Tehran, Iran, as a result of an explosion which has been reported to be caused by an attack on the Natanz complex. The Natanz complex was targeted by Israeli missiles on 13 June 2025. On 18 January 2022, Abu Dhabi experienced a drone attack launched by Houthi rebels near the Abu Dhabi airport that killed at least three people. In November 2023, the Yemeni Houthi militia seized or attacked several commercial vessels in the Red Sea. On 18 February 2024, Houthi groups attacked a UK-owned cargo ship in the Southern Red Sea, and on 21 August 2024, Houthi groups launched further attacks on a Greek-flagged oil tanker (the Sounion) in the Red Sea, which was carrying 150,000 tonnes of Iraqi crude oil, thereby adversely impacting shipping through one of the world's most important maritime trade routes.

Although the UAE and Saudi Arabia (where the Group conducts the majority of its business) have otherwise generally not experienced terrorist attacks or armed conflict such as those experienced by a number of other countries in the MENA region, there can be no assurance that extremists or terrorist groups will not initiate terrorist or other violent activity in the UAE or Saudi Arabia, or that the UAE will not be impacted by any escalation of regional armed conflict. Any terrorist incidents in or affecting Dubai, the UAE or Saudi Arabia and increased regional geopolitical instability (whether or not directly involving Dubai, the UAE or Saudi Arabia), or any heightened levels of military conflict in the region or globally, may have a material adverse effect on Dubai's, the UAE's and Saudi Arabia's attractiveness for foreign investment and capital, their ability to engage in international trade, their tourist industry, and, consequently, their economic, external and fiscal positions, and therefore could adversely impact the Group's business, results of operations, financial condition and prospects.

Furthermore, the UAE and Saudi Arabia are dependent on expatriate labour, including unskilled labourers as well as highly skilled professionals in a range of industry sectors, and have made significant efforts in recent years to attract high volumes of foreign businesses and tourists to the country. These steps make the UAE potentially more vulnerable should regional instability increase, foreign militants commence operations in the Emirate, or extremist or terrorist groups engage in activities in the country. In addition, as the government endeavours to further diversify the UAE's economy into other sectors, including tourism, the exposure to broader regional and global economic trends and geopolitical developments likely will increase.

The Group's operations may be adversely affected by terrorist attacks, natural disasters, climate change, or other catastrophic events that are beyond the Group's control

The Group may be exposed to the effects of natural or man-made disasters and other potentially catastrophic events, such as fire, earthquakes, major accidents and incidents, international and regional armed conflicts, hostilities, criminal acts and acts of terrorism; all of which are beyond its control.

The continued threat of terrorist activity and other acts of war, or hostility, have significantly increased the risk of political, economic and social instability in some of the geographic areas in which the Group operates. It is possible that further acts of terrorism may occur in the markets in which the Group operates and such acts of terrorism could be directed against the Group's property and personnel. Although, to date, the Group has not experienced any significant property losses, or material adverse effects on its business, results of operations, financial condition or prospects as a result of terrorism, political instability or war, no assurances can be given that the Group will not be affected by such events in the future. The occurrence of one or more natural disasters, terrorist acts and disruptive global political events in the future could restrict the Group's business by causing the temporary or permanent ceasing of operations. For example, the Group's operations in Qatar between 2017 and 2021 were negatively affected by the rift in diplomatic relations between Qatar and the UAE (together with Saudi Arabia, Bahrain and Egypt).

The Group may also face civil liabilities or fines in the ordinary course of business as a result of damages to third parties caused by natural and man-made disasters. These liabilities may result in the Group being required to make indemnification payments in accordance with applicable laws to the extent and in the amount that such indemnification payments are not covered by the Group's insurance policies.

While the Group seeks to take precautions against such disasters, maintain disaster recovery strategies and purchase levels of insurance coverage that the Group regards as commercially appropriate, should any damage occur and be substantial, the Group could incur losses and damages not recoverable under insurance policies in force, which could have a material adverse effect on its business, results of operations, financial condition and prospects.

Governments in the MENA region have exercised and continue to exercise significant influence over their respective economies and legal and regulatory systems

The governments in the MENA region, including the UAE, have frequently intervened in the economic policies of their respective countries. Specifically, the economies of Dubai and the UAE, like those of many emerging markets, have been characterised by significant government involvement through direct ownership of enterprises and extensive regulation of market conditions, including foreign investment, foreign trade and financial services. While Dubai and the UAE have enjoyed significant economic growth and relative political stability in recent years, there can be no assurance that such growth or stability will continue. Any unexpected changes in the political, social, economic or other conditions in the MENA region or neighbouring countries could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. These changes include:

- an increase in inflation and government measures to curb such inflation, including through policies such as price controls;
- governments' actions or interventions, including tariffs, protectionism, foreign exchange and currency controls and subsidies;
- regulatory and legal structure changes, including foreign ownership restrictions, cancellation of contractual rights, expropriation of assets and potential lack of certainty as to title to real estate property;
- changes to the availability of, requirements for, and cost to secure, employment and residence visas for expatriate staff and their dependents;
- income and other taxation;
- policies of nationalisation of assets and requirements to employ local national employees;
- difficulties and delays in obtaining new permits and consents for new operations or renewing existing permits; and
- an inability to repatriate profits and/or dividends.

Unexpected changes in these policies or regulations could lead to increased operating or compliance expenses and could result in a decrease in the Group's competitiveness.

Moreover, while the UAE Government's policies have generally resulted in improved economic performance, there can be no assurance that such level of performance can be sustained. A general downturn or instability in certain sectors of the UAE or the regional economy could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Developing legal systems and the introduction of new laws and regulations in emerging market economies, can create an uncertain environment for investment and business activity

Emerging market economies, including the UAE and Saudi Arabia, are generally characterised by having less comprehensive legal and regulatory environments than those found in more developed market economies. Such legal systems may create uncertainty with respect to the legal and business decisions that the Group makes and such uncertainties may not exist in countries with more developed market economies, such as:

- inconsistencies between and among the constitution, federal law, presidential, governmental and ministerial decrees, and conflicts between federal, regional and local legislation;
- lack of fully developed corporate and securities laws;
- lack of judicial and administrative guidance on interpreting legislation;
- gaps in the regulatory structure due to delay or absence of implementing legislation;
- the relative inexperience of judges and courts in interpreting legislation;
- lack of an independent judiciary;
- difficulty in enforcing court orders;
- a high degree of discretion on the part of governmental authorities, which could result in arbitrary actions such as suspension or termination of the Group's licences; or
- under-developed bankruptcy or insolvency procedures that are subject to abuse.

The rapid evolution of these legal systems in ways that may not always coincide with market developments can result in ambiguities, inconsistencies and anomalies in the law and judicial practice. These weaknesses affect the Group's ability to protect its rights under its licences and contracts, or to defend itself against claims by others, including challenges by regulatory and governmental authorities in relation to its compliance with applicable laws and regulations and could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Furthermore, as these economies mature, and in part due to the desire of certain countries in the MENA region to accede to the World Trade Organisation, the governments of these countries have begun, and are expected to continue, to implement new laws and regulations that could impact the way the Group conducts its business. Changes in investment policies or in the prevailing political climate could result in the introduction of changes to government regulations with respect to:

- price controls;
- export and import controls;
- income and other taxes;
- foreign ownership restrictions;
- competition laws and merger control regimes;
- foreign exchange and currency controls; or

- labour and welfare benefit policies.

In July 2025, Dubai Law No. 7 of 2025 was issued regulating contracting activities in the Emirate of Dubai. The law aims to improve governance, transparency, and accountability in the construction sector by introducing mandatory contractor classification and certification of technical personnel. It also prohibits contractors from exceeding the limits of their approved classification or engaging in unauthorised subcontracting. Contractors are required to regularise their position within 12 months from the date the law comes into force (extendable by a further 12 months), with penalties for violating the provisions of the law ranging from AED 1,000 to AED 100,000 and with repeat violations within a year potentially resulting in doubled fines of up to AED 200,000. Additional actions may include suspension from contracting activities for up to one year, downgrading of classification, removal from the registry, cancellation of commercial licenses, and suspension or de-registration of technical staff and revocation of their professional certificates. Construction companies operating in Dubai, such as ALEC Construction and other members of the Group, will need to promptly assess their current licensing, classification, and operational practices to ensure compliance with the new regime.

There can be no assurance that the introduction of any changes to current laws or taxation, or the introduction of new laws or taxes, would not increase the Group's costs or otherwise materially adversely affect its business, results of operations, financial condition and prospects.

The Group may be exposed to a number of uncertainties relating to taxes

The Group determines its tax liability based on its interpretation of applicable tax laws and regulations. The Group is also subject to tax audits by governmental authorities, which are inherently uncertain. Negative or unexpected results from one or more such tax audits could have a material adverse effect on the business, prospects, results of operations, cash flows and financial condition of the Group. Tax controls and changes in tax laws or regulations (including retrospective changes) or the interpretation given to them may also expose the Group to negative tax consequences, including interest / profit payments and potential penalties, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. For example, from 1 June 2023 the Group became subject to the corporate income tax in the UAE pursuant to the Federal Tax Law. See "*Taxation—UAE Federal-level Corporate Taxation*". The UAE Federal Tax Authority will be responsible for administering, collecting and enforcing corporate tax in line with rules and regulations to be issued by the Ministry of Finance. Members of the Group are also subject to Zakat and tax requirements in Saudi Arabia, as regulated by the Zakat, Tax and Customs Authority. There can be no assurances that the Group's compliance with the Federal Tax Law or other applicable tax regimes in other jurisdictions in which the Group operates will not increase its costs or otherwise have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The UAE's Emiratisation initiative and compliance with Saudisation requirements may increase the Group's costs and affect its ability to compete for certain projects

Emiratisation is an initiative by the UAE Government to employ its citizens in a meaningful and efficient manner in the public and private sectors and to reduce its reliance on foreign workers.

Under the initiative, companies are encouraged to employ Emiratis in management, administrative and technical positions. Similarly, the Group is required by law in the Kingdom of Saudi Arabia to maintain a proportion of Saudi national employees.

In the UAE, the cost of employing Emirati nationals can be higher than employing foreign workers, particularly for graduate and junior staff roles where up to a 50% premium may be commanded, which is borne by the Group. In addition to the premium, the UAE Government subsidises Emiratis and remunerates them directly in addition to salaries received from their employer for the first five years of their employment. For senior-level roles, salaries are generally on par with the market. The Group met its Emiratisation target for June 2025, which is set to increase by 1% every 6 months up to a maximum of 10% of its UAE workforce. The cost impact in the UAE has been minimal, due to the relatively small percentage of Emiratis in proportion to the Group's workforce.

In Saudi Arabia, the Group has exceeded the Saudisation requirements, employing a 28% Saudi contingent against a required 17-21.99% of its Saudi workforce. The cost impact in Saudi Arabia has been minimal, as wages and salaries are generally on par with corresponding roles for non-Saudi national employees.

Failure to comply with Emiratisation and Saudisation requirements could result in fines and penalties by governmental authorities, such as the denial of work visa requests and/or denial of requests for transfer of sponsorship for non-UAE or non-Saudi employees. In the past three years, the Group has incurred fines and suffered a downgrade in business classification due to non-compliance, leading to additional costs. While this did not affect project delivery or result in the Group suffering materials losses to ensure project delivery, it did result in increased visa costs and fines.

Furthermore, government tenders may increasingly favour companies that meet or exceed Emiratisation quotas. While outright disqualification for non-compliance is not currently envisioned, quota-compliant companies may score better during qualification and selection processes. This could potentially impact the Group's ability to compete effectively for certain government projects if it fails to meet the required quotas.

The Group may face challenges in recruiting UAE or Saudi employees under favourable conditions or maintaining its current UAE or Saudi employees, which could affect its ability to meet the required Emiratisation or Saudisation percentages. The occurrence of any of the above could have a material adverse effect on the Group's business, results of operations, financial position and prospects.

The Group's financial condition and results of operations may be materially adversely affected if the USD/AED exchange rate were to change

The Group maintains its accounts, and reports its results, in UAE dirhams. Although the UAE dirham has been pegged to the US dollar at a rate of AED 3.6725 to USD 1.00 since 1997, there can be no assurance that the UAE Central Bank will continue to maintain this fixed rate in the future. Any de-pegging or change to the USD/AED exchange rate could increase the costs that the Group pays for its services or to service its indebtedness or could cause its results of operations and financial condition to fluctuate due to currency translation effects, any of which could have a material adverse effect on the Group's business, results of operation, financial condition and prospects.

Risks Relating to the Offering and to the Shares

After the Offering, ICD will continue to hold the majority of the Shares

As at the date of this Prospectus, ICD holds 100% of the issued share capital of the Company, and, immediately following the Offering, ICD will continue to hold at least 80% of the issued share capital of the Company (assuming all Shares offered by the Selling Shareholder will be sold). As a result, ICD will be able to exercise control over the Company's management and operations, such as in relation to the payment of dividends and the election of the members of the Board of Directors and other matters. While the support of ICD has historically helped to drive and encourage the Group's success, the interests of the majority of the Board of Directors, and those of the Group's major shareholder, may from time to time not be aligned with certain of the Group's strategic or commercial objectives, and in addition there can be no assurance that ICD's interests will coincide with the interests of the Group or all purchasers of the Shares.

ICD's significant Share ownership of the Company's shares may: (i) delay or deter a change of control of the Company (including deterring a third party from making a takeover offer for the Company); (ii) deprive shareholders of an opportunity to receive a premium for their Shares as part of a sale of the Company; and (iii) affect the liquidity of the Shares, any of which could have a material adverse effect on the market price of the Shares. In addition, there may be circumstances in which the Group's businesses compete directly or indirectly with ICD's businesses, and ICD may make decisions with respect to those businesses, or its own business, which are adverse to the interests of the Company's other shareholders.

Substantial sales of Shares by ICD or future issuances of Shares by the Company could depress the price of the Shares

Sales of a substantial number of Shares by ICD following the completion of the Offering or any future issuances of Shares by the Company may significantly reduce the market price of the Shares. ICD has agreed in the Underwriting Agreement to certain restrictions on its ability to sell, transfer and otherwise deal in its Shares for a period of 180 days from the Closing Date, except in certain limited circumstances, unless otherwise consented to by the Joint Global Coordinators. See "Sale of Shares—*Lock-up Arrangements*". Nevertheless, the Company is unable to predict whether substantial amounts of Shares (in addition to those which will be available in the Offering) will be sold in the open market following the completion of the Offering. Any sales of substantial amounts of Shares in the public market, or the perception that such sales might occur, could materially and adversely affect the market price of the Shares.

Future Share issuances may dilute shareholders' holdings and depress Share prices. The Company is subject to a 180-day lock-up period following the Closing Date pursuant to the terms of the Underwriting Agreement. However, the Company may decide to offer additional Shares or securities convertible into Shares in the future, including in the form of stock-based compensation. Such future sales could dilute the holdings of shareholders, adversely affect the prevailing market price of the Shares and impair the Company's ability to raise capital through future sales of equity securities.

The Offering may not result in an active or liquid market for the Shares, and trading prices of the Shares may be volatile and may decline. In addition, the DFM is significantly smaller in size than other established securities markets, which may also affect liquidity in the Shares

Prior to the Offering, there has been no public market for the Shares. There can be no assurances that an active trading market will develop or be sustained following the completion of the Offering, or that the market price of the Shares will not decline thereafter below the Offer Price. The trading price of the Shares may be subject to wide fluctuations in response to many factors, as well as stock market fluctuations and general economic conditions or changes in political sentiment that may adversely affect the market price of the Shares, regardless of the Company's actual performance or conditions in the UAE. Factors such as variation of financial results, general circumstances, general economic conditions, the regulatory environment within which the Group operates and other factors that are beyond the Group's control could cause significant volatility in the trading liquidity and the price of the Shares in the market. The Company has applied for the Shares to be listed on the DFM. The DFM has been open for trading securities since September 2005, but its future success and liquidity in the market for the Shares cannot be guaranteed. The DFM is substantially smaller in size and trading volume than other established securities markets, such as those in the USA and the UK. Brokerage commissions and other transaction costs on the DFM are generally higher than those in Western European countries.

These factors could generally decrease the liquidity and increase the volatility of the Shares and impair the ability of a holder of Shares to sell any Shares on the DFM in the desired amount and at the price and time achievable in more liquid markets and adversely affect the value and trading price of the Shares. These factors could generally decrease the liquidity and increase the volatility of share prices on the DFM, which in turn could increase the price volatility of the Shares and impair the ability of a holder of Shares to sell any Shares on the DFM in the desired amount and at the price and time achievable in more liquid markets.

The Company may not pay dividends on the Shares and consequently, investors may not receive any return on investment unless they sell their Shares for a price greater than that which was paid for them

The distribution of dividends by the Company will be dependent upon a number of factors, including the future profit, financial position, capital requirements, statutory reserve requirements, the amount of distributable reserves, available credit of the Company and general economic conditions and other factors that the Board of Directors deem significant from time to time. Also, the Company's ability to declare and pay cash dividends on the Shares may be restricted by, among other things, the terms of its existing indebtedness and covenants in any credit facilities that the Company may enter into in the future, the recovery of any incurred losses in the future and provisions of UAE law. While the Company's subsidiaries have historically been able to pay regular dividends and intend to pay dividends in respect of the Shares, there can be no assurance that any dividend will ever be paid, nor can there be an assurance as to the amount, if any, which will be paid in any given year. See "*Because the Company is a holding company and substantially all of the Group's operations are conducted through the Company's subsidiaries, the Company's ability to pay dividends on the Shares depends on its ability to obtain cash dividends or other cash payments or obtain* *loans/financings from such entities*".

In addition, any decision to declare and pay dividends in the future will be made at the discretion of the Board of Directors and will depend on, among other things, applicable laws and regulations, the Group's results of operations, financial condition, cash requirements, contractual restrictions, future projects and plans and other factors that Board of Directors may deem relevant. As a result, investors may not receive any return on an investment in the Shares unless they sell their Shares for a price greater than the one paid for them. See "—*Dividend Policy*".

Because the Company is a holding company and substantially all of the Group's operations are conducted through the Company's subsidiaries, the Company's ability to pay dividends on the Shares depends on its ability to obtain cash dividends or other cash payments or obtain loans/financings from such entities

The Company currently conducts all of its operations through its subsidiaries, and such entities generate substantially all of the Group's operating income and cash flow. Because the Company has no direct operations or significant assets other than the capital stock of these entities, the Company relies on those entities for cash dividends, investment income, financing proceeds and other cash flows to pay dividends, if any, on the Shares and, in the long-term, to pay other obligations at the holding company level that may arise from time to time.

The ability of such entities to make payments to the Company depends largely on their financial condition and ability to generate profits. In addition, because the Company's subsidiaries are separate and distinct legal entities, they will have no obligation to pay any dividends or to lend or advance the Company funds and may be restricted from doing so by contract, including other financing arrangements, other shareholders or applicable laws and regulations of the various countries in which they operate. Similarly, because of the Company's holding company structure, claims of the creditors of the Company's subsidiaries, including trade creditors, banks and other lenders, effectively have priority over any claims that the Company may have with respect to the assets of these entities. Further, the Company cannot be certain that, in the long-term, the Company's subsidiaries will generate sufficient profits and cash flows, or otherwise prove willing or able, to pay dividends or lend or advance to the Company sufficient funds to enable it to meet the Company's obligations and pay interest, expenses and dividends, if any, on the Shares.

The inability of one or more of these entities to pay dividends or lend or advance the Company funds and currency control restrictions and restrictions on the repatriation of dividends imposed on the Company or its subsidiaries may adversely affect not only the Company's ability as a holding company to pay dividends, but also the Company's business, results of operations, financial condition and prospects.

It may be difficult for shareholders to enforce judgments against the Group in the UAE, or against the Group's directors and senior management

The Company is a joint stock company incorporated in the UAE. All of its directors and officers reside outside the UK and the EEA. In addition, the Group's material assets and the majority of the assets of its directors and senior management are located outside the UK and the EEA. As a result, it may not be possible for investors to effect service of process outside the UAE upon the Group or its directors and senior management or to enforce judgments obtained against them in courts outside the UAE, including judgments predicated upon the civil liability provisions of the securities laws of the UK or the EEA.

Holders of the Shares in certain jurisdictions outside of the UAE may not be able to exercise their pre-emptive rights if the Company increases its share capital

Under the Articles of Association to be adopted in connection with the Offering, holders of the Shares generally have the right to subscribe and pay for a sufficient number of ordinary shares to maintain their relative ownership percentages prior to the issuance of any new ordinary shares in exchange for cash consideration. Holders of the Shares outside of the UAE may not be able to exercise their pre-emptive rights unless certain registrations are effective with respect to such rights and the related ordinary shares or an exemption from their respective registration requirements. The Company currently does not intend to register the Shares under the Securities Act or the laws of any other jurisdiction, and no assurance can be given that an exemption from such registration requirements will be available to enable holders of the Shares outside of the UAE to exercise their pre-emptive rights or, if available, that the Company will utilise such exemption. To the extent that holders of the Shares outside of the UAE are not able to exercise their pre-emptive rights, the pre-emptive rights would lapse and the proportional interests of such holders outside of the UAE would be reduced.

UAE Taxation

The following comments are general in character and are based on the current and proposed tax regimes applicable in the UAE and the current practice of the UAE authorities as at the date of this Prospectus. The comments do not purport to be a comprehensive analysis of all the tax consequences applicable to all types of shareholders and do not relate to any taxation regime outside the UAE. Each shareholder is responsible for its own tax position and, if you are in any doubt as to your own tax position, you should seek independent professional advice without delay.

UAE Federal-level Corporate Taxation

Federal Decree-Law No. (47) of 2022 on the Taxation of Corporations and Businesses (the "**Corporate Tax Law**") introduced a federal corporate tax effective for tax periods commencing on or after 1 June 2023 ("**Corporate Tax**"). The Corporate Tax applies to juridical persons incorporated or established in the UAE or otherwise effectively managed and controlled from the UAE. The Corporate Tax will also apply to non-resident persons that derive UAE source income or that operate in the UAE through a permanent establishment or nexus.

UAE corporate tax applies to taxable income exceeding AED 375,000 at a rate of 9%. For taxable persons, taxable income is the net accounting profit or loss reported in the financial statements, subject to certain adjustments.

Taxable profit

UAE corporate tax will be payable on taxable income, being the net profit reported in the financial statements of the business, subject to certain adjustments.

No deductions are available when calculating taxable income for the following items, among others:

- expenditure not incurred for the purpose of the taxable person's business;
- losses not connected with, or arising out of, the taxable person's business;
- net interest / finance expense which exceeds the higher of: (i) 30% of tax adjusted EBITDA, or (ii) AED 12,000,000 (subject to certain additional requirements);
- penalties, bribes or other illicit payments;
- dividends or other profit distributions;
- corporate tax imposed under the Corporate Tax Law, tax imposed on the taxable person outside the UAE and recoverable VAT;
- donations paid to organisations that are not a Qualifying Public Benefit Entity (as defined under Article 9 of the Corporate Tax Law);
- 50% of expenditure incurred by the taxable person on the entertainment of clients, shareholders, suppliers or other business partners;

- adjustment for transactions with related parties that are not on arm's length;

- such other expenditure as may be specified in a decision issued by the cabinet; and

- expenditure incurred in deriving Exempt Income. Exempt Income is defined as: (i) dividends paid by UAE resident person; (ii) dividends and other profit distributions received from a foreign participations and local/foreign capital gains or losses on the transfer, sale or other disposition of participating interest (or part thereof) subject to meeting the conditions of the participation exemption; (iii) income of a foreign permanent establishment where an election under Article 24 of the Corporate Tax Law has been made; and (iv) income derived by a non-resident person from operating aircraft or ships in international transportation that meets certain conditions.

Free Zone Persons

The Corporate Tax Law provides for a special regime for "**Qualifying Free Zone Persons**", being persons incorporated, established or otherwise registered in an authorised UAE free zones, including a branch of a non- resident person registered in a free zone, ("**Free Zone Persons**") meeting all of the following criteria:

- it maintains adequate substance in the free zone;

- its income is considered Qualifying Income. Qualifying Income includes: (i) Income derived from transactions with other Free Zone Persons, except for income derived from "**Excluded Activities**", (2) income derived from transactions with non-Free Zone Persons, but only in respect of qualifying activities that are not Excluded Activities; or any other income provided that the Qualifying Free Zone Person satisfies the "de minimis" requirements of the Corporate Tax Law. The terms Excluded Activities and Qualifying Activities are defined in Ministerial Decision No. 139 of 2023. Income will be considered as derived from transactions with a Free Zone Person where that Free Zone Person is the Beneficial Recipient of the relevant services or Goods. Qualifying Income does not include income attributable to a foreign or domestic permanent establishment or income attributable to the ownership or exploitation of immovable property (except in the case of transactions with Free Zone Persons involving commercial property located in a free zone);

- it has not elected to be subject to corporate tax;

- it has complied with the arms-length principle and transfer pricing documentation requirements of the Corporate Tax Law;

- it does not fail the "de minimis test" defined in the Cabinet Decision No. 55 of 2023;

- it prepares audited financial statements in accordance with Ministerial Decision No. 82 of 2023; and

- it has complied with any other conditions set by the MoF.

A Free Zone Person who fails to satisfy any of the above criteria will be subject to a corporate tax rate of 9% for each year in which it fails to meet the above criteria and for a further four years following a year that it fails to qualify.

A Qualifying Free Zone Person subject to a corporate tax rate of both 0% (on Qualifying Income) and 9% (on other income) does not benefit from the AED 375,000 zero tax band. The corporate tax FAQs published by the MoF and Federal Tax Authority (the "FTA") specify that Qualifying Free Zone entities that are part of a large multinational group are expected to be subject to the Pillar 2 global minimum tax, once implemented.

Withholding tax

The UAE applies withholding tax at a rate of 0% to certain domestic and cross-border payments made by UAE businesses. Consequently, UAE businesses will not be required to make any deductions from payments made to resident or non-resident recipients, nor will there be an obligation to file withholding tax returns.

The Corporate Tax Law includes provisions which specifically allow the UAE Cabinet of Ministers to change the withholding tax rate. The Corporate Tax Law also specifies that a Cabinet decision will be issued which will detail the categories of income which will be subject to withholding taxes. The UAE Cabinet of Ministers decisions have not yet been issued.

Transfer Pricing

Under the Corporate Tax Law, transactions carried out between related parties and connected persons should be priced in line with the arm's length principle. The arm's length principle is met where the transaction or agreement is consistent with the results that would have been realised where unrelated parties had engaged in a similar transaction or agreement under similar circumstances.

The arm's length principle should be supported by a functional and economic, analysis which is intended to be aligned with the OECD TP Guidelines as clarified by the explanatory guide issued by the MoF.

Pillar Two/ Domestic Minimum Tax

In December 2021, the Organisation for Economic Cooperation and Development released the Base Erosion and Profit Shifting Pillar Two Model Rules ("**Pillar Two Model Rules**"). The Pillar Two Model Rules aim to impose an additional level of taxation of up to 15% on qualifying Multinational Enterprises. Countries introducing the Pillar Two Model Rules are required to incorporate them into their domestic laws ("**Pillar Two Legislation**").

In December 2024, the UAE Ministry of Finance announced the introduction of Pillar Two Legislation through a Qualified Domestic Minimum Top-up Tax, which is effective for financial years beginning on or after 1 January 2025. This announcement was followed by Cabinet Decision No. 142 of 2024 which introduced a Domestic Minimum Top-Up Tax in the UAE effective for financial years starting on or after 1 January 2025.

The Company expects to be subject to the OECD Pillar 2 Global Minimum Top-Up Tax, with an effective tax rate of up to 15% starting from the financial year 2025. This is in line with the

UAE's Qualified Domestic Minimum Top-up Tax framework, which aligns with the OECD's Global Anti-Base Erosion (GloBE) Model Rules. For the financial years 2025 and 2026, the Company expects there to be certain transitional relief measures that result in a rate below 15%. In 2025, the Company expects such tax rate to be 11%–12%, increasing to 13%–14% in 2026. As the relevant rules were enacted in 2024 (and 2025 in the UAE) and no tax filings have yet been made under this regime, these estimates represent the Company's current expectations based on a preliminary interpretation of the rules, which remain subject to change as further guidance becomes available, and the regime is practically applied.

Value Added Tax

VAT was introduced in the UAE on 1 January 2018, pursuant to Federal Decree Law No. (8) of 2017 on VAT and its Executive Regulations. The standard VAT rate is 5% and applies to most goods and services, with some goods and services subject to a 0% rate or an exemption from VAT (subject to specific conditions being met).

The 0% VAT rate applies to goods and services exported outside the UAE, international transportation, the supply of crude oil and natural gas, the first supply of residential real estate, and some specific areas, such as health care and education.

A VAT exemption applies to certain financial services, as well as to the subsequent supply of residential real estate. In addition, transactions related to bare land, residential buildings (other than the first supply) and domestic passenger transport are also exempt from VAT. Further, certain transactions in goods between companies established in UAE Designated Free Zones (as notified specifically for VAT purposes) ("**DZs**") may not be subject to VAT. The supply of goods and services within DZs is, however, subject to VAT in accordance with the general application of the UAE VAT legislation. The purchase of Shares is considered an exempt supply for the purposes of VAT (unless a zero-rating provision applies) pursuant to Article 42 of the UAE VAT Executive Regulations. Under the UAE VAT legislation, no VAT should be payable in respect to the acquisition or sale of Shares. However, it should be noted that fees relating to the transfer of ownership of shares would be subject to VAT at the standard rate of 5%.

Businesses are entitled to claim a credit for VAT paid on their purchases (subject to maintaining the relevant supporting documents especially a tax invoice) if they relate to a supply that is standard rated or zero-rated (taxable supplies). However, any VAT incurred in connection with a supply that is exempt from VAT cannot be reclaimed. Where VAT incurred cannot be attributed specifically to a taxable or an exempt supply, it is possible to recover a portion of this (for example, overhead costs for the business). This recovery can be made in line with an apportionment calculation and subsequent annual washup exercise.

Excess input VAT can, in principle, be claimed back from the FTA, subject to a specific procedure. Alternatively, VAT credits may be carried forward and offset against the net VAT payable in the next taxable period(s). The FTA may offset unclaimed VAT credits against taxpayer liabilities, including outstanding penalty amounts.

Businesses that do not comply with their VAT obligations can be subject to fines and penalties. There are both fixed and percentage-based penalties. The FTA may offset unclaimed VAT credits against taxpayer liabilities, including outstanding penalty amounts.

Under the UAE VAT legislation, no VAT should be payable in respect to the acquisition or sale of Shares. However, it should be noted that fees relating to the transfer of ownership of Shares would be subject to VAT at the standard rate of 5%. Certain fees may be subject to VAT at 0% where the buyer is non-resident and the sale meets the conditions for zero-rated export of services.

For completeness, dividend income received by merely holding shares in a company does not constitute consideration for a supply. Therefore, passively earned dividend income would not amount to a consideration for a taxable supply and should be outside the scope of UAE VAT.

A sale of assets would be subject to VAT at the standard rate of 5% unless it qualifies as a transfer of a business as a going concern (in which case a transaction should be outside the scope of UAE VAT). Capital gains realised from the sale of assets would not constitute a consideration for a taxable supply and should be outside the scope of UAE VAT.

UAE Taxation Considerations for Prospective Investors

As of the date of this Prospectus, there is currently no federal-level or Emirate-level personal income tax levied on individuals in the UAE. Non-UAE tax residents, or dual tax residents, individuals and corporations may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Global Offering based on local tax regulations in their respective jurisdictions.

Individuals who conduct a business or business activity in the UAE will be subject to corporate tax. Businesses or business activities conducted by a resident person or non-resident person shall be subject to corporate tax only where the total turnover derived from such businesses or business activities exceeds AED 1 million within a calendar year.

Taxation on purchase of shares

Completion of the Global Offering is likely to be characterised for UAE tax purposes as a purchase of shares by the investor. If an investor is tax resident outside the UAE and/or is subject to tax in another jurisdiction, the Global Offering may be characterised differently and may be subject to tax in that other tax jurisdiction.

There are no transfer taxes in the UAE on the purchase of shares. Accordingly, a purchase of Shares should not result in any UAE tax liabilities for investors who are individuals or corporations that are tax resident in the UAE. Non-UAE tax residents, or dual tax resident individuals and corporations, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations in their respective jurisdictions.

From a VAT perspective, the purchase of shares is considered an exempt supply for the purposes of VAT unless a zero-rate provision applies pursuant to Article 42 of the UAE VAT Executive Regulations. Under the UAE VAT legislation, no VAT should be payable in respect to the acquisition or sale of Shares. However, it should be noted that fees relating to the transfer of ownership of shares would be subject to VAT at the standard rate of 5% (see "—*Value Added Tax*").

Investors should seek advice in relation to the impact of VAT in relation to their acquisition of Shares.

Taxation of dividends and capital gains on sale of shares

UAE tax resident individual shareholders

Pursuant to the Corporate Tax Law, a purchase of shares and any related dividend income, or gains on sale of shares, should not result in any UAE tax liabilities for UAE tax resident or non-resident natural persons so long as it qualifies as a "personal investment". Under UAE Cabinet decision No 49 for 2023 a "personal investment" is defined as investment activity that a natural person conducts for their personal account that is neither conducted through a licence or requiring a licence from a licensing authority in the UAE, nor considered as a commercial business in accordance with the UAE Federal Decree-Law No 50 of 2022, Commercial Transactions Law.

Non-UAE tax resident individual shareholders

Non-UAE tax residents, or dual tax residents, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with the Shares based on local tax regulations in their respective jurisdictions.

UAE tax resident corporate shareholders

Under the Corporate Tax Law, the purchase of Shares should not result in any UAE tax liabilities for corporations which are tax resident in the UAE. Similarly, dividends received from UAE resident juridical persons are exempt from tax.

Gains realised by UAE resident corporate investors in relation to the disposal of their investment will be subject to corporate tax at a rate of 9%. The participation exemption may exempt any gain arising where all of the following conditions are met:

- the ownership interest held by the investor represents at least 5% or the minimum historical acquisition costs of AED 4,000,000 is met;
- the investor holds the investment for a 12-month uninterrupted period (or has the intention to hold the investment for a 12-month period);
- the investment is subject to tax in its country or territory of residence at a rate that is not lower than 9% (this condition is assumed to be met where the investment is either a Qualifying Free Zone Person or an Exempt Person);
- not more than 50% of the direct and indirect assets held by the underlying foreign subsidiaries / investments consist of ownership interests that would not have qualified for a participation exemption if held directly by the investment;
- the investor has a right to receive at least 5% of the profits and liquidation proceeds of the subsidiary; and
- any other conditions as may be prescribed by the MoF.

Where the participation exemption applies on the disposal of the investment, any expenditure incurred in relation to the acquisition, transfer or sale of the investment, will not be deductible.

Non-UAE tax resident corporate shareholders

Non-UAE tax resident companies or dual tax resident corporations may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations in their respective jurisdictions.

Under the Corporate Tax Law, dividends from resident juridical persons are exempt from tax. Where dividends from resident juridical persons are classed as state sourced income, the dividend income would be subject to withholding tax which is currently charged at 0%. Gains realised by non-UAE tax resident corporate investors or a non-UAE permanent establishment in relation to the disposal of their investment would represent UAE sourced income and therefore would be subject to tax under the Corporate Tax Law. This gain would be subject to withholding tax which is currently charged at 0% (see "—*Withholding Tax*").

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR INVESTOR. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE SHARES UNDER THE INVESTOR'S OWN CIRCUMSTANCES.

Third Section: Financial disclosures

Summary of the Financial Statements and a Summary of Key Notes and Key Financial Indicators

The following should be read in conjunction with the Financial Statements included in this Prospectus. Investors should also read certain risks associated with the purchase of Offer Shares in the section titled "*Investment Risks*".

Selected Financial Information and Operating Data

The summary historical financial information set forth below should be read in conjunction with the "*Presentation of Financial and Other Information*" section and the Financial Statements, included elsewhere in this Prospectus. Investors should also read certain risks associated with the purchase of Offer Shares in the section titled "*Investment Risks*".

There has been no material change in the financial position of the Group during the period between the date of the most recent balance sheet as at 30 June 2025, and the date of this Prospectus.

A. Annual Financial Statements

1. Consolidated statement of financial position as at 31 December 2024

	Notes	2024 AED'000	2023 AED'000	2022 AED'000
ASSETS				
Non-current assets				
Property, plant and equipment	6	**929,244**	648,866	498,005
Intangible assets	7	**104,075**	100,799	112,629
Goodwill	23	**23,055**	23,055	23,055
Retention receivables	11	**233,522**	76,253	175,138
Advances to suppliers and subcontractors		**49,062**	3,176	14,263
Total non-current assets		**1,338,958**	852,149	823,090
Current assets				
Inventories	13	**44,879**	47,935	42,325
Contract and other receivables	10	**2,800,118**	2,195,252	1,382,175
Gross amounts due from customer on construction contracts	12	**2,254,086**	2,481,903	1,356,361
Prepayments		**52,028**	43,705	55,242
Cash and bank balances	24	**1,254,244**	897,042	983,412
Total current assets		**6,405,355**	5,665,837	3,819,515
Total assets		**7,744,313**	6,517,986	4,642,605

1. Consolidated statement of financial position as at 31 December 2024 (*continued*)

	Notes	2024 AED'000	2023 AED'000	2022 AED'000
EQUITY AND LIABILITIES				
Equity				
Share capital	14	**50,000**	300	300
Restricted reserves	15	**92,977**	92,977	92,977
General reserve	16	**409**	409	409
Retained earnings		**937,766**	817,885	684,842
Other equity	17	**(24,700)**	25,000	25,000
Foreign currency translation reserve		**(420)**	(731)	(5,017)
Remeasurement loss on employees' defined benefit obligations	18	**(23,602)**	(4,101)	2,293
Equity attributable to owners of the Company		**1,032,430**	931,739	800,804
Non-controlling interests		**890**	900	7,896
Total equity		**1,033,320**	932,639	808,700
Non-current liabilities				
Provision for employees' end-of-service benefits	18	**309,839**	262,676	236,936
Retention payables	19	**98,527**	27,015	113,625
Advances from customers	19	**595,476**	367,139	183,348
Borrowings	28	**303,777**	382,261	411,460
Lease liabilities	22	**148,372**	91,877	70,290
Asset retirement obligation	22	**2,656**	2,656	2,656
Total non-current liabilities		**1,458,647**	1,133,624	1,018,315
Current liabilities				
Contract and other payables	19	**4,366,487**	3,706,240	2,211,059
Gross amounts due to customers on construction contracts	19	**309,915**	176,160	180,915
Current tax liabilities	26	**23,465**	5,284	1,262
Borrowings	28	**524,978**	552,716	414,367
Lease liabilities	22	**27,501**	11,323	7,987
Total current liabilities		**5,252,346**	4,451,723	2,815,590
Total liabilities		**6,710,993**	5,585,347	3,833,905
Total equity and liabilities		**7,744,313**	6,517,986	4,642,605

2. Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024

	Notes	**2024 AED'000**	2023 AED'000	2022 AED'000
Contract revenue	25	**8,101,085**	6,275,119	3,598,910
Contract costs		**(7,264,892)**	(5,642,126)	(3,208,412)
Gross profit		**836,193**	632,993	390,498
Administrative expenses		**(348,683)**	(305,537)	(187,290)
Share of results of joint ventures	8	**(26)**	(179)	(2,535)
Profit from operations		**487,484**	327,277	200,673
Provision for / (reversal of) impairment losses on financial assets and contract assets		**(20,871)**	(12,584)	1,245
Finance costs	21	**(100,378)**	(81,708)	(14,995)
Other income - net		**20,181**	10,431	2,048
Profit before tax		**386,416**	243,416	188,971
Income tax expense	26	**(23,508)**	(5,091)	(3,230)
Profit for the year	20	**362,908**	238,325	185,741
Attributable to:				
Owners of the Company		**362,418**	236,249	184,541
Non-controlling interests		**490**	2,076	1,200
		362,908	238,325	185,741
Earnings per share				
Basic and diluted	27	**7.25**	4.72	3.69

2. Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024 (*continued*)

	Notes	2024 AED'000	2023 AED'000	2022 AED'000
Profit for the year	20	**362,908**	238,325	185,741
Other comprehensive income / (loss)				
Item that may be reclassified subsequently to profit or loss				
Net change in foreign currency translation reserve		**311**	4,286	(639)
Item that will not be reclassified subsequently to profit or loss				
Remeasurement (loss) / gain on employees' defined benefit obligations	18	**(19,501)**	(6,394)	2,290
Total comprehensive income for the year		**343,718**	236,217	187,392
Attributable to:				
Owners of the Company		**343,228**	234,141	186,192
Non-controlling interests		**490**	2,076	1,200
		343,718	236,217	187,392

3. Consolidated statement of changes in equity for the year ended 31 December 2024

	Share capital AED'000	Restricted reserves AED'000	General reserve AED'000	Retained earnings AED'000	Foreign currency translation reserve AED'000	Remeasurement loss on employees' defined benefit obligations AED'000	Other equity AED'000	Equity attributable to owners of the Company AED'000	Non-controlling interests AED'000	Total AED'000
Balance at 1 January 2022	300	92,977	409	585,301	(4,378)	3	25,000	699,612	6,696	706,308
Profit for the year	-	-	-	184,541	-	-	-	184,541	1,200	185,741
Other comprehensive income / (loss) for the year	-	-	-	-	(639)	2,290	-	1,651	-	1,651
Total comprehensive income / (loss) for the year	-	-	-	184,541	(639)	2,290	-	186,192	1,200	187,392
Dividends paid to shareholders (Note 9)	-	-	-	(85,000)	-	-	-	(85,000)	-	(85,000)
Balance at 31 December 2022	300	92,977	409	684,842	(5,017)	2,293	25,000	800,804	7,896	808,700
Profit for the year	-	-	-	236,249	-	-	-	236,249	2,076	238,325
Other comprehensive income / (loss) for the year	-	-	-	-	4,286	(6,394)	-	(2,108)	-	(2,108)
Total comprehensive income / (loss) for the year	-	-	-	236,249	4,286	(6,394)	-	234,141	2,076	236,217
Adjustment arising from change in non-controlling interest (Note 1)	-	-	-	(3,206)	-	-	-	(3,206)	(9,072)	(12,278)
Dividends paid to shareholders (Note 9)	-	-	-	(100,000)	-	-	-	(100,000)	-	(100,000)
Balance at 31 December 2023	300	92,977	409	817,885	(731)	(4,101)	25,000	931,739	900	932,639

3. Consolidated statement of changes in equity for the year ended 31 December 2024 (*continued*)

	Share capital AED'000	Restricted reserves AED'000	General reserve AED'000	Retained earnings AED'000	Foreign currency translation reserve AED'000	Remeasurement loss on employees' defined benefit obligations AED'000	Other equity AED'000	Equity attributable to owners of the Company AED'000	Non-controlling interests AED'000	Total AED'000
Balance at 1 January 2024	300	92,977	409	817,885	(731)	(4,101)	25,000	931,739	900	932,639
Profit for the year	-	-	-	362,418	-	-	-	362,418	490	362,908
Other comprehensive income / (loss) for the year	-	-	-	-	311	(19,501)	-	(19,190)	-	(19,190)
Total comprehensive income / (loss) for the year	-	-	-	362,418	311	(19,501)	-	343,228	490	343,718
Increase in share capital (Note 14)	49,700	-	-	-	-	-	(49,700)	-	-	-
Capital contribution of non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	500	500
Dividends paid to non-controlling interest shareholder of a subsidiary	-	-	-	-	-	-	-	-	(1,000)	(1,000)
Dividends paid to shareholders (Note 9)	-	-	-	(242,537)	-	-	-	(242,537)	-	(242,537)
Balance at 31 December 2024	**50,000**	**92,977**	**409**	**937,766**	**(420)**	**(23,602)**	**(24,700)**	**1,032,430**	**890**	**1,033,320**

4. Consolidated statement of cash flows for the year ended 31 December 2024

	Notes	2024 AED'000	2023 AED'000	2022 AED'000
Operating activities				
Profit before tax		**386,416**	243,416	188,971
Adjustments for:				
Depreciation of property, plant and equipment and amortisation of right-of-use assets	6	**145,482**	96,459	51,291
Finance costs	21	**100,378**	81,708	14,995
Provision for employees' end-of-service benefits	18	**52,139**	38,600	25,958
Provision for / (reversal of) impairment loss on financial assets and contract assets	20	**20,871**	12,584	(1,245)
Share of results of joint ventures	8	**26**	179	2,535
Finance income		**(16,140)**	(5,829)	(2,662)
Amortization of intangible assets	7	**13,513**	11,705	3,458
Gain on disposal of property, plant and equipment and gain arising from cancellation of lease	6	**(2,714)**	(2,786)	(2,340)
Loss on disposal of intangible assets		**-**	125	-
Cash from operating activities before movements in working capital		**699,971**	476,161	280,961
Decrease / (increase) in inventories		**3,056**	(5,610)	(8,229)
(Increase) / decrease in contract and other receivables, including non-current retention receivables and advances to suppliers and subcontractors		**(830,032)**	(722,109)	687,631
Decrease / (increase) in gross amounts due from customer on construction contracts		**198,266**	(1,124,428)	(532,967)
(Increase) / decrease in prepayments		**(8,323)**	11,537	(5,818)
(Increase) / decrease in margin deposits under lien	24	**(54,417)**	10,610	979
Increase/ (decrease) in contract and other payables, including non-current portion of retention payables and advances from customer		**972,003**	1,596,687	(233,618)
Increase / (decrease) in gross amounts due to customer on construction contracts		**133,755**	(4,755)	151,509
Cash generated from operations		**1,114,279**	238,093	340,448
Employees' end-of-service benefits paid	18	**(29,061)**	(23,120)	(22,667)
Income tax paid		**(5,327)**	(1,069)	(15,816)
Net cash generated from operating activities		**1,079,891**	213,904	301,965
Investing activities				
Payments for purchases of property, plant and equipment	6	**(349,553)**	(219,203)	(74,232)
Finance income received		**16,140**	5,829	2,662
Proceeds from disposal of property, plant and equipment	6	**2,506**	10,668	3,843
Payments for purchases of intangible assets		**(71)**	-	(1,187)
Cash consideration paid for the acquisition of additional shareholding in a subsidiary	1	**-**	(11,500)	-
Cash consideration paid for the acquisition of a new subsidiary - net of cash and cash equivalents acquired		**-**	-	(352,638)
Net cash used in investing activities		**(330,978)**	(214,206)	(421,552)

4. Consolidated statement of cash flows for the year ended 31 December 2024 (*continued*)

	Notes	2024 AED'000	2023 AED'000	2022 AED'000
Financing activities				
Repayment of borrowings	28	**(2,172,422)**	(1,125,760)	(87,360)
Proceeds from borrowings	28	**2,066,200**	1,234,910	514,205
Dividends paid to shareholders	9	**(242,537)**	(100,000)	(85,000)
Repayment of principal portion of lease liabilities	22	**(20,144)**	(11,076)	(12,840)
Finance costs paid	21	**(76,987)**	(77,843)	(11,990)
Repayment of loans from a related party		**-**	-	(440)
Dividends paid to non-controlling interest shareholder of a subsidiary		**(1,000)**	-	-
Capital contribution by non-controlling interest		**500**	-	-
Net cash (used in) / generated from financing activities		**(446,390)**	(79,769)	316,575
Net increase / (decrease) in cash and cash equivalents		**302,523**	(80,071)	196,988
Cash and cash equivalents at the beginning of the year	24	**861,989**	937,774	741,425
Less: Effect of foreign exchange rate changes		**311**	4,286	(639)
Cash and cash equivalents at the end of the year		**1,164,823**	861,989	937,774
Less: Expected credit losses on cash and bank balances		**(133)**	(84)	(109)
Cash and cash equivalents at the end of the year, net of expected credit loss	24	**1,164,690**	861,905	937,665
Non-cash transactions:				
Purchase of property, plant and equipment which is right-of-use asset with corresponding lease liability	6 and 22	**(105,161)**	(35,999)	(4,524)
Reallocation of share of loss in excess of investment in joint venture to due from related parties	8	**(26)**	(179)	(2,535)
Increase in share capital with corresponding debit to other equity as an in-kind contribution	14	**(49,700)**	-	-
Transfer of property, plant and equipment to intangible assets (Notes 4 and 5)	6 and 7	**16,718**	-	-
Corporate tax liability in Ethiopia offset against VAT receivables		**-**	-	1,977

B. Interim Financial Statements

1. Condensed consolidated interim statement of financial position as at 30 June 2025

	Notes	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
ASSETS			
Non-current assets			
Property, plant and equipment	4	**1,114,915**	929,244
Intangible assets	5	**98,917**	104,075
Goodwill		**23,055**	23,055
Retention receivables	9	**276,000**	233,522
Advances to suppliers and subcontractors		**166,646**	49,062
Total non-current assets		**1,679,533**	1,338,958
Current assets			
Inventories	11	**84,043**	44,879
Contract and other receivables	8	**2,916,498**	2,800,118
Gross amounts due from customers on construction contracts	10	**3,124,607**	2,254,086
Prepayments		**66,871**	52,028
Cash and bank balances	20	**1,205,306**	1,254,244
Total current assets		**7,397,325**	6,405,355
Total assets		**9,076,858**	7,744,313

1. Condensed consolidated interim statement of financial position (continued) as at 30 June 2025

	Notes	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
EQUITY AND LIABILITIES			
Equity			
Share capital	12	**50,000**	50,000
Restricted reserves	13	**92,977**	92,977
General reserve	14	**409**	409
Retained earnings		**872,332**	913,066
Foreign currency translation reserve		**(375)**	(420)
Remeasurement loss on employees' defined benefit obligations	15	**(23,602)**	(23,602)
Equity attributable to owners of the Company		**991,741**	1,032,430
Non-controlling interests		**52**	890
Total equity		**991,793**	1,033,320
Non-current liabilities			
Provision for employees' end-of-service benefits	16	**360,871**	309,839
Retention payables	17	**131,117**	98,527
Advances from customers	17	**1,417,718**	595,476
Borrowings	24	**275,000**	303,777
Lease liabilities	19	**215,837**	148,372
Long term provision		**7,099**	-
Asset retirement obligation	19	**2,656**	2,656
Total non-current liabilities		**2,410,298**	1,458,647
Current liabilities			
Contract and other payables	17	**5,098,613**	4,366,487
Gross amounts due to customers on construction contracts	25	**151,706**	309,915
Current tax liabilities	22	**43,651**	23,465
Borrowings	24	**332,324**	524,978
Lease liabilities	19	**48,473**	27,501
Total current liabilities		**5,674,767**	5,252,346
Total liabilities		**8,085,065**	6,710,993
Total equity and liabilities		**9,076,858**	7,744,313

2. Condensed consolidated interim statement of profit or loss for the six-month period ended 30 June 2025

	Notes	Three-month period ended 30 June		Six-month period ended 30 June	
		2025 AED'000 *(Unaudited)*	2024 AED'000 *(Unaudited)*	**2025 AED'000 *(Unaudited)***	2024 AED'000 *(Unaudited)*
Contract revenue	21	**2,894,939**	1,861,324	**5,362,334**	3,436,445
Contract costs		**(2,618,326)**	(1,631,911)	**(4,825,831)**	(3,080,635)
Gross profit		**276,613**	229,413	**536,503**	355,810
Administrative expenses		**(113,260)**	(99,093)	**(225,869)**	(168,415)
Share of results of joint ventures	6	**(12)**	(17,736)	**(19)**	(18,406)
Profit from operations		**163,341**	112,584	**310,615**	168,989
Impairment losses on financial assets and contract assets		-	(680)	**(1,296)**	(680)
Finance costs - net	18	**(31,457)**	(11,679)	**(53,766)**	(38,509)
Finance income		**5,640**	3,593	**8,624**	6,740
Other income - net		**566**	1,499	**2,474**	1,665
Profit before tax		**138,090**	105,317	**266,651**	138,205
Income tax expense	22	**(13,558)**	(4,998)	**(27,623)**	(8,948)
Profit for the period		**124,532**	100,319	**239,028**	129,257
Attributable to:					
Owners of the Company		**122,928**	98,988	**237,805**	128,459
Non-controlling interests		**1,604**	1,331	**1,223**	798
		124,532	100,319	**239,028**	129,257
Earnings per share					
Basic and diluted (AED)	23	**2,459**	1,980	**4,756**	2,569

3. Condensed consolidated interim statement of comprehensive income for the six-month period ended 30 June 2025

		Three-month period ended 30 June		Six-month period ended 30 June	
	Notes	**2025 AED'000** *(Unaudited)*	2024 AED'000 *(Unaudited)*	**2025 AED'000** *(Unaudited)*	2024 AED'000 *(Unaudited)*
Profit for the period		**124,532**	100,319	**239,028**	129,257
Other comprehensive income					
Item that may be reclassified subsequently to profit or loss					
Net change in foreign currency translation reserve		**(3)**	1	**45**	341
Total comprehensive income for the period		**124,529**	100,320	**239,073**	129,598
Attributable to:					
Owners of the Company		**122,925**	98,989	**237,850**	128,800
Non-controlling interests		**1,604**	1,331	**1,223**	798
		124,529	100,320	**239,073**	129,598

4. Condensed consolidated interim statement of changes in equity for the six-month period ended 30 June 2025

	Share capital AED'000	Restricted reserve AED'000	General reserve AED'000	Retained earnings AED'000	Foreign currency translation reserve AED'000	Remeasurement loss on employees' defined benefit obligations AED'000	Other equity AED'000	Equity attributable to owners of the Company AED'000	Non-controlling interests AED'000	Total AED'000
Balance at 1 January 2024 *(Audited)*	300	92,977	409	817,885	(731)	(4,101)	25,000	931,739	900	932,639
Profit for the period	-	-	-	128,459	-	-	-	128,459	798	129,257
Other comprehensive income for the period	-	-	-	-	341	-	-	341	-	341
Total comprehensive income for the period	-	-	-	128,459	341	-	-	128,800	798	129,598
Capital contribution of the non-controlling interest shareholder of a subsidiary	-	-	-	-	-	-	-	-	500	500
Dividends declared to shareholders (Note 7)	-	-	-	(242,537)	-	-	-	(242,537)	-	(242,537)
Balance at 30 June 2024 *(Unaudited)*	300	92,977	409	703,807	(390)	(4,101)	25,000	818,002	2,198	820,200
Balance at 1 January 2025 *(Audited)**	**50,000**	**92,977**	**409**	**913,066**	**(420)**	**(23,602)**	-	**1,032,430**	**890**	**1,033,320**
Profit / loss for the period	-	-	-	**237,805**	-	-	-	**237,805**	**1,223**	**239,028**
Other comprehensive income for the period	-	-	-	-	**45**	-	-	**45**	-	**45**
Total comprehensive income / (loss) for the period	-	-	-	**237,805**	**45**	-	-	**237,850**	**1,223**	**239,073**
Acquisition of non-controlling interest in a subsidiary (Note 1)	-	-	-	**(13,539)**	-	-	-	**(13,539)**	**(2,061)**	**(15,600)**
Dividends declared to shareholders (Note 7)	-	-	-	**(265,000)**	-	-	-	**(265,000)**	-	**(265,000)**
Balance at 30 June 2025 (Unaudited)	**50,000**	**92,977**	**409**	**872,332**	**(375)**	**(23,602)**	-	**991,741**	**52**	**991,793**

5. Condensed consolidated interim statement of cash flows for the six-month period ended 30 June 2025

	Notes	Six-month period ended 30 June 2025 AED'000 (Unaudited)	2024 AED'000 (Unaudited)
Operating activities			
Profit before tax		**266,651**	138,205
Adjustments for:			
Depreciation of property, plant and equipment and amortisation of right-of-use assets	4	**109,953**	62,939
Provision for employees' end-of-service benefits	16	**59,927**	28,860
Finance costs - net	18	**53,766**	38,509
Finance income		**(8,624)**	(6,740)
Amortization of intangible assets	5	**6,875**	5,745
Impairment loss on financial assets and contract assets		**1,296**	680
Gain on disposal of property, plant and equipment and gain arising from cancellation of lease		**(858)**	(1,140)
Share of results of joint ventures	6	**19**	18,406
Cash from operating activities before movements in working capital		**489,005**	285,464
Increase in inventories		**(39,164)**	(20,090)
Increase in contract and other receivables, including non-current retention receivables and advances to suppliers and subcontractors		**(283,029)**	(120,320)
(Increase) / decrease in gross amount due from customers on construction contracts		**(871,651)**	577,855
Increase in prepayments		**(14,843)**	(47,857)
Decrease / (increase) in margin deposits under lien	20	**46,980**	(7,288)
Increase in contract and other payables, including non-current portion of retention payables and advances from customer and long-term provisions		**1,506,546**	71,967
(Decrease) / increase in gross amounts due to customer on construction contracts		**(158,209)**	212,853
Cash generated from operations		**675,635**	952,584
Employees' end-of-service benefits paid	16	**(17,510)**	(8,512)
Income tax paid		**(7,437)**	(4,852)
Net cash generated from operating activities		**650,688**	939,220
Investing activities			
Payments for purchase of property, plant and equipment	4	**(166,721)**	(112,659)
Payments for purchase of intangible assets		**(1,717)**	-
Proceeds from disposal of property, plant and equipment		**838**	2,239
Finance income received		**8,624**	6,740
Payment for purchase of non-controlling interest in a subsidiary		**(10,000)**	-
Net cash used in investing activities		**(168,976)**	(103,680)

5. Condensed consolidated interim statement of cash flows (continued) for the six month period ended 30 June 2025 (continued)

	Notes	Six-month period ended 30 June 2025 AED'000 *(Unaudited)*	Six-month period ended 30 June 2024 AED'000 *(Unaudited)*
Financing activities			
Proceeds from bank borrowings		**1,631,270**	527,806
Repayment of bank borrowings		**(1,852,701)**	(714,945)
Dividends paid to shareholder	7	**(180,000)**	(242,537)
Repayment of principal portion of lease liabilities	19	**(37,446)**	(8,837)
Finance costs paid	18	**(44,838)**	(38,509)
Capital contribution by non-controlling interest		-	500
Net cash used in financing activities		**(483,715)**	(476,522)
Net (decrease) / increase in cash and cash equivalents		**(2,003)**	359,018
Cash and cash equivalents at the beginning of the period	20	**1,164,823**	861,988
Less: Effect of foreign exchange rate changes		**45**	341
Cash and cash equivalents at the end of the period		**1,162,865**	1,221,347
Less: Expected credit loss allowance on cash and cash equivalents		**(133)**	(44)
Cash and cash equivalents at the end of the period, net of expected credit loss	20	**1,162,732**	1,221,303
Non-cash transactions:			
Purchase of property, plant and equipment relating to right-of-use asset with corresponding lease liability	4 and 19	**(140,355)**	(38,739)
Reallocation of share of loss in excess of investment in joint venture to due from related parties	6	**(19)**	(18,406)
Dividends declared to shareholders not yet paid	7	**(85,000)**	-
Contingent consideration on acquisition of non-controlling interest in a subsidiary	1	**(5,600)**	-
Cancellation and disposal of right of use asset with corresponding lease liability	4 and 19	**11,452**	-

Dividend Policy

On 30 June 2025, a cash dividend of AED 85 million to be distributed to ICD prior to Listing was approved and declared by the Company. This dividend to ICD is in addition to the Company's planned dividends to shareholders for the year ending 31 December 2025 as described below.

The Company's ability to pay dividends is dependent on a number of factors, including the availability of distributable reserves and its capital expenditure plans and other cash requirements in future periods, and there is no assurance that the Company will pay dividends or, if a dividend is paid, what the amount of such dividend will be. See "Risk Factors—Risks Relating to the Offering and to the Shares—The Company may not pay dividends on the Shares and consequently, investors may not receive any return on investment unless they sell their Shares for a price greater than that which was paid for them". Any level or payment of dividends will depend on, among other things, future profits, the business plan of the Company and additional growth avenues, at the discretion of the Board of Directors and subject to the approval from the shareholders in the General Assembly.

Subject to the foregoing, the Company intends to distribute a dividend of AED 200 million for the financial year ending 31 December 2025, payable in April 2026, and a dividend of AED 500 million for the financial year ending 31 December 2026 payable in October 2026 and April 2027. Thereafter, the Company expects to distribute dividends on a semi-annual basis (in April and October of each year), with a minimum payout ratio of 50% of the net profit generated for the relevant financial period, subject to the approval of the Board of Directors and the availability of distributable reserves. The Company continues to evaluate accretive investment opportunities for growth. In the absence of suitable opportunities that meet the target investment criteria and returns, the Company will consider distributing higher dividends than the minimum annual dividend.

This dividend policy is designed to reflect the Company's expectation of strong cash flow and expected long-term earnings potential, while allowing the Company to retain sufficient capital to fund ongoing operating requirements and continued investment for long-term growth. This dividend policy is subject to consideration by the Board of Directors of the cash management requirements of the Company's business for operating expenses, financing expenses and anticipated capital expenditures. In addition, the Company expects that the Board of Directors will also consider market conditions, the then current operating environment in the Company's markets, and the Board of Directors' outlook for the Company's business.

Material events and contracts concluded (including related party agreements)

The following is a summary of the agreements that the Group considers material or important or which may otherwise influence an investor's decision to invest in the Shares. These summaries do not purport to describe all the applicable terms and conditions of such agreements.

Certain Financing Arrangements of the Group

The Group's main business activities are concentrated in capital-intensive areas that require significant internal and external funding. In order to have an uninterrupted supply of funds and pay, or provide financial assurances, to its counterparties in the ordinary course of business under various agreements for construction works, supply of goods and services, and other commercial arrangements, the Group maintains several credit facilities with different lenders/financers and in different jurisdictions. While the table below is not exhaustive, and the Company maintains, and may establish additional facilities for smaller credit lines, the material facilities are listed in the table below:

Borrowers / Obligors	Lender / Financier	Total Facilities Amounts[(1)]
ALEC Construction and Target Engineering	Abu Dhabi Commercial Bank	AED 3.99 billion
ALEC Construction and Target Engineering	Commercial Bank of Dubai	AED 1.22 billion
ALEC Construction and Target Engineering	Emirates NBD	AED 3.28 billion
ALEC Construction and Target Engineering	First Abu Dhabi Bank	AED 4.28 billion
ALEC Construction	Dubai Islamic Bank	AED 205 million
ALEC Construction, Target Engineering and LINQ	HSBC Bank Middle East Limited	AED 801.6 million
ALEC Construction	The National Bank of Ras Al Khaimah	AED 425.3 million
ALEC Construction	National Bank of Kuwait	AED 500 million
ALEC Saudi	Bank Albilad	SAR 666 million
ALEC Saudi	Saudi Awwal Bank	SAR 1.2 billion
ALEC Saudi	Riyad Bank	SAR 2.3 billion
ALEC Saudi	Banque Saudi Fransi	SAR 111.3 million
Target Engineering	National Bank of Fujairah	AED 535.7 million
Target Engineering	Arab Bank	AED 138.1 million
Target Engineering	Mashreq Bank PSC	AED 500 million
Total		AED 20.153 billion

(1) As of 30 June 2025, the total utilisation of facilities was AED 9.79 billion.

As per the table above, the Group maintains an extensive range of financing facilities with multiple local, regional and international lenders/financiers to support its capital-intensive contracting and construction activities. These financing arrangements are predominantly used for project-specific purposes, general corporate funding needs, issuance of letters of guarantee and letters of credit, and related working capital requirements. They include both conventional debt and various Islamic-compliant facilities, reflecting the Group's commitment to securing flexible and cost-effective sources of funding across multiple jurisdictions. In aggregate, the Group maintains facilities for an amount of approximately AED 20.1 billion.

The facilities include interest or profits calculated by reference to a market rate (such as EIBOR or SIBOR) plus a fixed margin, or, in certain cases, fixed interest or profit or commission fees. Various facilities also impose default or penal interest, or donation undertaking (as the case may be) if amounts become overdue, along with various fees, commissions, or similar charges. In the majority of these arrangements, the lenders/financiers require security interests or collateral measures, such as assignment of project proceeds, assignment of sub-contractor guarantees, or cash margins, to safeguard their interests.

The facilities contain customary information undertakings, affirmative covenants and negative covenants, and customary events of default (in certain cases, subject to agreed grace periods, thresholds and other qualifications) consistent with facility agreements of this nature, including (but not limited to): (i) non-payment; (ii) failure to satisfy a financial covenant; (iii) misrepresentation; (iv) cross default; and (v) insolvency.

The governing law of these facilities varies depending on the location of the bank. For those facilities in the UAE, local Emirate law and corresponding federal laws apply, while Saudi-based facilities are subject to the laws of the Saudi Arabia. Furthermore, each loan/financing and guarantee agreement typically stipulates exclusive or non-exclusive jurisdiction of the courts located in the relevant Emirate or Saudi Arabia.

Material Project Agreements

Due to the nature of the construction business, the members of the Group regularly enter into engineering, procurement and construction contracts with project developers. Construction lifecycles typically last one to three years; however, the relevant member of the Group may remain liable under contractual and statutory warranties for 10 years under UAE and KSA law. See "Risk Factors–Risks Relating to the Group–Warranty claims resulting from the services provided by the Group could have a material adverse effect on the Group".

Since 2022, the following material agreements with project developers have generated significant revenue for the Group: (i) the One Za'abeel project in Dubai, UAE; (ii) the SeaWorld Abu Dhabi project in Abu Dhabi, UAE; (iii) the Natural History Museum project in Abu Dhabi, UAE; (iv) the Aquarabia Waterpark project in Qiddiya, Saudi Arabia; (v) the teamLab Phenomena project in Abu Dhabi, UAE; (vi) the Wynn Al Marjan Island Resort project in Ras Al Khaimah, UAE; (vii) the Qiddiya Speed Park project in Qiddiya, Saudi Arabia; (viii) the Stargate Project in Abu Dhabi, UAE; (ix) the Como Residences Project in Dubai, UAE; (x) the iLMi – Science Discovery Innovation Centre Project in Riyadh, KSA; and (xi) the Yas Water World expansion project in Abu Dhabi, UAE.

Project values and completion details are contained in the summaries of material agreements below. All values and all future completion dates described are subject to adjustment pursuant to the relevant contract terms and conditions. Further, the material agreements summarised below contain delay damages clauses, capped to an agreed percentage of the contract and industry standard termination provisions. The material agreements for the below listed UAE projects are governed by the federal laws of the UAE as applied in the relevant Emirate where the relevant project is being carried out. Similarly, the material agreements for the below listed KSA projects are governed by the laws of KSA. Any disputes related to the below listed material agreements (where not resolved amicably) shall be finally resolved by arbitration.

One Za'abeel

On 19 July 2017, One Za'abeel L.L.C. ("**Zaabeel**") and ALEC Construction entered into a main contract (the "**Zaabeel Agreement**") for the completion of the design and construction of 'One Za'abeel'. ALEC Construction's responsibilities include the completion of design, construction and external works relating to the One Za'abeel project as well as remedying any defects in accordance with, and to the satisfaction of, Nikken Sekkei Limited and the project manager (the "**Zaabeel Works**"). The final project value was approximately AED 5.2 billion.

The Zaabeel Works commenced on 18 June 2017 and were completed on 6 November 2023.

SeaWorld Abu Dhabi

On 7 March 2019, Miral Asset Management LLC ("**Miral**") and ALEC Construction entered into an agreement (the "**Seaworld Agreement**") for the development of the SeaWorld Theme Park in Abu Dhabi ("**Seaworld Project**"). ALEC Construction's obligations included the completion of design, manufacture, shipping, supply, delivery, construction, installation, erection, testing, commissioning, and trial operation of the Seaworld Project in accordance with Miral's instructions in a manner that is properly functional and suitable for the intended use as well as remediation of any defects (the "**Seaworld Works**"). The final project value was approximately AED 4.4 billion

The Seaworld Works commenced on 15 February 2019 and were completed on 19 May 2023.

Natural History Museum

On 10 May 2022, Miral and ALEC Construction entered into a contract agreement (the "**NHM Agreement**") for the development of the Natural History Museum located in Abu Dhabi, UAE (the "**NHM Project**"). ALEC's obligations included the completion of design, manufacturing, shipping, supply, delivery, construction, installation, erection, testing, commissioning and trail operation of the NHM Project in accordance with Miral's instructions and in a manner that is properly functional, suitable for the intended use and complete in accordance with the NHM Agreement as well as remediation of any defects (the "**NHM Works**"). The final project value was approximately AED 1.1 billion.

The NHM Works commenced on 1 April 2022 and were completed on 31 July 2025.

Aquarabia Waterpark, Qiddiya

On 2 February 2022, Qiddiya Investment Company ("**Qiddiya**") and an unincorporated joint venture formed by and between ALEC Saudi and El Seif Engineering Contracting Co. ("**Waterpark JV**") entered into a construction contract (the "**Qiddiya Agreement**") for the construction of the Qiddiya Water Park (the "**Qiddiya Project**"). The Waterpark JV's responsibilities include the completion of design, supply, manufacturing, engineering, installation, erection, construction, testing, commissioning and completion of the Qiddiya Project and the design, engineering, manufacture, testing, supply, shipping, completion and installation of the rides (the “**Qiddiya Works**”) in accordance with Qiddiya’s requirements, the engineer’s instructions, all applicable laws and permits, good industry practice and requirements of any authorities. The project award value was approximately AED 2.5 billion.

The Qiddiya Works are expected to be completed prior to the Closing Date.

teamLab Phenomena

On 10 May 2022, Miral and ALEC Construction entered into an agreement (the “**TP Agreement**”) for the development of the teamLab Phenomena located in Abu Dhabi, UAE (the “**TP Project**”). ALEC Construction’s obligations included the completion of design, manufacture, shipping, supply, delivery, construction, installation, erection, testing, commissioning and trial operation of the TP Project in accordance with Miral’s instructions in a manner that is properly functional, suitable for the intended use and complete in accordance with the TP Agreement as well as remediation of any defects (the “**TP Works**”). The final project value was approximately AED 535 million.

The TP Works commenced on 1 April 2022 and were completed on 21 February 2025.

Wynn Al Marjan Island Resort

On 15 November 2023, Island 3 AMI FZ-LLC (the “**Island**”) and ALEC Construction entered into a contract (the “**Wynn Agreement**”) for the development of the Wynn Al Marjan Island Resort located in the Emirate of Ras Al Khaimah, UAE (the “**Wynn Project**”). ALEC Construction’s responsibilities include the completion of permanent works, temporary works related to the Wynn Project, remediation of any defects therein and acceptance of novation of the enabling and piling works contract entered by Island (the “**Wynn Works**”). The project award value is approximately AED 8.1 billion.

The Wynn Works commenced on 12 April 2023 and are due to be completed in February 2027.

Qiddiya Speed Park

On 1 September 2023, Qiddiya Investment Company (“**Qiddiya**”) and an unincorporated joint venture formed by and between ALEC Saudi and El Seif Engineering Contracting Co. (“**Speed Park JV**”) entered into a construction contract (the “**Qiddiya Speed Park Agreement**”) for the construction of the Qiddiya Speed Park (the “**Qiddiya Speed Park Project**”). The Speed Park JV’s responsibilities include the completion of design, manufacturing, engineering, installation, erection, construction, commissioning and completion of the Qiddiya Speed Park Project (the “**Speed Park Works**”) in accordance with Qiddiya’s requirements, the engineer’s instructions, all applicable laws and permits, good industry practice and requirements of any authorities. The project award value is approximately AED 7.6 billion, subject to adjustment pursuant to the terms of the agreement.

The Qiddiya Works are due to be completed in August 2026.

Stargate

On 5 June 2025, G42 and ALEC Construction entered into a pre-construction services agreement (the "**Stargate Agreement**") in relation to certain pre-construction services related to the UAE Stargate Phase 1 – 200 MW (SG1) project (the "**Stargate Project**") as part of the UAE Stargate project, a strategic project for the planning and development of a campus facility to support Artificial Intelligence and Machine Learning in Abu Dhabi. ALEC Construction's responsibilities include certain pre-construction services necessary to bring the Stargate Project to a shovel-ready stage, including overall project planning, design review, validation and localisation, value-engineering, procurement strategy and tendering, programme and risk management, development of a pricing mechanism, authority liaison and other activities listed in the agreement (the "**Stargate Pre-Construction Services**"). The Stargate Agreement also allows G42, at its discretion, to instruct early works packages and to negotiate a follow-on EPC contract for the full construction phase. The project award value is approximately AED 37.3 million (exclusive of VAT), together with (i) agreed fees for any additional services and (ii) reimbursable amounts for instructed early works. The parties have set a budget of AED 5.2 billion (exclusive of VAT) for the subsequent construction works.

A detailed pricing mechanism requires ALEC Construction to submit a proposed contract price at least 30 days before an agreed date (two months after the effective date of the Stargate Agreement) so that the parties may finalise the EPC contract. All payments made under the Stargate Agreement are on-account against any contract price ultimately agreed for the main works.

Como Residences

On 13 September 2024, The Palm-Jumeirah Co. (L.L.C.) ("**Palm Jumeirah**") and ALEC Construction (Dubai branch) entered into a Lump Sum Construction Contract (RERA & BIM) for the Como Residences, Palm Jumeirah (the "**Como Agreement**"). The Como Agreement involves the design, construction, testing, commissioning and hand-over of Como Residences, a 76-storey luxury residential tower on the Palm Jumeirah, Dubai (the "**Como Project**"). ALEC Construction's responsibilities include all permanent and temporary works required to complete the Como Project, including limited design development, procurement of all plant and materials, construction, commissioning, preparation of "as-built" documentation and remedy of defects (the "**Como Works**"). The project award value is approximately AED 1.8 billion, plus AED 20.8 million (for Early Works) and an agreed percentage overhead and profit amount for novated early works (exclusive of VAT), subject only to variations and limited adjustments.

The Como Works are deemed to have commenced on 6 November 2023 and are due to be completed in June 2027.

iLMi – Science Discovery Innovation Centre MISK

On 23 January 2024, Misk City Company ("**Misk**") and ALEC Saudi entered into a construction contract (the "**iLMi Agreement**") for the construction of the iLMi Science Discovery & Innovation Centre, Stage 2 (the "**iLMi Project**"). ALEC Saudi's responsibilities include the completion of design, manufacturing, engineering, installation, erection, construction, commissioning and completion of the iLMi Project (the "**iLMi Works**") in accordance with

Misk's requirements, the engineer's instructions, all applicable laws and permits, good industry practice and requirements of any authorities. The project award value is approximately AED 1.8 billion.

The iLMi Works are due to be completed in September 2026.

Yas Water World Expansion

On 18 July 2023, Miral LLC, as the employer, and ALEC Construction, as the contractor, entered into a contract agreement in respect of the Yas Water World Expansion Project – Abu Dhabi (the "**Yas Water World Expansion**") for the performance of the design, manufacturing, shipping, supply, delivery, construction, installation, erection, testing, commissioning and trial of the Yas Water World Expansion (the "**Yas Water World Works**"). The Yas Water World Expansion final project value is approximately AED 447 million.

The Yas Water World Works commenced on 4 May 2023 and were completed in February 2025.

Target Engineering EPC Contracts

EPC Agreement for Borouge 4 Project

On 3 December 2021, Abu Dhabi Polymers Company Limited ("**Borouge**") and an unincorporated consortium formed by and between Target Engineering and Technip Energies France - Abu Dhabi ("**Borouge Consortium**") entered into an engineering, procurement and construction contract (the "**Borouge Agreement**") for the construction of a new facility to be located at Borouge 4 Complex in the Emirate of Abu Dhabi. The Borouge Consortium's responsibilities include the engineering, procurement, construction, installation, testing and commissioning of works on a turnkey basis relating to the Borouge Agreement (the "**Borouge Works**"). The project award value is approximately USD 1.5 billion.

The Borouge Works commenced on 3 January 2022 and are due to be completed in November 2025.

EPC Agreement for Habshan & Bab Control Systems Upgrade Project

On 17 July 2023, ADNOC Gas Operations & Market L.L.C. ("**ADNOC Gas**") and Target Engineering entered into an engineering, procurement and construction contract (the "**Habshan Agreement**") for the development of Habshan and Bab control systems upgrade at Habshan & Bab Gas Complex. Target Engineering's responsibilities include the engineering, procurement, construction, installation, testing and commissioning of works on a turnkey basis relating to the Habshan Agreement (the "**Habshan Works**"). The project award value is approximately USD 267 million.

The Habshan Works commenced on 24 July 2023 and are due to be completed in January 2027.

EPC Agreement for Dalma Gas Development Project

On 18 November 2021, Abu Dhabi National Oil Company ("**ADNOC**") and an unincorporated consortium formed by and between Target Engineering and Técnicas Reunidas, S.A. - Abu Dhabi Branch ("**Dalma Consortium**") entered into an engineering procurement and construction contract (the "**Dalma Agreement**") for the development of the Dalma Gas Development Project at Satah, Hair Dalma and Bu Haseer Fields in the North West region of Abu Dhabi. The Dalma Consortium's responsibilities include the engineering, procurement, fabrication, transportation, construction, installation, testing and commissioning the facilities forming part of the project on a turnkey basis (the "**Dalma Works**"). The project award value is approximately USD 949 million.

The Dalma Works commenced on 19 December 2021 and are due to be completed by the end of 2025.

EPC Agreement for Upper Zakum Surface Works

On 18 March 2024, Abu Dhabi Company For Offshore Petroleum Operations Limited ("**ADNOC Offshore**") and Target Engineering entered into an engineering, procurement and construction contract (the "**Zakum Surface Agreement**") for the development of the surface facilities part of the Upper Zakum 1.0 MMBD project in the Emirate of Abu Dhabi. Target Engineering's responsibilities include the engineering, procurement, construction, installation, testing and commissioning of works on a turnkey basis relating to the Zakum Surface Agreement (the "**Zakum Surface Works**"). The project award value is approximately USD 823 million.

The Zakum Surface Works commenced on 18 March 2024, and are due to be completed in March 2028.

EPC Agreement for Upper Zakum Offshore Works

A letter of award for the Upper Zakum Works (as defined below) was granted to Target Engineering with the effective date of 31 October 2024. ADNOC Offshore and Target Engineering subsequently entered into an engineering, procurement and construction contract (the "**Zakum Offshore Agreement**") for the offshore works on the Upper Zakum 1.0 MMBD project in the Emirate of Abu Dhabi on 21 April 2025, effective as of 25 November 2024. Target Engineering's responsibilities include the engineering, procurement, construction, installation, testing and commissioning of works on a turnkey basis relating to the Zakum Offshore Agreement (the "**Zakum Offshore Works**"). The project award value is approximately USD 513 million.

The Zakum Offshore Works commenced on 25 November 2024 and are due to be completed in 2028.

EPC Agreement for Sahil Phase 3 Development Project

On 17 October 2023, Abu Dhabi Company For Onshore Petroleum Operations Limited ("**ADNOC Onshore**") and Target Engineering entered into an engineering, procurement and construction contract (the "**Sahil Agreement**") for the development and construction of Sahil

Phase 3 at the Sahil and Asab Fields. Target Engineering's responsibilities include the engineering, procurement, construction, installation, testing and commissioning of works on a turnkey basis relating to the Sahil Agreement (the "**Sahil Works**"). The project award value is approximately USD 375 million.

The Sahil Works commenced on 20 November 2023 and are due to be completed in November 2026.

EPC Agreement for Switchgear Replacement at Zirku

On 9 October 2023, Abu Dhabi Company For Offshore Petroleum Operations Limited ("**ADNOC Offshore**") and Target Engineering entered into an engineering, procurement and construction contract (the "**Zirku Agreement**") for the development of switchgear replacement at Zirku Island in the Emirate of Abu Dhabi. Target Engineering's responsibilities include the engineering, procurement, construction, installation, testing and commissioning of works on a turnkey basis relating to the Zirku Agreement (the "**Zirku Works**"). The project award value is approximately USD 259 million.

The Zirku Works commenced on 23 October 2023 and are due to be completed in August 2028.

EPC Subcontract Agreement for Building Works and Civil Works for Maximising Ethane Recovery and Monetisation

On 13 August 2024, Target Engineering and a joint venture formed by and between National Petroleum Construction Company PJSC and Técnicas Reunidas, S.A. (the "**Contractors**") entered into a subcontracting agreement for the performance of engineering, procurement and construction work (the "**Subcontract**") for maximising ethane recovery and monetisation. Initially, the Contractors had entered into an agreement with Abu Dhabi Gas Industries Limited. Target Engineering's responsibilities include engineering, design, procurement, fabrication, erection, construction, delivery, transportation, storage, preservation, installation, mechanical completion, inspection, testing commissioning, start-up assistance, inspection, testing of materials, taking delivery, provision of all necessary personnel, labour, materials, equipment, tools machinery, marine spreads, spare parts, supplies and services, any remedial or corrective action and training of personnel (the "**Subcontract Works**"). The project award value is approximately USD 281 million.

The Subcontract Works commenced on 13 August 2024 and are due to be completed in February 2026.

Subcontract for General Construction Works for the Upgrade SRU Project – Riyadh Refinery

On 30 November 2024, a branch of Technip Energies Italy S.p.A., as a contractor ("**Technip**"), and Target Construction Saudi Company WLL, as a subcontractor ("**Target Saudi**"), entered into Subcontract No. SALTA03C0003 (the "**Riyadh Refinery Subcontract**") for the performance of civil, mechanical, electrical and instrumentation works and associated pre-commissioning activities of the LTA-03 Upgrade Sulphur Recovery Units, Riyadh Refinery Project (the "**Riyadh Refinery Subcontract Works**") pursuant to the underlying long-term agreement for the detailed engineering, procurement, construction, start-up and commissioning of selected brownfield and upgrade oil and gas projects between Saudi Arabian Oil Company – Saudi Aramco and Technip. The project award value is approximately AED 289 million.

The Riyadh Refinery Subcontract Works commenced on 30 November and are due to be completed on 30 September 2026.

Other Material Arrangements of the Group

ALEC Construction is party to four *musataha* agreements and one long-term leasehold agreement pursuant to which ALEC Construction holds real property rights in certain land plots in the Dubai Industrial City and Ras Al Khaimah Economic Zone and has developed and operates certain industrial projects.

Musataha Agreement with respect to land plot no. 47011

On 21 July 2015, Dubai Industrial City LLC ("**DIC**") and ALEC Construction entered into a *musataha* agreement, with effect from 10 October 2006, in respect of the plot no. 47011 (Dubai Municipality no. 5330159) located in the Dubai Industrial City (as amended, the "**DIC Musataha Agreement**").

Pursuant to the DIC Musataha Agreement, DIC granted ALEC Construction a land plot to enable ALEC Construction to develop a factory, office and warehouse project in the Dubai Industrial City, in consideration for approximately AED 1.3 million per year, subject to annual rent review. The term of the DIC Musataha Agreement is 40 years.

The DIC Musataha Agreement may be terminated due to ALEC Construction's material breach of the DIC Musataha Agreement, including due to failure to commence or complete the construction, failure to comply with the assignment and subcontracting requirements, failure to maintain required approvals, failure to pay, failure to maintain the quality, health, safety and environment requirements, assignment, sub-leasing, licensing out, or granting permission to a third party to occupy or develop the land plot, change of control or due to ALEC Construction's bankruptcy or liquidation.

The DIC Musataha Agreement is governed by the laws of the Emirate of Dubai and by federal laws of the UAE. Any disputes arising out of the DIC Musataha Agreement shall be referred for resolution to the courts of Dubai.

Musataha Agreement with respect to land plot no. 22002

On 22 November 2016, DIC and Hadaya Engineering & Metal Services LLC. ("**Hadaya**") entered into a *musataha* agreement, with effect from 2 August 2006, in respect of the plot no. 22002 (Dubai Municipality no. 531-566) located in the Dubai Industrial City (the "**Hadaya Musataha Agreement**"). Pursuant to the Hadaya Musataha Agreement, DIC granted Hadaya a land plot to enable Hadaya to design, construct, operate, manage, and maintain a steel and building metal product manufacturing project in the Dubai Industrial City, in consideration for payment by Hadaya of approximately AED 993,000 per year. The initial term of the Hadaya Musataha Agreement is 49 years, unless extended by Hadaya by written notice 12 months prior the expiry date. Pursuant to an assignment and amendment of Musataha Agreement, dated 25 January 2021, with effect from 2 February 2021, Hadaya assigned the Hadaya Musataha Agreement to LINQ Modular LLC.

The Hadaya Musataha Agreement may be terminated due to ALEC Construction's material breach of the Hadaya Musataha Agreement, including due to failure to commence or complete the construction, failure to comply with the assignment and subcontracting requirements, failure to maintain required approvals, failure to pay, failure to maintain the quality, health, safety and environment requirements, assignment, sub-leasing, licensing out, or granting permission to a third party to occupy or develop the land plot, change of control or due to ALEC Construction's bankruptcy or liquidation.

The Hadaya Musataha Agreement is governed by the laws of the Emirate of Dubai and by federal laws of the UAE. Any disputes arising out of the Hadaya Musataha Agreement shall be resolved amicably through consultations. If the parties are unable to resolve the dispute within 30 days of consultations, then the dispute shall be referred to the court of Dubai.

Musataha Agreement with respect to land plot no. 47010

On 25 October 2017, Dubai Industrial Park LLC ("**DIP**") and ALEC Construction entered into a *musataha* agreement in respect of the plot no. 47010 (Dubai Municipality no. 5330158) (as amended, the "**DIP Musataha Agreement**"). Pursuant to the DIP Musataha Agreement, DIP granted ALEC Construction a land plot to enable ALEC Construction to design, construct, operate, manage, and maintain a project comprised of a training centre, covered workshop area and offices, fitout storage area, precast storage are and formwork storage area in the Dubai Industrial City (the "**DIC Project**"). The initial term of the DIP Musataha Agreement is 30 years commencing from 25 October 2017, unless extended by ALEC Construction by written notice 12 months prior the expiry date.

ALEC Construction may assign the whole of the DIP Musataha Agreement to a third party and may subcontract the execution of the DIC Project to subcontractors, subject to DIP's prior written approval and other conditions set out in the DIP Musataha Agreement.

The DIP Musataha Agreement may be terminated due to ALEC Construction's material breach (including due to failure to commence or complete the construction, failure to comply with the assignment and subcontracting requirements, failure to maintain required approvals, failure to pay, failure to maintain the quality, health, safety and environment requirements, assignment, sub-leasing, licensing out, or granting permission to a third party to occupy or develop the land plot, due to a change of control or bankruptcy or liquidation.

The DIP Musataha Agreement is governed by the laws of the Emirate of Dubai and by federal laws of the UAE. Any disputes arising out of the DIP Musataha Agreement shall be resolved amicably through consultations. If the parties are unable to resolve the dispute within 30 days of consultations, then the dispute shall be referred to the court of Dubai.

Musataha Agreement with respect to land plot no. PL027 in Ras Al Khaimah Economic Zone

On 30 May 2025, Ras Al Khaimah Economic Zone Authority ("**RAKEZ**") and ALEC Engineering and Contracting RAK LLC-SPC ("**ALEC RAK**") entered into a *musataha* agreement in respect of the plot no. PL027 (the "**RAKEZ Musataha Agreement**").

The musataha right is granted for a fixed term of 30 years, commencing on 30 May 2025. Notably, if the musataha right or any additional structures have not been converted to freehold title for the benefit of ALEC RAK by the end of the initial term, the agreement provides for an automatic renewal of the musataha for an additional 30 years on the same terms and conditions, without the requirement for additional consideration. The annual consideration is set at AED 20 per square metre, amounting to approximately AED 2.5 million per annum, payable in advance. The agreement also stipulates a security deposit equal to 10% of the first year's consideration, refundable upon expiry, subject to ALEC RAK's compliance with its obligations.

ALEC RAK is permitted to use the plot strictly in accordance with the activities stated in its trade license, as may be amended from time to time, and for no other purpose without RAKEZ's prior written consent. RAKEZ may terminate the agreement if ALEC RAK fails to pay amounts due, breaches material terms, becomes insolvent, or uses the plot for unauthorised purposes, among other specified events. In the event of breach, ALEC RAK is given a notice period to remedy the default. Early termination by ALEC RAK is not permitted within the first 5 years; thereafter, early termination is allowed subject to notice, RAKEZ's approval, and payment of specified compensation.

The RAKEZ Musataha Agreement is governed by the laws of the Emirate of Ras Al Khaimah and by federal laws of the UAE. Any disputes arising out of the RAKEZ Musataha Agreement shall be subject to the jurisdiction of the Ras Al Khaimah Rental and Real Estate Disputes Committee or such other tribunal as may be established from time to time in the Emirate of Ras Al Khaimah.

Leasehold Agreement with respect to buildings in RAKEZ

On 30 May 2025, RAKEZ and ALEC Construction entered into a leasehold agreement. RAKEZ is responsible for granting the leasehold rights over specified buildings within its economic zone, while ALEC Construction is the beneficiary and operator of these premises.

The leasehold is granted for a fixed term of 30 years, commencing on 30 May 2025. Upon the expiry of the initial term, if the ALEC Construction's rights have not been converted to freehold title, the agreement provides for an automatic renewal of the leasehold for an additional 30 years on the same terms and conditions, without the requirement for further consideration. If ALEC Construction does not wish to exercise this automatic renewal, RAKEZ is granted a right of first refusal to purchase the leasehold rights at fair market value or at the value of any third-party offer exceeding fair market value. This structure provides long-term security of tenure and flexibility for both parties.

The total consideration for the leasehold rights is AED 27 million, payable in three equal annual instalments, with the first instalment due upon signing and subsequent instalments at the start of each contractual year.

The agreement is governed by the laws of the Emirate of Ras Al Khaimah and by federal laws of the UAE. Any disputes arising out of the agreement shall be subject to the jurisdiction of the Ras Al Khaimah Rental and Real Estate Disputes Committee or such other tribunal as may be established from time to time in the Emirate of Ras Al Khaimah.

Related Party Transactions

The Group is and has been a party to various agreements and other arrangements with related parties comprising the Company and certain of its other subsidiaries and the Selling Shareholder. The most significant of these transactions are described below. For details of the impact of related party transactions on the Group's financial position and financial results as at and for the years ended 31 December 2022, 2023 and 2024 please refer to note 9 of the Annual Financial Statements, included elsewhere in this Prospectus. For details of the impact of related party transactions on the Group's financial position and financial results as at and for the six months ended 30 June 2025 and 2024, please refer to note 7 of the Interim Financial Statements.

One Za'abeel

On 19 July 2017, One Za'abeel L.L.C. ("**Zaabeel**") and ALEC Construction entered into a main contract (the "**Zaabeel Agreement**") for the completion of the design and construction of the ICD Headquarters in the Emirate of Dubai. See "*Material Agreement –One Za'abeel*".

EMAAR Entertainment LLC

On 1 August 2019, ALEC Construction entered into a main contract works agreement (the "**Indoor Coaster Agreement**") with Emaar Entertainment LLC for the construction, structural steel, envelope, roller coaster and fitout works of the Dubai Hills Indoor Coaster (the "**DHC Works**"). The value of the Indoor Coaster Agreement is approximately AED 112 million, subject to adjustment pursuant to its terms. The DHC Works commenced on 27 October 2019 and were completed on 17 February 2022.

EMAAR Hospitality Group LLC

On 7 December 2022, ALEC Construction entered into a contract agreement (the "**Atmosphere Agreement**") with Emaar Hospitality Group LLC regarding the completion of At.mosphere Burj Khalifa refurbishment. At.mosphere Burj Khalifa is a restaurant and bar located in the Burj Khalifa skyscraper. The refurbishment consisted of, amongst other things, wall finishes, marble skirting, finishes to the stairs, wall panelling and raised flooring. The value of the Atmosphere Agreement was approximately AED 22 million, subject to adjustment pursuant to its terms. The works commenced on 10 August 2022 and were completed on 6 February 2023.

Financing Arrangements with Related Parties

The Group maintains several credit facilities with different lenders/financers, some of which are related parties. All of the below-listed facilities (i) are governed by the laws of the Emirate of Dubai and applicable federal laws of the UAE, and the courts of Dubai have exclusive jurisdiction to settle any dispute arising out of or in connection with any such facilities; and (ii) include customary information undertakings, affirmative covenants and negative covenants, including maintenance of a current assets-to-current liability ratio at a certain level, and customary events of default (subject in certain cases to agreed grace periods, thresholds and other qualifications) consistent with facilities of this nature, including (but not limited to): (a) non-payment; (b) failure to satisfy a financial covenant; (c) misrepresentation; (d) cross default; and (e) insolvency.

ALEC Construction's Facilities with Commercial Bank of Dubai

ALEC Construction maintains several facilities with Commercial Bank of Dubai ("**CBD**") (the "**CBD Facilities**") pursuant to the Credit Facilities Agreement dated 21 December 2020 (as amended from time to time, including most recently on 15 January 2025, the "**CBD Facility Agreement**"), for a total amount of AED 500 million.

Depending on the type of the CBD Facility, CBD charges either an interest rate set forth in the CBD Facility Agreement or a fixed fee. The CBD Facilities also include additional default interest in respect of overdue amounts and certain other fees.

Target Engineering's Facilities with CBD

Target Engineering maintains several facilities with CBD (the "**Target CBD Facilities**") pursuant to the Facilities Offer Letter dated 6 October 2023 (as amended from time to time, including most recently on 23 January 2025, the "**Target CBD Facility Agreement**"), for a total amount of approximately AED 720 million.

The interest rate on the Target CBD Facilities depends on the type of the Target CBD Facility. The interest rate is calculated as a fixed interest margin rate on top of the applicable EIBOR. The Target CBD Facilities also include certain fixed commission fees.

ALEC Construction's Facilities with Dubai Islamic Bank

ALEC Construction maintains several facilities with Dubai Islamic Bank ("**DIB**") (the "**DIB Facilities**") pursuant to the Facilities Agreement Letter dated 28 September 2022 (as amended from time to time, including most recently on 13 November 2024, the "**DIB Facility Agreement**"), for a total amount of approximately AED 205 million.

The profit rate on the DIB Facilities depends on the type of the DIB Facility. The profit rate is calculated as a fixed margin rate on top of the applicable EIBOR or as a fixed rate on the relevant amount. The DIB Facilities also include certain commission fees at a fixed rate.

The DIB Facilities are secured by assignment of project proceeds where project guarantees are issued.

ALEC Construction's Facilities with Emirates NBD

ALEC Construction maintains several facilities with Emirates NBD ("**ENBD**") (the "**ENBD Facilities**") pursuant to the Rollout Facility Letter dated 10 March 2022 (as amended from time to time, including most recently on 20 January 2025, the "**ENBD Facility Agreement**"), for a total amount of approximately AED 1.78 billion.

The interest rate on the ENBD Facilities depends on the type of the ENBD Facility. The interest/profit rate is calculated as a fixed interest/profit margin rate on top of the applicable EIBOR. The ENBD Facilities also include an additional penal interest rate/late payment donation in respect of overdue amounts and certain commission fees at a fixed rate.

The ENBD Facilities are secured by assignment of project receivables and insurance/takaful proceeds. Additionally, any claims under sub-contractor guarantees must be lodged through ENBD and any related proceeds must be assigned to ENBD.

Subject to certain conditions, ALEC Construction may voluntarily prepay (in full or in part) any amount outstanding under the ENBD Facilities.

Target Engineering's Facilities with ENBD

Target Engineering maintains several facilities with ENBD (the "**Target ENBD Facilities**") pursuant to the Facility Letter dated 20 June 2023 (as amended from time to time, including most recently on 30 January 2025, the "**Target ENBD Facility Agreement**"), for a total amount of approximately AED 1.5 billion.

Depending on the type of the Target ENBD Facility, ENBD charges either an interest/profit at EIBOR plus a certain margin for loan/financing facilities or a fixed fee set forth in the Target ENDB Facility Agreement for other types of facilities. The Target ENBD Facilities also include an additional default interest/late payment donation amount in respect of overdue amounts and certain other fees and charges, including an annual maintenance fee.

Target Engineering may voluntarily prepay, in full or in part, any amount outstanding under the Target ENBD Facilities, subject to an additional prepayment fee. Under certain circumstances specified in the Target ENBD Facility Agreement, ENBD may cancel the Target ENBD Facilities, in which case all outstanding liabilities in respect of such Target ENBD Facilities would become repayable.

See "*Material Agreements–Certain Financing Arrangements of the Group*" for the total drawdown amount under the financing arrangements.

Fourth Section: Notice of Constitutive General Assembly

The notice set out below is relevant for all Subscribers which have been allocated Offer Shares. It calls for convening the Constitutive General Assembly meeting at the date, time and place set out in the notice. All Subscribers are entitled to attend and vote at such meeting. Any voting rights of any Subscriber attending the General Assembly meeting shall correspond to the number of Offer Shares such Subscriber receives following the allotment process.

Notice of Constitutive General Assembly meeting

Dear Sir or Madam,

Thank you for applying to purchase shares in **ALEC Holdings PJSC** (a public joint stock company under conversion in the Emirate of Dubai, United Arab Emirates) (the "**Company**").

This is to notify you that in accordance with Article 131 of Federal Decree By Law No. 32 of 2021 on Commercial Companies (as amended), the Founders' Committee of the Company is pleased to invite you to attend the first meeting of the constitutive general assembly (the "**Constitutive General Assembly**") of the Company which will be held electronically/remotely with the option for shareholders to attend in person at the Executive Centre, One Offices, Level 5, One Za'abeel, 1 Majlis Street Za'abeel, Dubai, UAE at 9:00 a.m. on 8 October 2025.

If the required quorum for the first meeting is not present, a second meeting will be held on 8 October 2025 electronically/remotely with the option for shareholders to attend in person at the Executive Centre, One Offices, Level 5, One Za'abeel, 1 Majlis Street Za'abeel, Dubai, UAE at 9:00 a.m.

The Constitutive General Assembly is valid with the attendance of shareholders or their representatives holding 50% (fifty per cent) or more of the Shares of the Company and the assembly will be chaired by the person elected by the assembly from amongst the founders.

The DFM will send an SMS to all Subscribers who have been allocated Offer Shares to allow them to attend the Constitutive General Assembly meeting and to vote on any proposed resolutions found in the agenda.

The agenda of the Constitutive General Assembly is as follows:

- reviewing and ratifying the Founders' Committee's report in respect of the conversion of the Company and its related expenses;
- approving the Memorandum of Association and Articles of Association of the Company;
- approving the appointment of the first Board for three years as per Article 19 of the Articles of Association of the Company;
- approving the appointment of the Company's auditor; and
- announcing the conversion of the Company.

The Selling Shareholder and all persons to whom Offer Shares have been allocated may attend the Constitutive General Assembly electronically or through an authorised representative. Each shareholder shall have a number of votes equal to the number of Shares that they own. If a representative of the shareholder attends the Constitutive General Assembly, he/she must bring along a written proxy authorising his/her attendance on behalf of that shareholder (attached is a sample proxy). It should be noted that if the proxy holder is not a shareholder, then the proxy needs to be notarised and the proxy holder should not be one of the Company's Board members; and the proxy holder should not be representing Shares for more than one shareholder of a value that exceeds 5% of the share capital of the Company.

Any change in the dates above will be announced through the local newspapers following receipt of approval from the Securities and Commodities Authority of the United Arab Emirates.

All persons attending the Constitutive General Assembly electronically will be required to present proof of identification (i.e., Emirates ID or passport). If Subscribers are attending through an authorised representative, the respective authorised representative will be required to present: (i) the original allocation letter or SMS confirming the allocation of Offer Shares; (ii) a certified copy of their respective Subscriber's passport; (iii) their original passport; and (iv) the notarised power of attorney.

Yours faithfully,

Founders' Committee

Form of Proxy

<u>Proxy for Attending and Voting at the Constitutive General Assembly meeting of ALEC Holdings PJSC (under conversion)</u>

We/I, the undersigned………………., hereby appoint and authorise pursuant to this proxy, Mr./Mrs./Ms. ………… (the "**Attorney**"), to attend the Constitutive General Assembly of **ALEC Holdings PJSC (under conversion)** on my/our behalf. The Attorney shall have the right to vote on all matters discussed in the meeting whether the meeting was held on its original date or postponed to any other date. The Attorney shall also have the right to make all decisions and sign all documents in this regard.

Signature:

Name:

Date:

Fifth Section: Other details

The Company's proposed management structure

Company's Board structure

Upon Listing, the Board shall be established and is expected to consist of 7 (seven) Directors, 6 (six) of whom are Non-Executive Directors, 1 (one) of who is an Executive Director, and 4 (four) of whom are independent Non-Executive Directors.

Name	Nationality	Capacity
H.E. Hussain Nasser Lootah*	United Arab Emirates	Chairman
Kieron Peter Taylor	South Africa	Non-Executive Vice Chairman
Kamillia Ahmed AlMarashi	United Arab Emirates	Non-Executive Director
Barry Roy Lewis	United Kingdom	Executive Director
Farah Foustok*	United Kingdom	Non-Executive Director
Moustafa Fahour*	Australia	Non-Executive Director
Nabil Al Kindi*	United Arab Emirates	Non-Executive Director

(*) denotes that the Director is an *independent director* under the Governance Rules.

The expertise and experience of each member of the Board of Directors is set out below:

H.E. Hussain Nasser Lootah

His Excellency Hussain Nasser Lootah is the Chairman of the Board of Directors.

His Excellency is currently a board member of Dubai Investments and sits on the board of trustees of Dubai Medical College. He also chairs the Al Mal Capital Oversight Committee and leads his private business group, Hussain Lootah Group, which operates across sectors such as robotics technology, engineering and electromechanical consultancy, real estate, and hospitality. His Excellency is a prominent Emirati leader with a distinguished career in public service, having held key leadership roles within Dubai Municipality from 1985 to 2018, including Director General. He spearheaded major civic projects such as the Dubai Frame and Mohammed bin Rashid Library, chaired numerous municipal committees, and contributed to securing over 30 awards for the Municipality. Beyond his municipal work, His Excellency played an active role on various governmental bodies, including as Chairman of the Infrastructure Committee, and as a member of the Executive Council, the EXPO Supreme Committee, the Economic Council, the Dubai Strategic Council, the Dubai Council Committee on Climate Change, and the Security Committee. He also served as Chairman of the Board of Cleveland Bridge and was a board member of SsangYong Emirates.

His Excellency holds a degree in Civil Engineering from Arizona State University.

Mr. Kieron Peter Taylor

Mr. Kieron Peter Taylor is the non-executive Vice Chairman of the Board of Directors.

With more than 35 years of experience in the construction industry, Mr. Taylor previously served as the Chief Executive Officer of the Group from 2001 until 2023 and before that as the Director of Grinaker-LTA. Mr. Taylor's career has overseen the delivery of more than 100 challenging projects in UAE, Qatar, Saudi Arabia, Mauritius, Zambia and Ethiopia including airports, retail, hospitality and high-rise, while leading a community of over 11,000 highly skilled personnel.

He holds a Bachelor of Science Degree (with Honours) in Construction Management from the University of the Witwatersrand.

Ms. Kamillia Ahmed AlMarashi

Ms. Kamillia Ahmed AlMarashi is a non-executive member of the Board of Directors.

With over 20 years of experience in Finance and Investments, Ms. AlMarashi also serves as a Senior Principal for Portfolio Management at ICD, the principal investment arm of the Government of Dubai. In this capacity, she oversees a diverse array of assets that are integral to Dubai's economy. She also sits on multiple ICD portfolio companies audit committees. Ms. AlMarashi joined ICD in 2010 as an Associate within ICD's M&A team, taking part in investment-making decisions that have helped transform Dubai's dynamic economy. Prior to ICD, she previously worked at Ernst & Young in Dubai for four years in the Audit and Assurance team.

Ms. AlMarashi holds a Bachelor of Arts Degree in Accounting and Financial Management from the University of Essex. She is the first Emirati woman to earn the ACCA qualification and is a fellow of the ACCA and is also a CFA charterholder.

Mr. Barry Roy Lewis

Mr. Barry Roy Lewis is an executive member of the Board of Directors.

Mr. Lewis joined the Group in 2002 as a Contracts Manager on the Mina Al Salam Project and quickly progressed to being the Managing Director of the business overseeing all of the construction operations. He has been instrumental in growing the construction capabilities of the Group and has overseen and successfully executed multiple landmark projects, including Mina Al Salam, Mirdiff City Centre, Dubai Airport Concourses A and D, Bluewaters Retail, Doha City Centre, Bvlgari Hotel and Resort, One Za'abeel and Seaworld Abu Dhabi. He was also instrumental is establishing many of the new business ventures within the group and has led the smooth transition of the Target acquisition into the group. Mr Barry Roy Lewis was made CEO of the Group in October 2023.

Mr. Lewis started his career with Grinaker–LTA (South Africa) after graduating from the University of Witwatersrand in Johannesburg, South Africa in 1993 with a Bachelor of Science Degree in Building (Honors).

Ms. Farah Foustok

Ms. Farah Foustok is an independent and non-executive member of the Board of Directors.

Since 2020, Ms. Foustok has served as a Non-Executive Chair for the Founding Board of a Multi-Family office, with a mandate to review the governance, culture and restructure the operating business on behalf of 38 Founding Families. Ms. Foustok previously served as the Vice Chair of Lazard Saudi Arabia, Board member and CEO of Lazard Asset Management's Middle East division, where she built the business and led the regional growth strategy for a decade. She has held leadership roles as the CEO, CIO and Board Member of ING Investment Management Middle East and established the Asset Management division at the National Bank of Dubai. Ms. Foustok's career began at Deutsche Bank, co-developing a globally adopted in-house valuation model, before moving on to Morgan Stanley in London.

As former Chair of the UAE Financial Services Association and the DIFC Pension working group, she has been instrumental in defining industry standards and policies to enhance regional industry practices, including the establishment of a secure savings scheme for DIFC employees. Ms. Foustok has been recognised by Forbes Top 100 Power Arab Women's list for over ten years.

Ms. Foustok holds a Bachelor of Science Degree in Mathematics and Management from King's College London and a Master of Business Administration Degree in Finance from Imperial College Business School.

Mr. Moustafa Fahour

Mr. Moustafa Fahour is an independent and non-executive member of the Board of Directors.

Mr. Fahour is the Chief Operating Officer for the Middle East at Plenary Group, where he has been instrumental in securing and leading major public-private partnership (PPP) projects, including the UAE's first schools PPP and the largest student accommodation PPP in the GCC. Mr. Fahour's career began in banking, focusing on wealth management, finance, project management, and capital markets. He later transitioned into construction and infrastructure to lead large-scale projects. Mr. Fahour is a Founder and Board Member of the Islamic Museum of Australia and an Advisory Board Member of the Australia UAE Chamber of Commerce. He is also a recipient of the Order of Australia Medal (OAM), and in 2021 was Highly Commended by the Victorian Government for community response and recovery. He was selected as one of The World's Most Influential Young Arabs under the age of 40 by Arabian Business.

Mr. Fahour holds a Bachelor of Business Administration from La Trobe University.

Mr. Nabil Al Kindi

Mr. Nabil Al Kindi is an independent and non-executive member of the Board of Directors.

Mr. Al Kindi has over two decades of leadership experience across the real estate, infrastructure, and development sectors in the United Arab Emirates and the wider Middle

East. Mr. Al Kindi currently serves as Chief Executive Officer of Dubai South Properties PJSC. He also leads the strategic operations of subsidiaries under Dubai Aviation City Corporation, including Duserve Facilities Management and South Energy. Previously, he served as Chief Real Estate Officer at the Dubai International Financial Centre (DIFC). He also founded and managed Studio International Engineering Consultants (SIEC), a multidisciplinary firm with a regional presence and a workforce exceeding 400 professionals. Earlier in his career, Mr. Al Kindi held several senior roles, including Chief Operating Officer of Arabtec Construction. He also served as Chief Development Officer at the Tourism Development & Investment Company (TDIC).

Mr. Al Kindi holds a Master of Arts degree in Architectural Studies from Northeastern University, and an Associate of Science degree in Civil Engineering Technology and a Bachelor of Science degree in Architectural Engineering Technology from Bluefield State College. He is a member of the Society of Engineers (UAE) and a graduate of the Mohammed bin Rashid Centre for Leadership Development.

Senior Management

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

Name	Position	Year of Appointment to Position
Barry Roy Lewis	Chief Executive Officer	2023
John Joseph Deeb	Chief Financial Officer	2011
Kobus Dreyer	Group Commercial Director	2023
Sean McQue	Managing Director – Construction	2023
Darren Burke	General Manager – Saudi Arabia	2022
Chaouci Yassine	Chief Executive Officer – Target Engineering	2014
Laurent Farge	Managing Director – ALEC Fitout	2023
Nathan Hanns	Managing Director – ALEMCO	2023
Bashar Kayali	Managing Director – ALEC Solutions	2023
Dean Jones	Managing Director – AJI Rentals	2016

Mr. Barry Roy Lewis – Chief Executive Officer

See "–*Board of Directors*".

Mr. John Joseph Deeb – Chief Financial Officer

Mr. John Joseph Deeb joined the Group in 2011 as a Chief Financial Officer. With over 35 years of professional experience in finance, accounting and the construction industry, he oversees the Group's financial, legal, risk management, taxation and capital control functions.

Mr. Deeb started his career with Deloitte after graduating from the University of Pretoria in South Africa in 1985 with a Bachelor of Commerce Degree in Accountancy (Honors) and passing the board examination to qualify as a Chartered Accountant (South Africa). In 1995, he joined Murray & Roberts as the Financial Director where he was involved in the establishment of contracting business in Africa and the Middle East and was appointed as the Group Financial Controller of the Murray & Roberts Group in 2000. In 2001, Mr. Deeb also completed the Programme in Global Leadership at Harvard Business School. In 2004, Mr. Deeb joined Advtech Limited, a listed educational and recruitment company, as the Group Financial Director. Over the following five years he also assumed the role as CEO of the tertiary education division and as the Group Commercial Director. In 2009 he was appointed as Group Financial Director of Sanyati Holdings, a listed construction company in South Africa, a position he held until joining ALEC in May 2011.

Mr. Kobus Dreyer – Group Commercial Director

Mr. Kobus Dreyer joined the Group in 2003 and currently serves as the Group Commercial Director. He oversees the Group's commercial operations.

Mr. Dreyer started his career with Grinaker-LTA in 1998. In 2003, he transferred to Dubai to join ALEC, a subsidiary of Grinaker-LTA at the time, where he was an integral part of the company's dynamic evolution. From its inception, Mr. Dreyer has witnessed and contributed significantly to ALEC's remarkable ascent, specializing in delivering comprehensive construction solutions for large-scale and intricate projects. He holds a degree in Quantity Surveying from Cape Peninsula University of Technology (South Africa).

Mr. Sean McQue – Managing Director – Construction

Mr. Sean McQue joined the Group in 2008 as a Project Manager and currently serves as the Managing Director of Construction. With over 30 years of international experience in the construction industry, Mr. McQue has played a pivotal role in delivering some of the Group's and the region's most significant and technically complex projects.

He began his career in South Africa following his graduation in 1996 with a degree in Construction Management. Over the course of his career, Mr. McQue has developed deep expertise across multiple geographies, including South Africa, Mozambique, Seychelles, the United Kingdom, Mauritius, and the United Arab Emirates.

His leadership and project delivery capabilities have been instrumental in shaping the Group's reputation for excellence in construction across diverse sectors.

Mr. Darren Burke – General Manager – Saudi Arabia

Mr. Darren Burke joined the Group in 2008 and currently serves as the General Manager – Saudi Arabia. With over 30 years of professional experience in the construction industry, he oversees the Group's business in Saudi Arabia.

Mr. Burke has worked on building and fitout projects in both Europe and the UAE. Among other projects, he has delivered some of the Group's most complex projects, including the UAE Pavilion and the KSA Pavilion at EXPO 2020. He holds a Bachelor of Science Degree in Civil Engineering from the University of Glamorgan, Wales.

Mr. Chaouci Yassine – Chief Executive Officer – Target Engineering

Mr. Chaouci Yassine joined Target Engineering in 2002 as the Civil & Buildings Division Manager. With more than 40 years of cumulative experience in the construction industry, he was the Chief Operations Officer from 2011 until 2014,and has been the Chief Executive Officer of Target Engineering since February 2014.

Mr. Yassine has worked on many oil and gas and high-rise building projects. He has extensive knowledge and experience in various engineering disciplines, including mechanical, oil and gas, power, instrumentation and controls, marine and civil infrastructure, and buildings in both offshore and onshore fields.

Mr. Yassine started his career with SAE International - EIFFAGE Group after graduating from ESTP Paris with a Master's Degree in Civil Engineering. He began as a Site Engineer and later assumed the role of a Project Manager for over 17 years, before joining Target Engineering in 2002.

He is also the Chairman of IDROTEC srl (Italy) and Target Steel Industries and the Chairman and a Board member of Target Construction Saudi Arabia Co.

Mr. Laurent Farge – Managing Director – ALEC Fitout

Mr. Laurent Farge joined the Group in 2008 and currently serves as the Managing Director at ALEC Fitout. He has over 24 years of professional experience in luxury interior fitouts across Europe, the Middle East, and the GCC.

Mr. Farge's notable projects include the National History Museum Exhibition Fit Out (UAE), Diriyah Gate Experience Centre Design & Build (KSA) and One&Only, One Zabeel - Ultra Luxury Hotel & Service Apartments (UAE).

He holds a degree in commercial and strategic marketing.

Mr. Nathan Hanns – Managing Director – ALEMCO

Mr. Nathan Hanns brings over 30 years of experience in the mechanical, electrical, and plumbing (MEP) industry, with more than 23 of those years dedicated to ALEC Group. He joined the Group in 2002 and has served as the Managing Director of ALEMCO since 2007.

Mr. Hanns holds a Higher National Diploma in Engineering from Technikon Witwatersrand, South Africa. His extensive expertise and leadership have played a key role in driving ALEMCO's continued growth and success across the region.

Mr. Bashar Kayali – Managing Director – ALEC Solutions

Mr. Bashar Kayali joined the Group in 2019 and currently serves as the Managing Director of ALEC Solutions (ALEC Facades, ALEC ENERGY & LINQ).

Mr. Kayali has worked on many world-renowned projects, including the Burj Khalifa, Dubai Opera, Dubai Frame, Dubai Airport Terminal 1 and Skyview.

He holds a Master of Science Degree in Construction Project Management from Heriot Watt University (United Kingdom).

Mr. Dean Jones – Managing Director – AJI Rentals

Mr. Dean Jones joined the Group in 2016 and was a founding shareholder of AJI Rentals. Mr. Jones has 30 years of experience in the equipment rental industry with 24 years in senior management level and 13 years in the region. Mr. Jones was also the founder of Goscor Access Rental Pty Ltd, the second largest powered access rental business in South Africa, and currently serves as the head of AJI Rentals.

Group Structure Chart

The Group's structure chart is appended at Annex (5) of this Prospectus.

Employment positions held by the prospective Board members within any of the Company's subsidiaries and/or other joint stock companies in the UAE:

None of the board members hold any memberships in the boards of directors of any joint stock companies in the UAE, except for:

- H.E. Hussain Nasser Lootah is a member in the board of directors of Dubai Investments PJSC.

None of the prospective Board members hold any employment positions with the Company's subsidiaries and/or other joint stock companies in the UAE, except for:

- Mr. Barry Roy Lewis, who is serving as the Chief Executive Officer of the Company.

Employment positions held by the above-mentioned members of the senior management of the Company within any of the Company's subsidiaries and/or other joint stock companies in the UAE:

Certain members of the senior management of the Company hold employment positions within the Group.

Conditions of eligibility and election of the Board:

Board members will be elected by a General Assembly Meeting by cumulative voting through secret ballot (the "**Cumulative Voting Procedure**"). However, the first appointment of the Directors listed in the Fifth Section of this Prospectus will be made by the Selling Shareholder.

Director's competencies and responsibilities:

The principal duties of the Board are to provide the Company's strategic leadership, to determine the fundamental management policies of the Company and to oversee the performance of the Company's business. The Board is the principal decision-making body for all matters that are significant to the Company, whether in terms of their strategic, financial or reputational implications. The Board has final authority to decide on all issues save for those which are specifically reserved to the General Meeting of Shareholders by law or by the Company's Articles of Association.

The key responsibilities of the Board include:

- determining the Company's strategy, budget and structure;

- approving the fundamental policies of the Company;
- implementing and overseeing appropriate financial reporting procedures, risk management policies and other internal and financial controls;
- proposing the issuance of new shares and any restructuring of the Company;
- appointing executive management;
- determining the remuneration policies of the Company and ensuring the independence of Directors and that potential conflicts of interest are managed; and
- calling Shareholder meetings and ensuring appropriate communication with Shareholders.

Members of the Board are appointed by the Shareholders for three-year terms. Board members may serve any number of consecutive terms.

All members of the Board will be formally appointed at the constitutive general assembly of the Company (the "**Constitutive General Assembly**") which will be held on 8 October 2025, electronically/remotely with the option for shareholders to attend in person in the at the Executive Centre, One Offices, Level 5, One Za'abeel, 1 Majlis Street Za'abeel, Dubai, UAE at 9:00am.

The business address of each of the Directors is 36th Floor, Marina Plaza, Dubai Marina, Dubai, United Arab Emirates.

Board Committees

On and following Listing, the Board intends to operate and constitute an Audit Committee, and a Nomination and Remuneration Committee. The Chairman is not permitted to be a member of any of these Committees. If necessary, the Board may establish additional committees as appropriate.

The table below sets forth the membership on each of the committees of the Board on and following Listing.

Director	**Audit Committee**	**Nomination and Remuneration Committee**
Chairperson	Farah Foustok	Nabil Al Kindi
Member	Kamillia Ahmed AlMarashi	Kamillia Ahmed AlMarashi
Member	Moustafa Fahour	Farah Foustok

A high-level overview of the mandate of each of these committees, as at Listing, is set out below.

Audit Committee

Certain members of the Board of Directors (together with a specifically appointed independent chairperson) constitute a committee to review and oversee the Company's internal and external audit and financial accounting policies.

The Audit Committee assists the Board in discharging its responsibilities relating to financial reporting, external and internal audits and controls, including reviewing and monitoring the integrity of the financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors, overseeing the relationship with the external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of the internal control review function. The Audit Committee also assists the Board in overseeing the valuation process carried out by management, reviewing and approving valuation policy and the Company's procedures manual on an annual basis, and liaising with auditors regarding their views on valuation.

The ultimate responsibility for reviewing and approving the annual report and accounts remains with the Board. The Audit Committee will give due consideration to the applicable laws and regulations.

The Audit Committee will take appropriate steps to ensure that the Company's external auditors are independent of the Company as required by applicable law.

The Audit Committee will meet at least once every three months and as otherwise required. The Audit Committee charter requires that the Audit Committee must comprise at least three Non-Executive Board members, of whom at least two members shall be independent. At least one of the Audit Committee members shall have practical work experience in accounting or finance fields or shall have a university degree or a professional certificate in accounting or finance or other relevant fields.

One or more of the committee members may be appointed from outside the Company in case the available number of Non-Executive Board members is insufficient.

Nomination and Remuneration Committee

Certain members of the Board of Directors constitute a committee to review and oversee the Company’s nomination and remuneration. The Nomination and Remuneration Committee assists the Board in setting and overseeing the nomination and remuneration policies in respect of the Board, any committees of the Board and senior management. In such capacity, it is responsible for evaluating the hiring of the Company’s senior management, evaluating the balance of skills, knowledge and experience of the Board and committees of the Board and, in particular, monitoring the independent status of the independent Directors. It is also responsible for periodically reviewing the Board's structure and identifying, where relevant, potential independent candidates to be appointed as Directors or committee members as the need may arise. In addition, and subject to the Articles, the Nomination and Remuneration Committee assists the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Company’s policy on executive remuneration, setting the overarching principles, parameters and governance framework of the remuneration policy and determining the individual remuneration and benefits package of the senior management.

The Nomination and Remuneration Committee must comprise of at least three Non-Executive Directors, at least two of whom must be independent, in each case within the meaning of those terms in the Governance Rules. The chairperson of the Nomination and Remuneration Committee must be chosen from amongst the independent committee members. The members of the Nomination and Remuneration Committee will be appointed in accordance with the Articles of Association. The Nomination and Remuneration Committee will meet at least once a year, and otherwise as needed based on the Company's requirements.

Shareholders' rights and responsibilities

The Shareholders' key rights as per the Companies Law and the Articles of Association are as follows:

- the right to dividend distributions, recommend by the Board and approved by the General Assembly;
- the priority right to subscribe for new shares in the case of a share capital increase of the Company and to receive their share of the assets upon liquidation of the Company;
- the right to attend General Assembly Meetings and receive a copy of the Company's financial statements;
- the right to request the nullity of any resolutions passed at the General Assembly and to prosecute the Board members;
- the right to be nominated as a member of the Board;
- the right to appoint the auditors of the Company and determine their remuneration;
- the right to act in any way with respect to the shares, in accordance with the law; and
- the limitation of liability of each Shareholder to the payment of the purchased share value, but not for the Company's debts except within the limits of the nominal value of his shares.

Memorandum of Association and Articles of Association

The full text of the Memorandum of Association and Articles of Association of the Company are annexed to this Prospectus in Annex (2).

Legal matters

The following summary is qualified by the relevant provisions of the Company's Memorandum of Association and the Articles of Association and the Companies Law.

- **Conversion**

The Company will be converted from a limited liability company into a PJSC prior to Listing. The Company's Memorandum of Association and Articles of Association referred to in this

Prospectus are the Memorandum of Association and the Articles of Association which the Company will adopt upon conversion.

- **Articles of Association**

The Company's Articles of Association describe the rights and obligations associated with the ownership of the Shares in detail.

- **Attending General Assembly and voting rights**

Each Shareholder shall have the right to attend the General Assembly meetings and shall have a number of votes equal to the number of their Shares.

- **Share register**

Upon Listing on the DFM, the Shares will be dematerialised and the share register will be maintained by the DFM.

- **Financial information**

A Shareholder is entitled to request a copy of the annual audited financial statements of the Company.

- **Financial year**

The financial year of the Company will start on the 1st of January and end on 31st of December of each year. The first financial year of the Company will start upon conversion of the Company as a public joint stock company and end on December 31 of the following year.

- **Dividends and liquidation proceeds**

The Company shall pay dividends on Shares in compliance with the regulations and decisions issued by SCA. Eligible Shareholders shall have the sole right to the profits due on those Shares. In the event of liquidation of the Company, each Shareholder shall be entitled to a part of the Company's assets in accordance with Article 223 of the Companies Law.

- **Interim Dividends**

Subject to the shareholders' approval, the Company may distribute interim dividends on a semi-annual or quarterly basis.

- **General Assembly**

The Board may convene a General Assembly whenever it deems necessary. The Shareholders may also require the Board to convene a meeting if it is requested by a number of Shareholders holding not less than 10% (ten per cent) of the Company's issued share capital. In any event, the General Assembly must convene at least once a year upon an invitation by the Board within the four (4) months following the end of the financial year at the place and the time specified in the invitation to the meeting.

Any resolution adopted by the General Assembly without consideration to the Company's interests in favour of a particular group of shareholders, causing damage to them or providing a private benefit to the members of the Board or to third parties, may be revoked.

The judgment annulling a resolution of a General Assembly shall consequently lead to the resolution being considered as non-existent vis a vis all Shareholders. The Board must publish the annulment judgment in two local daily newspapers published in the Arabic language.

Proceedings for annulment are time barred on the expiry of sixty days from the date of adopting the resolution contested. Initiating the proceedings will not prevent the implementation of the resolution unless the court decides otherwise.

- **Liability of the Board**

The Board shall be liable towards the Company, the Shareholders and third parties for all acts of fraud, abuse of power, violation of the law or the Company's Articles of Association, in addition to mismanagement. The Company shall have the right to initiate proceedings against the members of the Board claiming damages suffered by the Shareholders as a result of the Board's abuse of power, violation of the law or the Company's Articles of Association and mismanagement. A resolution of the General Assembly shall be adopted specifying who shall initiate the proceedings on behalf of the Company.

Any Shareholder may independently initiate proceedings if the Company fails to do so, if the Board's acts have caused a particular damage to the initiating Shareholder. However, he must notify the Company of his intention to initiate proceedings beforehand.

- **Appointment of the Chairman and the Powers of the Chairman**

The Articles of Association provide that the Board shall elect, from amongst their members, a Chairman and a Vice-Chairman. The Chairman shall represent the Company before the courts and shall execute the resolutions adopted by the Board. In the event that there is an equality of votes by the directors, then the Chairman shall have a casting vote.

- **Independent Auditors**

The Financial Statements included in this Prospectus have been audited by **Deloitte & Touche (M.E.)** (the "**Independent Auditors**") in accordance with the International Standards on Auditing ("**ISAs**") as stated in their independent auditor's report appearing herein.

Deloitte & Touche (M.E.)

Emaar Square, Building 3, Downtown Dubai

P.O. Box: 4254

Dubai, United Arab Emirates

Tel: +971 4 376 8888

- **Details of any employee ownership scheme**

The Company does not have any employee share ownership schemes.

Acknowledgement issued by the Founders' Committee

The members of the Founders' Committee of **ALEC Holdings PJSC** (a public joint stock company under conversion in the Emirate of Dubai, UAE), in their joint and several capacity, hereby acknowledge their full responsibility with respect to the validity of the data and information contained in this Prospectus. Having exercised the standard of care of a reasonable person, they confirm that there is no material fact or information the lack of which in this Prospectus will make any statement contained therein be misleading or influential in the investment decision of the Subscribers.

They are committed to the issuance and disclosure rules issued by the SCA and undertake to notify the SCA of any material events or changes that may affect the financial position of the Company as of the date of submitting to the SCA the application to offer the Shares for public subscription until the date that the subscription process starts. They also confirm that they applied adequate diligence in concluding agreements that determine the duties and responsibilities of the parties participating in the subscription process according to the best terms available at the contractual date and pursuant to the requirements issued by the SCA.

Upon any change or amendment in the subscription information or conditions, they undertake to notify the SCA immediately and to obtain the approval of the SCA on the advertisements, publication and promotional campaigns that the Company may wish to publish to promote and introduce the subscription.

Upon the completion of the subscription, they undertake to convene the constitutive general assembly on the date, time and place mentioned in this Prospectus and to complete the registration and Listing of the subscribed Shares with the competent bodies within a period not exceeding the time appointed by the SCA.

Annex (1) – Financial Statements

ALEC Holdings LLC and its subsidiaries

Reports and consolidated financial statements for the year ended 31 December 2024

ALEC Holdings LLC and its subsidiaries

Reports and consolidated financial statements
for the year ended 31 December 2024

Table of contents	**Pages**

ALEC Holdings LLC and its subsidiaries

Report of the Directors
for the year ended 31 December 2024

The Directors have the pleasure in submitting their report, together with the audited consolidated financial statements of the ALEC Holdings LLC (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2024.

Principal activities

The principal activities of the Group are engineering and construction contracting relating to installation, industrial process plants and infrastructure developments, earth and civil works, buildings, structural steelwork, mechanical, process piping, electrical and maintenance, shutdown, and turnaround activities in all types of process plants. In addition to the principal activities of the Group are general contracting works for civil, mechanical, electrical and marine, onshore and offshore industrial, oil and gas, commercial projects, scaffold installation works, building maintenance, investment and establishing and managing industrial projects.

Results and movement in retained earnings

Revenue for the year is AED 8,101 million as compared to AED 6,275 million and AED 3,599 for the years ended 31 December 2023 and 2022, respectively. Total comprehensive income for the year attributable to owners of the Company is AED 343 million compared to AED 234 million and AED 186 million for the years ended 31 December 2023 and 2022, respectively.

Movement in retained earnings:

	2024 **AED'000**	2023 AED'000	2022 AED'000
Retained earnings at the beginning of the year	**817,885**	684,842	585,301
Total attributable income to the Owners of the Company	**362,418**	236,249	184,541
Adjustment arising from change in non-controlling interest (Note 1)		(3,206)	-
Dividends paid to shareholders (Note 9)	**(242,537)**	(100,000)	(85,000)
Retained earnings at the end of the year	**937,766**	817,885	684,842

Auditors

Deloitte & Touche (M.E.) is eligible to be re-appointed as the auditor for the year ending 31 December 2025 and has expressed its willingness to be re-appointed. Deloitte & Touche (M.E.) were reappointed on 14 February 2025.

On behalf of the Board

Director

Director

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Deloitte & Touche (M.E.)
Building 2, Level 3
Emaar Square
Downtown Dubai
P.O. Box 4254
Dubai
United Arab Emirates

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INDEPENDENT AUDITOR'S REPORT

The Shareholders
ALEC Holdings LLC
Dubai
United Arab Emirates

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **ALEC Holdings LLC** (the "Company") **and its subsidiaries** (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, 2023 and 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of 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 2024, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements, 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.

Other Information

Management is responsible for the other information. The other information comprises the Report of the Directors, which we obtained prior to the date of this auditor's report. The other information does not include the consolidated financial statements and our auditor's report thereon.

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

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Other Information (continued)

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the IFRS Accounting Standards and their preparation in compliance with the applicable provisions of the Memorandum of Association of the Company and the UAE Federal Decree Law No. (32) of 2021, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

Deloitte.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of ALEC Holdings LLC (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- 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.

Report on Other Legal and Regulatory Requirements

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

- we have obtained all the information we considered necessary for the purposes of our audit;
- the consolidated financial statements of the Group have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. (32) of 2021;
- the Group has maintained proper books of account;
- the financial information included in the Report of the Directors is consistent with the books of account of the Group;
- as disclosed in notes 1 and 30 to the consolidated financial statements, the Group has purchased or invested in shares during the financial year ended 31 December 2024;
- note 9 to the consolidated financial statements discloses material related party transactions, balances, and the terms under which they were conducted; and
- based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Group has contravened during the financial year ended 31 December 2024 any of the applicable provisions of the UAE Federal Decree Law No. (32) of 2021 or in respect of the Company, its Memorandum of Association which would materially affect its activities or its financial position as at 31 December 2024.

Deloitte & Touche (M.E.)

Cynthia Corby
Registration No. 995
14 February 2025
Dubai
United Arab Emirates

Consolidated statement of financial position
as at 31 December 2024

	Notes	**2024 AED'000**	2023 AED'000	2022 AED'000
ASSETS				
Non-current assets				
Property, plant and equipment	6	**929,244**	648,866	498,005
Intangible assets	7	**104,075**	100,799	112,629
Goodwill	23	**23,055**	23,055	23,055
Retention receivables	11	**233,522**	76,253	175,138
Advances to suppliers and subcontractors		**49,062**	3,176	14,263
Total non-current assets		**1,338,958**	852,149	823,090
Current assets				
Inventories	13	**44,879**	47,935	42,325
Contract and other receivables	10	**2,800,118**	2,195,252	1,382,175
Gross amounts due from customer on construction contracts	12	**2,254,086**	2,481,903	1,356,361
Prepayments		**52,028**	43,705	55,242
Cash and bank balances	24	**1,254,244**	897,042	983,412
Total current assets		**6,405,355**	5,665,837	3,819,515
Total assets		**7,744,313**	6,517,986	4,642,605

Consolidated statement of financial position (continued)
as at 31 December 2024

	Notes	**2024 AED'000**	2023 AED'000	2022 AED'000
EQUITY AND LIABILITIES				
Equity				
Share capital	14	**50,000**	300	300
Restricted reserves	15	**92,977**	92,977	92,977
General reserve	16	**409**	409	409
Retained earnings		**937,766**	817,885	684,842
Other equity	17	**(24,700)**	25,000	25,000
Foreign currency translation reserve		**(420)**	(731)	(5,017)
Remeasurement loss on employees' defined benefit obligations	18	**(23,602)**	(4,101)	2,293
Equity attributable to owners of the Company		**1,032,430**	931,739	800,804
Non-controlling interests		**890**	900	7,896
Total equity		**1,033,320**	932,639	808,700
Non-current liabilities				
Provision for employees' end-of-service benefits	18	**309,839**	262,676	236,936
Retention payables	19	**98,527**	27,015	113,625
Advances from customers	19	**595,476**	367,139	183,348
Borrowings	28	**303,777**	382,261	411,460
Lease liabilities	22	**148,372**	91,877	70,290
Asset retirement obligation	22	**2,656**	2,656	2,656
Total non-current liabilities		**1,458,647**	1,133,624	1,018,315
Current liabilities				
Contract and other payables	19	**4,366,487**	3,706,240	2,211,059
Gross amounts due to customers on construction contracts	19	**309,915**	176,160	180,915
Current tax liabilities	26	**23,465**	5,284	1,262
Borrowings	28	**524,978**	552,716	414,367
Lease liabilities	22	**27,501**	11,323	7,987
Total current liabilities		**5,252,346**	4,451,723	2,815,590
Total liabilities		**6,710,993**	5,585,347	3,833,905
Total equity and liabilities		**7,744,313**	6,517,986	4,642,605

Director **Director**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024

	Notes	**2024 AED'000**	2023 AED'000	2022 AED'000
Contract revenue	25	**8,101,085**	6,275,119	3,598,910
Contract costs		**(7,264,892)**	(5,642,126)	(3,208,412)
Gross profit		**836,193**	632,993	390,498
Administrative expenses		**(348,683)**	(305,537)	(187,290)
Share of results of joint ventures	8	**(26)**	(179)	(2,535)
Profit from operations		**487,484**	327,277	200,673
Provision for / (reversal of) impairment losses on financial assets and contract assets		**(20,871)**	(12,584)	1,245
Finance costs	21	**(100,378)**	(81,708)	(14,995)
Other income - net		**20,181**	10,431	2,048
Profit before tax		**386,416**	243,416	188,971
Income tax expense	26	**(23,508)**	(5,091)	(3,230)
Profit for the year	20	**362,908**	238,325	185,741
Attributable to:				
Owners of the Company		**362,418**	236,249	184,541
Non-controlling interests		**490**	2,076	1,200
		362,908	238,325	185,741
Earnings per share				
Basic and diluted	27	**7.25**	4.72	3.69

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of profit or loss and other comprehensive income (continued) for the year ended 31 December 2024

	Notes	2024 AED'000	2023 AED'000	2022 AED'000
Profit for the year	20	**362,908**	238,325	185,741
Other comprehensive income / (loss)				
Item that may be reclassified subsequently to profit or loss				
Net change in foreign currency translation reserve		**311**	4,286	(639)
Item that will not be reclassified subsequently to profit or loss				
Remeasurement (loss) / gain on employees' defined benefit obligations	18	**(19,501)**	(6,394)	2,290
Total comprehensive income for the year		**343,718**	236,217	187,392
Attributable to:				
Owners of the Company		**343,228**	234,141	186,192
Non-controlling interests		**490**	2,076	1,200
		343,718	236,217	187,392

Consolidated statement of changes in equity for the year ended 31 December 2024

	Share capital AED'000	Restricted reserves AED'000	General reserve AED'000	Retained earnings AED'000	Foreign currency translation reserve AED'000	Remeasurement loss on employees' defined benefit obligations AED'000	Other equity AED'000	Equity attributable to owners of the Company AED'000	Non-controlling interests AED'000	Total AED'000
Balance at 1 January 2022	300	92,977	409	585,301	(4,378)	3	25,000	699,612	6,696	706,308
Profit for the year	-	-	-	184,541	-	-	-	184,541	1,200	185,741
Other comprehensive income / (loss) for the year	-	-	-	-	(639)	2,290	-	1,651	-	1,651
Total comprehensive income / (loss) for the year	-	-	-	184,541	(639)	2,290	-	186,192	1,200	187,392
Dividends paid to shareholders (Note 9)	-	-	-	(85,000)	-	-	-	(85,000)	-	(85,000)
Balance at 31 December 2022	300	92,977	409	684,842	(5,017)	2,293	25,000	800,804	7,896	808,700
Profit for the year	-	-	-	236,249	-	-	-	236,249	2,076	238,325
Other comprehensive income / (loss) for the year	-	-	-	-	4,286	(6,394)	-	(2,108)	-	(2,108)
Total comprehensive income / (loss) for the year	-	-	-	236,249	4,286	(6,394)	-	234,141	2,076	236,217
Adjustment arising from change in non-controlling interest (Note 1)	-	-	-	(3,206)	-	-	-	(3,206)	(9,072)	(12,278)
Dividends paid to shareholders (Note 9)	-	-	-	(100,000)	-	-	-	(100,000)	-	(100,000)
Balance at 31 December 2023	300	92,977	409	817,885	(731)	(4,101)	25,000	931,739	900	932,639

Consolidated statement of changes in equity (continued)
for the year ended 31 December 2024

	Share capital AED'000	Restricted reserves AED'000	General reserve AED'000	Retained earnings AED'000	Foreign currency translation reserve AED'000	Remeasurement loss on employees' defined benefit obligations AED'000	Other equity AED'000	Equity attributable to owners of the Company AED'000	Non-controlling interests AED'000	Total AED'000
Balance at 1 January 2024	300	92,977	409	817,885	(731)	(4,101)	25,000	931,739	900	932,639
Profit for the year	-	-	-	362,418	-	-	-	362,418	490	362,908
Other comprehensive income / (loss) for the year	-	-	-	-	311	(19,501)	-	(19,190)	-	(19,190)
Total comprehensive income / (loss) for the year	-	-	-	362,418	311	(19,501)	-	343,228	490	343,718
Increase in share capital (Note 14)	49,700	-	-	-	-	-	(49,700)	-	-	-
Capital contribution of non-controlling shareholder of a subsidiary	-	-	-	-	-	-	-	-	500	500
Dividends paid to non-controlling interest shareholder of a subsidiary	-	-	-	-	-	-	-	-	(1,000)	(1,000)
Dividends paid to shareholders (Note 9)	-	-	-	(242,537)	-	-	-	(242,537)	-	(242,537)
Balance at 31 December 2024	**50,000**	**92,977**	**409**	**937,766**	**(420)**	**(23,602)**	**(24,700)**	**1,032,430**	**890**	**1,033,320**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flows
for the year ended 31 December 2024

	Notes	2024 AED'000	2023 AED'000	2022 AED'000
Operating activities				
Profit before tax		**386,416**	243,416	188,971
Adjustments for:				
Depreciation of property, plant and equipment and amortisation of right-of-use assets	6	**145,482**	96,459	51,291
Finance costs	21	**100,378**	81,708	14,995
Provision for employees' end-of-service benefits	18	**52,139**	38,600	25,958
Provision for / (reversal of) impairment loss on financial assets and contract assets	20	**20,871**	12,584	(1,245)
Share of results of joint ventures	8	**26**	179	2,535
Finance income		**(16,140)**	(5,829)	(2,662)
Amortization of intangible assets	7	**13,513**	11,705	3,458
Gain on disposal of property, plant and equipment and gain arising from cancellation of lease	6	**(2,714)**	(2,786)	(2,340)
Loss on disposal of intangible assets		**-**	125	-
Cash from operating activities before movements in working capital		**699,971**	476,161	280,961
Decrease / (increase) in inventories		**3,056**	(5,610)	(8,229)
(Increase) / decrease in contract and other receivables, including non-current retention receivables and advances to suppliers and subcontractors		**(830,032)**	(722,109)	687,631
Decrease / (increase) in gross amounts due from customer on construction contracts		**198,266**	(1,124,428)	(532,967)
(Increase) / decrease in prepayments		**(8,323)**	11,537	(5,818)
(Increase) / decrease in margin deposits under lien	24	**(54,417)**	10,610	979
Increase/ (decrease) in contract and other payables, including non-current portion of retention payables and advances from customer		**972,003**	1,596,687	(233,618)
Increase / (decrease) in gross amounts due to customer on construction contracts		**133,755**	(4,755)	151,509
Cash generated from operations		**1,114,279**	238,093	340,448
Employees' end-of-service benefits paid	18	**(29,061)**	(23,120)	(22,667)
Income tax paid		**(5,327)**	(1,069)	(15,816)
Net cash generated from operating activities		**1,079,891**	213,904	301,965
Investing activities				
Payments for purchases of property, plant and equipment	6	**(349,553)**	(219,203)	(74,232)
Finance income received		**16,140**	5,829	2,662
Proceeds from disposal of property, plant and equipment	6	**2,506**	10,668	3,843
Payments for purchases of intangible assets		**(71)**	-	(1,187)
Cash consideration paid for the acquisition of additional shareholding in a subsidiary	1	**-**	(11,500)	-
Cash consideration paid for the acquisition of a new subsidiary - net of cash and cash equivalents acquired		**-**	-	(352,638)
Net cash used in investing activities		**(330,978)**	(214,206)	(421,552)

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flows (continued) for the year ended 31 December 2024

	Notes	2024 AED'000	2023 AED'000	2022 AED'000
Financing activities				
Repayment of borrowings	28	**(2,172,422)**	(1,125,760)	(87,360)
Proceeds from borrowings	28	**2,066,200**	1,234,910	514,205
Dividends paid to shareholders	9	**(242,537)**	(100,000)	(85,000)
Repayment of principal portion of lease liabilities	22	**(20,144)**	(11,076)	(12,840)
Finance costs paid	21	**(76,987)**	(77,843)	(11,990)
Repayment of loans from a related party		**-**	-	(440)
Dividends paid to non-controlling interest shareholder of a subsidiary		**(1,000)**	-	-
Capital contribution by non-controlling interest		**500**	-	-
Net cash (used in) / generated from financing activities		**(446,390)**	(79,769)	316,575
Net increase / (decrease) in cash and cash equivalents		**302,523**	(80,071)	196,988
Cash and cash equivalents at the beginning of the year	24	**861,989**	937,774	741,425
Less: Effect of foreign exchange rate changes		**311**	4,286	(639)
Cash and cash equivalents at the end of the year		**1,164,823**	861,989	937,774
Less: Expected credit losses on cash and bank balances		**(133)**	(84)	(109)
Cash and cash equivalents at the end of the year, net of expected credit loss	24	**1,164,690**	861,905	937,665
Non-cash transactions:				
Purchase of property, plant and equipment which is right-of-use asset with corresponding lease liability	6 and 22	**(105,161)**	(35,999)	(4,524)
Reallocation of share of loss in excess of investment in joint venture to due from related parties	8	**(26)**	(179)	(2,535)
Increase in share capital with corresponding debit to other equity as an in-kind contribution	14	**(49,700)**	-	-
Transfer of property, plant and equipment to intangible assets (Notes 4 and 5)	6 and 7	**16,718**	-	-
Corporate tax liability in Ethiopia offset against VAT receivables		**-**	-	1,977

Notes to the consolidated financial statements for the year ended 31 December 2024

1. General information

ALEC Holdings LLC (the "Company") is a limited liability company - single owner, operating in the United Arab Emirates under a trade license issued in Dubai, United Arab Emirates on 3 March 2010. The Company also has operations in State of Qatar, Sultanate of Oman, Kingdom of Saudi Arabia, Ethiopia, United Kingdom, Italy, and Egypt through its subsidiaries, joint operations, joint ventures and branches.

By virtue of a Share Purchase Agreement dated 6 June 2024, Investment Corporation of Dubai acquired 100% shareholding of ALEC Industries LLC from ALEC Engineering and Contracting LLC and Binaa Dubai LLC for a total consideration of AED 299 thousand and AED 1 thousand, respectively. On the same date, the Memorandum of Association of ALEC Industries LLC was amended and the name of the Company was changed from ALEC Industries LLC to ALEC Holdings LLC.

On 23 August 2024, the Memorandum of Association of ALEC Holdings LLC was amended for the increase in share capital of the Company from AED 300 thousand to AED 50,000 thousand.

The Company is now a wholly-owned subsidiary of Investment Corporation of Dubai (the "Immediate Parent Company"), which is ultimately owned by the Government of Dubai, (the "Ultimate Parent Company").

Group reorganisation and business combinations under common control

By virtue of a Share Purchase Agreement dated 20 August 2024, the Company acquired 100% shareholdings of ALEC Engineering and Contracting LLC from Binaa Dubai LLC and Manzil Investments LLC ("the Transaction") for a total consideration of AED 1,211,423 thousand and AED 242 thousand, respectively.

ALEC Engineering and Contracting LLC and the subsidiaries, joint operations and branches listed below and in Note 30 are now effectively owned by the Company.

As the reorganisation did not result in any change of economic substance and it involved transfer of entities under common control both before and after the transfer, it is not considered as a business combination as defined in IFRS 3 *Business Combinations*.

The principal activities of the Group are engineering and construction contracting relating to installation, industrial process plants and infrastructure developments, earth and civil works, buildings, structural steelwork, mechanical, process piping, electrical and maintenance, shutdown, and turnaround activities in all types of process plants. In addition to the principal activities of the Group are general contracting works for civil, mechanical, electrical and marine, onshore and offshore industrial, oil and gas, commercial projects, scaffold installation works, building maintenance, investment and establishing and managing industrial projects.

These are first set of the consolidated financial statements of the Company and its subsidiaries (together referred to as the "Group") and will be included in the Company's initial public offering application to be filed with the Securities and Commodities Authority ("SCA") of the United Arab Emirates.

These consolidated financial statements include the results of operations and financial position of the Company and its subsidiaries and branches (together referred as "the Group"). The principal activity, country of incorporation and operation and ownership interest of the Company in the subsidiaries and branches are set out below.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

1. General information (continued)

Name of subsidiary	Principal activity	Country of incorporation and operation	Proportion of ownership interest (%)			Proportion of beneficial interest (%)		
			2024	2023	2022	**2024**	2023	2022
ALEC Engineering and Contracting LLC - SPC	Construction activities	United Arab Emirates	**100%**	100%	100%	**100%**	100%	100%
ALEC L.E.G.T. Contracting WLL (1)	Construction activities	State of Qatar	**-**	-	-	**100%**	100%	100%
ALEC Engineering and Contracting Oman LLC	Construction activities	Sultanate of Oman	**70%**	70%	70%	**100%**	100%	100%
ALEMCO Electromechanical Contracting LLC	Construction activities	United Arab Emirates	**99.67%**	99.67%	99.67%	**100%**	100%	100%
AJI Heavy Equipment Rental LLC (4)	Rental of heavy and light machines and equipment	United Arab Emirates	**100%**	100%	80%	**100%**	100%	80%
ALEC Saudi Arabia Engineering and Contracting LLC	Construction activities	Kingdom of Saudi Arabia	**100%**	100%	100%	**100%**	100%	100%
L I N Q Modular LLC `	Modular fabrication and assembly	United Arab Emirates	**100%**	100%	100%	**100%**	100%	100%
Emisha Technologies FZ-LLC	Software consultancy, developer, service provider	United Arab Emirates	**100%**	100%	100%	**100%**	100%	100%
ALEC Engineering and Contracting (UK) Ltd.	Construction activities	United Kingdom	**100%**	100%	100%	**100%**	100%	100%
AES Building Materials Trading LLC	Building and construction materials trading	United Arab Emirates	**80%**	80%	80%	**80%**	80%	80%

**Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)**

1. General information (continued)

Name of subsidiary	Principal activity	Country of incorporation and operation	Proportion of ownership interest (%)			Proportion of beneficial interest (%)		
			2024	2023	2022	**2024**	2023	2022
ALEC Engineering and Contracting Egypt LLC	Construction activities	Egypt	**100%**	100%	100%	**100%**	100%	100%
ALEC Doha Contracting W.L.L.	Rental of heavy and light machines and equipment	State of Qatar	**100%**	100%	100%	**100%**	100%	100%
ALEC EPC Holding LLC	Investment activities	United Arab Emirates	**100%**	100%	100%	**100%**	100%	100%
ALEMCO Contracting Company LLC	Electromechanical works, projects contracting, sub-sewage networks connections and homes connections contracting and main water networks contracting works	Kingdom of Saudi Arabia	**100%**	100%	100%	**100%**	100%	100%
AJI Equipment Rental Company	Renting and operational leasing of machine tools, engines and turbines, cranes and lorries, scaffold and work platforms, without erection and dismantling and renting of cranes with operators	Kingdom of Saudi Arabia	**100%**	100%	100%	**100%**	100%	100%

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

1. General information (continued)

Name of subsidiary	Principal activity	Country of incorporation and operation	Proportion of ownership interest (%)			Proportion of beneficial interest (%)		
			2024	2023	2022	**2024**	2023	2022
Target Engineering Construction Company L.L.C.	General contracting works for civil, mechanical, electrical and marine, onshore and offshore industrial, oil and gas, commercial projects, scaffold installation works, building maintenance, investment and establishing and managing industrial projects in the UAE	United Arab Emirates	**100%**	100%	100%	**100%**	100%	100%
Target General Construction WLL (2)	Construction of buildings, civil and contracting works	State of Qatar	**49%**	49%	49%	**49%**	49%	49%
Idrotec S.r.l. (Italy)	Engineering, design and consultancy	Italy	**100%**	100%	100%	**100%**	100%	100%
Target Saudi Construction Company LLC (5)	Construction of buildings, civil and contracting works	Kingdom of Saudi Arabia	**90%**	90%	65%	**90%**	90%	65%
Target Steel Industries LLC	Steel fabrication works	United Arab Emirates	**100%**	100%	100%	**100%**	100%	100%
ALEC Interior Decoration One Person Company	Manufacture of carpentry products and crafts needed for construction workers, construction of building and other related construction activities	Saudi Arabia	**100%**	100%	**-**	**100%**	100%	-

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

1. General information (continued)

Name of subsidiary	Principal activity	Country of incorporation and operation	Proportion of ownership interest (%)			Proportion of beneficial interest (%)		
			2024	2023	2022	**2024**	2023	2022
AES Aluminium and Glass Works LLC	Aluminium installation works, machining and forming of metals and glass plates installation works.	United Arab Emirates	**82%**	82%	**-**	**82%**	82%	-
Infrastructure Protective Services Inproserv Middle East L.L.C (3)	Corrosion and oxidation resistant services, fire resistant painting works and removing corrosion of metals	United Arab Emirates	**50%**	50%	**-**	**50%**	50%	-

Name of branch	Principal activities	Country of incorporation and operation
ALEC Engineering and Contracting LLC - Dubai Branch	Construction activities	United Arab Emirates
ALEC Engineering and Contracting LLC - RAK Branch	Construction activities	United Arab Emirates
ALEMCO Electromechanical Contracting LLC - Dubai Branch	Construction activities	United Arab Emirates
ALEMCO Electromechanical Contracting LLC - RAK Branch	Construction activities	United Arab Emirates
ALEC Engineering and Contracting PLC	Construction activities	Ethiopia
Target Engineering Construction Company LLC - Dubai Branch	Construction activities	United Arab Emirates

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

1. General information (continued)

Name of branch	Principal activities	Country of incorporation and operation
Target Engineering Construction Company LLC - Sharjah Branch	Construction activities	United Arab Emirates
Target Engineering Construction Company LLC - Fujairah Branch	Construction activities	United Arab Emirates
Target Engineering Construction Company LLC - Qatar Branch	Construction activities	United Arab Emirates
Target Engineering Construction Company LLC - Hamriyah Branch	Construction activities	United Arab Emirates
Target Engineering Construction Company LLC - Aqaba Branch - Jordan	Construction activities	Jordan
Idrotec S.r.l. - Abu Dhabi Branch	Construction activities	United Arab Emirates

(1) ALEC LEGT Contracting WLL is legally owned by International Company for Project Development, State of Qatar and LEGT Construction Company Limited, Jersey. By virtue of the shareholders' agreement between ALEC Engineering and Contracting LLC and the shareholders of ALEC LEGT Contracting WLL, all the shareholdings in ALEC LEGT Contracting WLL are beneficially owned by ALEC Engineering and Contracting LLC.

(2) Target Engineering Construction Company L.L.C. (Target), a wholly owned subsidiary of the group, owns 49% of the shareholdings in Target General Construction WLL and Target is exercising control over this entity.

(3) ALEC Engineering and Contracting LLC owns 50% of the shareholding in Infrastructure Protective Services Inproserv Middle East L.L.C. and ALEC Engineering and Contracting LLC is exercising control over this entity.

(4) On 1 January 2023, by virtue of a Share Purchase Agreement, ALEC Engineering and Contracting LLC purchased the remaining 20% shareholdings in AJI Heavy Equipment Rental LLC from Jones International Rentals Ltd. for a total cash consideration of AED 11,500 thousand. The carrying value of the non-controlling interest at the date of acquisition amounted to AED 8,614 thousand which resulted in an adjustment in retained earnings arising from change in non-controlling interest amounting to AED 2,886 thousand.

(5) On 2 January 2023, by virtue of a Shareholder Agreement, Target Engineering Construction Company L.L.C. (Target) purchased 25% shareholding in Target Construction Saudi Company from Middle East Petroleum Company ("MEPCO") for zero consideration. Further to the shareholders' agreement, Target agrees to pay MEPCO fixed remuneration amounting to 1% of the annual revenue for the duration of the contract. The carrying value of the non-controlling interest at acquisition date amounted to AED 458 thousand which resulted in an adjustment in retained earnings arising from change in non-controlling interest amounting to AED 320 thousand.

2. Application of new and revised International Financial Reporting Standards (IFRS Accounting Standards)

2.1 New and amended IFRS Accounting Standards applied with no material effect on the consolidated financial statements

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

New and revised IFRS Accounting Standards	**Effective for annual periods beginning on or after**
Amendments to IAS 1 *Presentation of Financial Statements* – Classification of Liabilities as Current or Non-current The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The Group has adopted the amendments to IAS 1, published in January 2020, for the first time in the current year.	1 January 2024
Amendments to IAS 1 *Presentation of Financial Statements* – Non-current Liabilities with Covenants The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).	1 January 2024

2. Application of new and revised International Financial Reporting Standards (IFRS Accounting Standards) (continued)

2.1 New and amended IFRS Accounting Standards applied with no material effect on the consolidated financial statements (continued)

New and revised IFRS Accounting Standards	Effective for annual periods beginning on or after
Amendments to IAS 1 *Presentation of Financial Statements* – Non-current Liabilities with Covenants (continued)	1 January 2024
The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.	
The Group has adopted the amendments to IAS 1, published in November 2022, for the first time in the current year.	
Amendment to IFRS 16 *Leases* – Lease Liability in a Sale and Leaseback	1 January 2024
The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 *Revenue from Contracts with Customers* to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.	
The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.	

2. Application of new and revised International Financial Reporting Standards (IFRS Accounting Standards) (continued)

2.1 New and amended IFRS Accounting Standards applied with no material effect on the consolidated financial statements (continued)

New and revised IFRS Accounting Standards	Effective for annual periods beginning on or after
Amendment to IFRS 16 *Leases* – Lease Liability in a Sale and Leaseback	1 January 2024

As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15 is a lease liability.

A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

The Group does not have any lease liability in a sale and leaseback arrangement.

2.2 New and amended IFRS Accounting Standards in issue but not yet effective and not early adopted

New and revised IFRS Accounting Standards	Effective for annual periods beginning on or after
Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* relating to Lack of Exchangeability	1 January 2025
IFRS 18 *Presentation and Disclosures in Financial Statements*	1 January 2027
IFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date deferred indefinitely. Adoption is still permitted.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group’s consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the consolidated financial statements of the Group in the period of initial application.

3. Summary of material accounting policy information

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB), except for combining of the entities under common control and ownership as detailed in the basis of consolidation.

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis with the exception of the provision for employees' end of service benefits which is recognised at the present value of future obligations using the projected unit credit method. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The principal accounting policies adopted are set out below.

These consolidated financial statements are presented in UAE Dirhams (AED) which is the functional and presentation currency of the Group and all values are rounded to the nearest thousand (AED'000) except when otherwise indicated.

Going concern

The Board of Directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control exists when the Group has power over the investee, 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.

The Company reassesses 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 listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

3. Summary of material accounting policy information (continued)

Basis of consolidation (continued)

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- Potential voting rights held by the Company, other vote holders or other parties
- Rights arising from other contractual arrangements
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group transactions, balances, income, expenses and cash flows relating to the transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

3. Summary of material accounting policy information (continued)

Basis of consolidation (continued)

When the group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 *Financial Instruments* when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified.

Common control transactions

As disclosed in Note 1, the Company initiated the re-organization of its related and affiliated companies that are beneficially owned and controlled by the Immediate Parent Company, into a unified group structure, specifically under the umbrella of ALEC Holdings LLC.

The aforementioned transfer of entities to the Company is considered to be a common control transaction as the entities will continue to be controlled by the ultimate controlling party before and after the reorganisation. Therefore, this reorganisation is considered to be outside the scope of IFRS 3 *Business Combinations*. The Company has applied the pooling of interest method of accounting for the reorganisation. Accordingly, for the purpose of this combined financial statements:

- The assets and liabilities of the entities are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the acquisition that would otherwise be recognised under the acquisition method.
- No goodwill is recognised as a result of the combination. Any difference between the consideration transferred and the acquired net assets is reflected within equity.
- The combined statement of profit or loss and other comprehensive income reflects the results of the entities.

The basic principle of accounting for business combinations under common control using the pooling of interest method is that the structure of ownership is discretionary, and any reorganisation thereof is without economic substance from the perspective of the ultimate controlling party. The pooling of interest method is considered to involve the combining entities being presented as if they had always been combined.

The Company has presented the periods prior to the business combination under common control, to the extent that the combining parties were under common control of the same controlling party (retrospective approach). The financial information in the combined financial statements is presented for periods prior to the combination, to reflect the combination as if it had occurred from the beginning of the earliest period presented.

The concept of pooling of interest generally is based on the premise of a continuation of the combining entities. Consistently, the pre-combination equity composition and history associated with the assets and liabilities would be carried forward upon the combination.

3. Summary of material accounting policy information (continued)

Basis of consolidation (continued)

Common control transactions (continued)

In the consolidated financial statements of the Group:

- the share capital reported pertains to the authorised and issued share capital of the Company. The share capital of ALEC Engineering and Contracting LLC is credited to 'Other equity' (Note 17);
- the retained earnings of the individual entities that are combined are reflected under 'Retained earnings';
- the statutory reserves of the individual entities that are combined are reflected as 'Restricted reserves'; and
- the other equity components such as general reserve, foreign currency translation reserve, remeasurement (loss)/gain on employees defined benefit obligations and non-controlling interests of the individual entities that are combined are considered within these combined financial statements under the same line items.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

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

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

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

3. Summary of material accounting policy information (continued)

Business combinations (continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS Accounting Standards.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

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

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3. Summary of material accounting policy information (continued)

Intangible asset other than Goodwill

Intangible assets with finite useful lives

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The principal annual rate used for this purpose is:

	%
Computer software	10

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their costs). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization (straight-line method) and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. The principal annual rates used for this purpose are:

	%
Trade name	10
License	10
Customer contracts	10

These intangible assets have been recognized as a result of a business combination.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment is their purchase cost, together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of property, plant and equipment on a straight-line basis over the expected useful economic lives of the assets concerned. Leasehold improvements are depreciated over the shorter of the lease period and their expected useful economic life. The principal annual rates used for this purpose are:

	%
Buildings and improvements	2.5 – 33
Plant, machinery and equipment	7 – 100
Office furniture, fixtures and equipment	20 – 100
Motor vehicles	25

3. Summary of material accounting policy information (continued)

Property, plant and equipment (continued)

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

Any item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset is calculated as the difference between sale proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss and other comprehensive income.

Impairment of tangible and intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible 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 to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, 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.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

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 and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

Investments in joint ventures

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

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

3. Summary of material accounting policy information (continued)

Investments in joint ventures (continued)

The results, assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of investment, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the investment in a joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the joint venture is included in the determination of the gain or loss on disposal of the joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that joint venture on the same basis as would be required if that joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When a group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

3. Summary of material accounting policy information (continued)

Interests in joint operations (continued)

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Where a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operations; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRS Accounting Standards applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operations, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of asset), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

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. Where 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. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the 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.

3. Summary of material accounting policy information (continued)

Employee benefits

Accrual is made for the estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the end of the reporting period.

Provision is also made for the full amount of end-of-service benefit due to employees in accordance with the Group's policy, which is at least equal to the benefits payable in accordance with the respective labour laws of United Arab Emirates, Kingdom of Saudi Arabia and State of Qatar as applicable, for their period of service up to the end of the reporting period. The accrual relating to annual leave and leave passage is disclosed as a current liability, while the provision relating to end-of-service benefit is disclosed as a non-current liability.

Actuarial gains and losses arising from experience adjustments and changes in assumptions are charged or credited to equity in the other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in the consolidated statement of profit or loss and other comprehensive income.

The defined benefit liability comprises the present value of the defined benefit obligations using a discount rate based on market yield rates. The Group has not allocated any assets to such plans.

Pension contributions are made in respect of UAE national employees to the UAE General Pension and Social Security Authority in accordance with the UAE Federal Law No. (2), 2000, for Pension and Social Security. Such contributions are charged to profit or loss during the employees' period of service.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding discounts, rebates, customer returns and other sales taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

(i) Contract revenue and revenue from sale of goods

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

1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
2. Identify the 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.
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.
4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate 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.
5. Recognise revenue when (or as) the entity satisfies a performance obligation at a point in time or over time

3. Summary of material accounting policy information (continued)

Revenue recognition (continued)

(i) Contract revenue and revenue from sale of goods (continued)

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

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

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. The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue. The Group has concluded that for the majority of its arrangements, it is either creating or enhancing an asset controlled by the customer or it is creating an asset with no alternative use and has an enforceable right to payment for work completed. Therefore, it meets the criteria to recognise revenue overtime and measure progress of its projects through the cost to complete method (input method) as it best depicts the transfer of control of products and services under each performance obligation.

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

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

Variations which are in the nature of extension of existing scope of work are accounted for using cumulative catch up adjustments to the cost to complete method of revenue recognition. Variation orders which require additional or distinct goods and services to the scope at discounted prices are accounted for prospectively and variation orders which require addition of distinct goods and services to the scope at standalone selling prices are accounted for as new contracts with the customers.

Claims are accounted for as variable consideration and represent a critical accounting judgement for the group as explained in (note 4) to these consolidated financial statements. They are included in contract revenue using the expected value or most likely amount approach (whichever is more predictive of the amount the entity expects to be entitled to receive) and it is highly probable that a significant reversal in the amount of cumulative revenue will not occur when the uncertainly associated with the claim is subsequently resolved.

A loss is recognized in statement of comprehensive income when the expected contract costs exceed the total anticipated revenue.

3. Summary of material accounting policy information (continued)

Revenue recognition (continued)

(i) Contract revenue and revenue from sale of goods (continued)

The Group combines two or more contracts entered into at or near the same time with the same customer and accounts for the contracts as a single contract if one or more of the following criteria are met:

- The two or more contracts entered into at or near the same time with the same customer are negotiated as a package, with a single commercial objective;
- The amount of consideration to be paid in one contract depends on the price or performance of the other contract; or
- The goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

If the above criteria are met, the arrangements are consolidated and accounted for as a single arrangement for revenue recognition.

Pre-contract costs of obtaining a contract with a customer are recognised as an asset if those costs are expected to be recovered.

Revenue is recognised in the statement of comprehensive income to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and the revenue and costs, if applicable, can be measured reliably.

(ii) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate (“EIR”) applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount.

(iii) Dividend income

Dividend income from investments is recognised when the rights to receive payment have been established.

(iv) Lease income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term and is included in revenue due to its operating nature.

(v) Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, alignment and filling services, etc.). In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

3. Summary of material accounting policy information (continued)

Contract costs

Contract costs comprise of direct contract costs and other costs relating to the contracting activity in general and which can be allocated to contracts, or are specifically chargeable to the customer under the terms of the contracts. Costs that cannot be related to contract activity or cannot be allocated to a contract are excluded from the costs of the construction contract and are included in the administrative expenses.

Incremental costs of obtaining a contract

The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer. The costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognised as an expense when incurred. If those costs are explicitly chargeable to the customer regardless of whether the contract is obtained, the Group recognises the incremental costs of obtaining a contract as an asset.

Fulfilment costs

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard, an entity recognises an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

a. The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;
b. The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
c. The costs are expected to be recovered under the terms of the contract with the customer.

Provision for maintenance expenses

The Group generally offers a one year warranty for defects on work carried out during the contractual defects liability period and does not provide extended warranties or maintenance services in its contracts with customers. Management estimates the related provision for the costs associated with rectifying defects based on historical information, as well as recent trends that might suggest that past cost information may differ from future defects costs. These costs are included in estimated contract costs. As such, the Group expects that such defects costs will be assurance-type warranties which will continue to be accounted for under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* consistent with its current practice.

Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

3. Summary of material accounting policy information (continued)

Leases (continued)

The Group as lessee (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the group and the lease does not benefit from a guarantee from the group.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line item in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

3. Summary of material accounting policy information (continued)

Leases (continued)

The Group as lessee (continued)

Whenever the group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of 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. The depreciation starts at the commencement date of the lease.

The right-of-use of assets are presented as a separate section in the property, plant and equipment in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property, plant and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Administrative expenses' in the statement of profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient.

The Group as lessor

The Group enters into lease agreements as a lessor with respect to some of machinery and equipment.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3. Summary of material accounting policy information (continued)

Leases (continued)

The Group as lessor (continued)

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes lease and non-lease components, the Group applies IFRS 15 to allocate consideration under the contract to each component.

Foreign currencies

The consolidated financial statements of the Group are presented in the currency of the primary economic environment in which the Group operates. For the purpose of the consolidated financial statements, the results and financial position of the Group are expressed in United Arab Emirates Dirhams (AED), which is the functional currency of the Group, and the presentation currency for the consolidated financial statements.

In preparing the consolidated financial statements, transactions in currencies other than the Group's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in consolidated profit or loss for the year.

On consolidation, the assets and liabilities of foreign operations are translated into AED at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions or average exchange rate of the period. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Taxation

The income tax expense represents the sum of current and deferred income tax expense.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

3. Summary of material accounting policy information (continued)

Taxation (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The directors reviewed the Group's investment property portfolios and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors have determined that the ‘sale’ presumption set out in the amendments to IAS 12 is not rebutted. As a result, the Group has not recognised any deferred taxes on changes in fair value of the investment properties as the Group is not subject to any income taxes on the fair value changes of the investment properties on disposal.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3. Summary of material accounting policy information (continued)

Taxation (continued)

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Corporate tax in United Arab Emirates

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance ("MOF") released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023.

As the Group's accounting year ends on 31 December, the first tax period is 1 January 2024 to 31 December 2024, with the first return to be filed on or before 30 September 2025.

The taxable income of the entities that are in scope for UAE CT purposes will be subject to the rate of 9% corporate tax. It is not currently foreseen that the Group's UAE operations will be subject to the application of the Global Minimum Tax rate of 9% in FY2024. The application is dependent on the implementation of Base Erosion Profit Shifting (BEPS 2) – Pillar Two rules by the countries where the Group operates and the implementation of a top-up tax regime by UAE MOF.

As per the Group's assessment, there is no material deferred tax impact on account of the CT Law in the Group consolidated financial statements for the year ended 31 December 2024, 2023 and 2022.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's 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 profit or loss.

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.

3. Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Classification of financial assets

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.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election / designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Amortised cost and effective interest 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.

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. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

3. Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Amortised cost and effective interest method (continued)

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 the 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.

Interest income is recognised in profit or loss and is included in the "finance income - interest income" line item.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses - (ECL) on contract and other receivables, lease receivables, amounts due from customers under construction contracts, retention receivables, as well as on financial guarantee contracts. 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 recognises Lifetime ECL for contract receivables, amounts due from customers under construction contracts (contract assets), lease receivables and related party balances. The expected credit losses on these financial assets are estimated based on the Group’s historical credit loss experience of the debtor, 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.

For all other financial instruments, the Group recognises Lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether Lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

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.

3. Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(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. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g., a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, 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:

- The financial instrument has a low risk of default,
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- 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.

3. Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

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.

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(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:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event (see (ii) above);
- 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;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

3. Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(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 e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of contract receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(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 and as set out in the critical accounting judgements in note 4. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

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.

If the Group has measured the loss allowance for a financial instrument at an amount equal to Lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for Lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

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.

3. Summary of material accounting policy information (continued)

Financial instruments (continued)

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

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

Derecognition of financial liabilities

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

4. Critical accounting judgments and key sources of estimation uncertainty

Critical accounting judgments

In the process of applying the Group's accounting policies described in Note 3 to the consolidated financial statements, the management of the Group are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Contract variations

Contract variations are recognised as revenue only to the extent that it is probable that they will not result in a significant reversal of revenue in subsequent periods. Management constrains revenue from variations based on prior experience, application of contract terms and the relationship with the customers when making their judgement.

At the reporting date, management has recorded unapproved variations to the extent they will not result in significant reversal of revenue in a subsequent period. This assessment is done based on the past history of agreeing variations and the probability of expected outcome from current on-going discussions with the employers, as well as the fact that unapproved variations are supported by the client appointed engineer's instructions, drawing changes issued by the customer representatives or formal instruction as set out in the contractual terms and conditions.

Contract claims

A claim is an amount that the contractor seeks to collect from the customer or another party as reimbursements for costs not included in the contract price. A claim may arise from, for example, customer caused delays, prolongation costs, costs of acceleration of projects, program errors in specifications or design, and disputed time impact of variations on contract work. The measurement of the amounts of revenue arising from claims is subject to a high level of uncertainty and often depends on the outcome of negotiations. Therefore, claims are only included in contract revenue when:

- the amount has been accepted by the customer or the customer's representative;
- there is a clear contractual entitlement, and/or
- negotiations have reached such a stage that it is highly probable that a significant reversal of revenue will not occur and management can accurately determine the compensatory value of the claim based on industry recognized principles.

Based on the above, management have recorded extension of time claims in certain projects and which are included in the gross amounts due from customers on construction contracts balance in Note 12.

4. Critical accounting judgments and key sources of estimation uncertainty (continued)

Critical accounting judgments (continued)

Cost-to-cost (input method) to measure progress of construction contract

The Group uses the cost-to-cost (input method) in accounting for its construction contract revenue. At each reporting date, the Group is required to estimate the stage of completion and costs to complete on its construction contracts. This requires the Group to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. These estimates also include the cost of potential claims by subcontractors and the cost of meeting other contractual obligations to the customers. Effects of any revision to these estimates are reflected in the period in which the estimates are revised. When the expected contract costs exceed the total anticipated contract revenue, the total expected loss is recognised immediately, as soon as foreseen, whether or not work has commenced on these contracts. The Group uses its commercial team to estimate the costs to complete of construction contracts. Factors such as delays in expected completion date, changes in the scope of work, changes in material prices, labour costs and other costs are included in the construction cost estimates based on best estimates which are updated on a regular basis.

The measurement of revenue is affected by a variety of uncertainties that depend on the outcome of future events. The estimated contract value may need to be revised as events occur and uncertainties are resolved. In making this judgment, management has considered the criteria prescribed in IFRS 15 *Revenue from Contracts with Customers* in determining whether the amount can be recognised as part of the estimated contract revenue of the Group. In particular, consideration was given as to whether the outcome of a construction contract can be estimated reliably and it is probable that the economic benefits associated with the transaction will flow to the Group.

Recording of contra charges

A contra charge is where the amount of cost incurred on behalf of a subcontractor is deducted from their liability. Being a main contractor, the Group incurs costs on behalf of its subcontractors such as direct payments to suppliers of subcontractors and/or provision of Group's resources to assist with work completion. These contra charges are deducted by the Group on the payment certificates of its subcontractors. The right to set off the claim against the liability arises only by agreement of both parties involved. Furthermore, the measurement of the amounts arising from the contra-charge is subject to a high level of uncertainty and often depends on the outcome of negotiations between the two parties. Therefore, the contra-charges are recorded and offset against liabilities only when the amount has been accepted by the subcontractor and/or negotiations have reached an advanced stage such that the contra charge that would be agreed by the subcontractor can be measured reliably.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (please see financial assets sections of Note 3). The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measures, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

4. Critical accounting judgments and key sources of estimation uncertainty (continued)

Critical accounting judgments (continued)

Significant increase in credit risk

ECLs are measured as an allowance equal to 12-month ECL for stage 1 assets, or Lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

Classification of joint arrangements and joint ventures

Management has assessed the classification of Service and Trade and Al Jaber LEGT Company LLC in consideration of the provisions of IFRS 10 *Consolidated Financial Statements* and IFRS 11 *Joint Arrangements*. Although ALEC Engineering and Contracting Oman LLC, one of the Group's subsidiaries, holds half of the voting rights of the entity, by virtue of the Shareholders Agreement between ALEC Engineering and Contracting Oman LLC and the other shareholder, decisions about the relevant activities of the entity require the unanimous consent of both parties. Accordingly, Service and Trade and Al Jaber LEGT Company LLC has been classified as a joint venture of the Group.

Management has assessed the classification of Qatar International Trading/IMAR Trading & Contracting Joint Venture and Al Jaber L.E.G.T. Engineering W.L.L., IMAR & Al Jaber Trading & Contracting Company, and Gulf Contracting Company W.L.L. & ALEC L.E.G.T. Contracting W.L.L. in consideration of the provisions of IFRS 11 *Joint Arrangements*. Although such arrangements except Gulf Contracting Company W.L.L. & ALEC L.E.G.T. Contracting W.L.L., have been structured through separate legal entities, it is the intention of the parties to the joint arrangements to have the rights to the assets and obligations for the liabilities of the joint arrangements. Accordingly, Qatar International Trading/IMAR Trading & Contracting Joint Venture and Al Jaber L.E.G.T. Engineering W.L.L., IMAR & Al Jaber Trading & Contracting Company, and Gulf Contracting Company W.L.L. & ALEC L.E.G.T. Contracting W.L.L. have been classified as joint operations of the Group.

Management has assessed the classification of ALEMCO Zawawi LLC in consideration of the provisions of IFRS 10 *Consolidated Financial Statements* and IFRS 11 *Joint Arrangements*. Although ALEMCO Electromechanical Contracting LLC, one of the Group's subsidiaries, holds more than half of the voting rights of the entity, by virtue of the Shareholders Agreement between ALEMCO Electromechanical Contracting LLC and the other shareholder, decisions about the relevant activities of the entity require the unanimous consent of both parties. Accordingly, ALEMCO Zawawi LLC has been classified as a joint venture of the Group.

Management has assessed the classification of the investment in Expo Contracting DWC LLC in consideration of the provisions of IFRS 11 *Joint Arrangements*. The Group holds 50% of the voting rights of Expo Contracting DWC LLC. Moreover, by virtue of the shareholders' agreement between the parties, decisions about the relevant activities requires the unanimous approval of the board of directors, with a minimum of one representative to be present for each shareholder for the meeting to qualify as a valid board meeting. Also, profit sharing is on a 50%:50% basis. Consequently, Expo Contracting DWC LLC does not fall under the provisions of IFRS 10 due to the lack of the Group's control over Expo Contracting DWC LLC. IFRS 10 identifies control (requiring both power and exposure to risks and rewards) as the single basis for consolidation. Accordingly, Expo Contracting DWC LLC has been classified as a joint venture of the Group.

4. Critical accounting judgments and key sources of estimation uncertainty (continued)

Critical accounting judgments (continued)

Classification of joint arrangements and joint ventures (continued)

Management has assessed the classification of Saudi Constructioneers Ltd. and ALEC Saudi Arabia Engineering and Contracting LLC (SAUDICO-ALEC JV) in consideration of the provisions of IFRS 11 *Joint Arrangements*. SAUDICO-ALEC JV is an unincorporated joint venture and it is the intention of the parties to the joint arrangements to have the rights to the assets and obligations for the liabilities of the joint arrangements. Accordingly, SAUDICO-ALEC JV has been classified as a joint operation of the Group.

Management has assessed the classification of APIO Solutions Limited in consideration of the provisions of IFRS 11 *Joint Arrangements*. APIO Solutions Limited is structured through a separate legal entity which is a limited liability company. By virtue of the shareholders' agreement between the parties, decisions about the relevant activities requires the unanimous approval of the board of directors, with a minimum of two representatives to be present for each shareholder for the meeting to qualify as a valid board meeting. Also, profit sharing is on a 50%:50% basis. Accordingly, APIO Solutions Limited has been classified as a joint venture of the Group.

Management has assessed the classification of El Seif Engineering Contracting Company Ltd and ALEC Saudi Arabia Engineering and Contracting LLC (El Seif ALEC Joint Venture) in consideration of the provisions of IFRS 11 *Joint Arrangements*. El Seif ALEC Joint Venture is an unincorporated joint venture and it is the intention of the parties to the joint arrangements to have the rights to the assets and obligations for the liabilities of the joint arrangements. Accordingly, El Seif ALEC Joint Venture has been classified as a joint operation of the Group.

Management has assessed the classification of ALEC Engineering and Contracting LLC and BUTEC s.a.l. (ALEC-BUTEC JV) in consideration of the provisions of IFRS 11 *Joint Arrangements*. ALEC-BUTEC JV is an unincorporated joint venture and it is the intention of the parties to the joint arrangements to have the rights to the assets and obligations for the liabilities of the joint arrangements. Accordingly, ALEC-BUTEC JV has been classified as a joint operation of the Group.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are discussed as below:

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Management have applied judgment that the lease term will be extended for a period of five (5) years on its two leases of land where its labour camp was constructed.

4. Critical accounting judgments and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty (continued)

Discounting of lease payments

The lease payments are discounted using the Group's incremental borrowing rate ("IBR") at the commencement of the leases, which is ranging from 4.75% to 8.19% for all leases where implicit rates are not mentioned.

Management has applied judgments and estimates to determine the IBR at the commencement of lease, using borrowing rates that certain financial institutions would charge the Group against financing the different types of assets it leased over different terms and different ranges of values. The Majority of the leases are present in the UAE and accordingly no adjustment for the economic environment is deemed required.

Calculation of loss allowance

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Project cost to complete estimates

At the end of each reporting period, the Group is required to estimate costs to complete contracts. Estimating costs to complete on such contracts requires the Group to make estimates of future costs to be incurred, based on work to be performed beyond the end of the reporting period. The Group uses internal quantity surveyors together with project managers and the group's commercial team to estimate the costs to complete for construction contracts. Factors such as changes in material prices, labour costs, defects liability costs and other costs are included in the contract cost estimates based on best estimates of the contract progress and remaining works at the year-end. These estimates also include the cost of potential claims by contractors and the cost of meeting other contractual obligations to the customer.

Defects liability period and provision for maintenance

The Group provides a one-year defects liability commitment to customers from the date of handover of the project. These are assurance-type warranties and are not sold separately. Management's estimates of the related provision to record for the future cost of rectifying any defects is based on historical experience of costs incurred in providing maintenance services as well as recent trends that might suggest that past cost may not be an accurate measure of potential future costs.

4. Critical accounting judgments and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty (continued)

Liquidated damages

The Group provides for liquidated damages where there have been significant delays against defined contractual delivery dates or contractual milestones and it is considered probable that the customer will successfully pursue these penalties. This requires management to estimate the amount of liquidated damages payable under the contract based on a combination of an assessment of the contractual terms, the reasons for any delays and evidence of cause of the delays to assess who is liable under the contract for the delays and consequently whether the Group is liable for the liquidated damages or not.

Furthermore, there is an assessment by management of any liquidated damages, which can be recovered against subcontractors or the supply chain due to late delivery against contractual delivery dates, or milestones which are the direct cause of the delays under the contract with the customer and which the supply chain is liable for.

In making this judgement, management considered the following:

a) The outcome of ongoing constructive discussions with the customer regarding certain key delivery dates and how the delays to the progress of works can be mitigated without impacting any related contractors or any other project activity which minimises the risk of these related contractors pursuing liquidated damages against the customer, which the customer would in turn seek to recover; and

b) The outcome of the discussions to date with the customers due to which management believes the risk of liquidated damages being levied has been mitigated.

Provision for taxation

The Group has provided for estimated income tax based on the estimated profit margins on the revenue earned from projects in United Arab Emirates, Kingdom of Saudi Arabia, Ethiopia and State of Qatar based on relevant tax laws. There is a probability that the tax departments in each of the jurisdictions may assess tax at higher/lower profit margins or tax rates which may give rise to higher/lower tax liabilities.

Employees' end of service indemnity

The cost of the end of service benefits and the present value of these benefits 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 and future salary 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 annually.

Allowance for inventory obsolescence

Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices and volumes.

4. Critical accounting judgments and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty (continued)

Estimated useful lives of property, plant and equipment

The costs of items of property, plant and equipment are depreciated on a systematic basis over the estimated useful lives of the assets. Management has determined the estimated useful lives of each asset and/or category of assets based on the following factors:

- Expected usage of the assets;
- Expected physical wear and tear, which depends on operational and environmental factors; and
- Legal or similar limits on the use of the assets.

Management has not made estimates of residual values for any items of property, plant and equipment at the end of their useful lives as these have been deemed to be insignificant.

Impairment of intangible assets

The Group assesses goodwill and intangibles with an indefinite useful life for impairment annually and other assets or groups of assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any such indication of impairment exists, the group makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets ('cash generating unit' or 'CGU'). An asset group's recoverable amount is the higher of its fair value less costs of disposal and its value in use. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount.

5. Segment reporting

Information regarding the Group's operating segments is set out below in accordance with IFRS 8 *Operating Segments*. IFRS 8 requires operating segments to be identified based on internal reports about components of the Group that are regularly reviewed by the "Executive management" who are the Chief Operating Decision Makers (CODM) in order to allocate resources to the segment and to assess its performance. The Board of Directors is identified as chief operating decision maker for the Group. The management of the Group assessed the Group into four key business units: Building and Infrastructure Construction Services, Oil & Gas Construction Services, Related Businesses and Corporate Activities.

These businesses are the basis on which the Group reports its primary segment information to the CODM for the purpose of resource allocation and assessment of segment performance. The above segments are the basis on which the Group reports its segment information. Transactions between segments are conducted at estimated market rates on an arm's length basis and eliminated on combination.

Segment assets and liabilities are not disclosed in the segment reporting as these are not regularly provided to the chief operating decision maker. Only the total assets and liabilities of the Group are reported to the Chief Operating Decision Maker.

Notes to the consolidated financial statements
for the year ended 31 December 2024

5. Segment reporting (continued)

	Building and infrastructure construction services AED'000	Oil and gas construction services AED'000	Related businesses AED'000	Corporate activities AED'000	Eliminations AED'000	Total AED'000
31 December 2024						
Contract revenue	**4,075,769**	**2,813,760**	**1,999,100**	**-**	**(787,544)**	**8,101,085**
Contract cost	**(3,826,928)**	**(2,564,558)**	**(1,672,157)**	**-**	**798,751**	**(7,264,892)**
Gross profit	**248,841**	**249,202**	**326,943**	**-**	**11,207**	**836,193**
Administrative expenses	**(53,000)**	**(63,728)**	**(104,085)**	**(127,870)**	**-**	**(348,683)**
Share of results of joint ventures	**(1,648)**	**-**	**1,622**	**-**	**-**	**(26)**
Provision for / (reversal of) impairment losses on financial assets and contract assets	**(22,920)**	**(680)**	**3,365**	**-**	**(636)**	**(20,871)**
Finance costs	**(17,875)**	**(51,840)**	**(5,518)**	**(26,443)**	**1,298**	**(100,378)**
Other income	**(95)**	**5,870**	**1,525**	**19,555**	**(6,674)**	**20,181**
Net segment results - profit before tax	**153,303**	**138,824**	**223,852**	**(134,758)**	**5,195**	**386,416**
31 December 2023						
Contract revenue	3,450,149	1,992,778	1,373,780	-	(541,588)	6,275,119
Contract cost	(3,156,968)	(1,833,608)	(1,197,775)	-	546,225	(5,642,126)
Gross profit	293,181	159,170	176,005	-	4,637	632,993
Administrative expenses	(82,681)	(43,311)	(76,913)	(102,632)	-	(305,537)
Share of results of joint ventures	17	-	(196)	-	-	(179)
Provision for / (reversal of) impairment losses on financial assets and contract assets	(2,041)	(12,584)	(1,706)	-	3,748	(12,583)
Finance costs	-	(52,889)	(2,888)	(30,497)	4,566	(81,708)
Other income	-	2,183	1,784	11,029	(4,566)	10,430
Net segment results - profit before tax	208,476	52,569	96,086	(122,100)	8,385	243,416

5. Segment reporting (continued)

	Building and infrastructure construction services AED'000	Oil and gas construction services AED'000	Related businesses AED'000	Corporate activities AED'000	Eliminations AED'000	Total AED'000
31 December 2022						
Contract revenue	2,753,924	456,277	741,166	-	(352,457)	3,598,910
Contract cost	(2,531,781)	(423,057)	(598,832)	-	345,258	(3,208,412)
Gross profit / (loss)	222,143	33,220	142,334	-	(7,199)	390,498
Administrative expenses	(67,286)	(6,057)	(56,344)	(57,603)	-	(187,290)
Share of results of joint ventures	(294)	-	(2,241)	-	-	(2,535)
Provision for / (reversal of) impairment losses on financial assets and contract assets	(2,430)	-	(86)	-	3,761	1,245
Finance costs	-	(7,752)	(2,723)	(6,245)	1,725	(14,995)
Other income	-	71	1,186	2,516	(1,725)	2,048
Net segment results - profit before tax	152,133	19,482	82,126	(61,331)	(3,439)	188,971

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

6. Property, plant and equipment

	Buildings and improvements AED'000	Plant, machinery and equipment AED'000	Office furniture, fixtures and equipment AED'000	Motor vehicles AED'000	Right-of-use asset - land AED'000	Right-of-use asset - building AED'000	Right-of-use asset - machinery and equipment AED'000	Capital work-in-progress* AED'000	Total AED'000
Cost									
1 January 2022	196,231	330,942	23,359	8,475	57,171	5,822	57,775	11,050	690,825
Acquired though business combination (Note 23)	129,816	465,248	57,529	24,313	25,400	-	-	-	702,306
Additions	4,919	21,595	4,069	690	-	1,686	2,838	42,959	78,756
Disposal/write off	-	(1,100)	(2)	(639)	-	-	(3,533)	-	(5,274)
31 December 2022	330,966	816,685	84,955	32,839	82,571	7,508	57,080	54,009	1,466,613
Additions	58,804	48,654	8,787	24,110	279	19,189	16,531	78,848	255,202
Disposal/write off	(3)	(8,653)	(4,257)	(2,162)	-	-	(4,872)	(5,557)	(25,504)
Transfers	50,622	5,700	-	-	-	-	-	(56,322)	-
31 December 2023	440,389	862,386	89,485	54,787	82,850	26,697	68,739	70,978	1,696,311
Additions	49,520	190,523	20,855	16,353	49,599	12,587	42,975	72,302	454,714
Disposal/write off	-	(22,664)	(3)	(2,425)	-	-	(5,480)	-	(30,572)
Disposal arising from lease cancellation	-	-	-	-	(14,642)	-	-	-	(14,642)
Transfer to intangible assets (Note 7)	-	-	-	-	-	-	-	(16,718)	(16,718)
Transfers	36,708	14,125	-	1,008	-	-	-	(51,841)	-
31 December 2024	**526,617**	**1,044,370**	**110,337**	**69,723**	**117,807**	**39,284**	**106,234**	**74,721**	**2,089,093**

* Capital work-in-progress included the capitalizable costs of ERP system that was completed and implemented in 2024 and the costs of office refurbishments and a labour camp being constructed in the project site. The ERP system is now reclassified to intangible assets (Note 7). The costs of office refurbishments and a labour camp will be reclassified to buildings and improvements under property, plant and equipment as and when these are completed and put to use.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

6. Property, plant and equipment (continued)

	Buildings and improvements AED'000	Plant, machinery and equipment AED'000	Office furniture, fixtures and equipment AED'000	Motor vehicles AED'000	Right-of-use asset - land AED'000	Right-of-use asset - building AED'000	Right-of-use asset - machinery and equipment AED'000	Capital work-in-progress AED'000	Total AED'000
Accumulated depreciation and amortization									
1 January 2022	108,697	282,963	20,363	5,491	7,568	5,119	29,931	-	460,132
Acquired through business Combination (Note 23)	49,650	331,755	54,800	18,512	6,239	-	-	-	460,956
Charge for the year	8,853	28,072	2,680	1,840	2,700	1,698	5,448	-	51,291
Eliminated on disposal/write off	-	(828)	(2)	(589)	-	-	(2,352)	-	(3,771)
31 December 2022	167,200	641,962	77,841	25,254	16,507	6,817	33,027	-	968,608
Charge for the year	25,434	48,082	4,427	5,396	4,041	3,331	5,748	-	96,459
Eliminated on disposal/write off	(1)	(7,480)	(4,053)	(2,162)	-	-	(3,926)	-	(17,622)
31 December 2023	192,633	682,564	78,215	28,488	20,548	10,148	34,849	-	1,047,445
Charge for the year	34,079	70,549	7,917	8,514	4,211	11,833	8,379	-	145,482
Eliminated on disposal/write off	-	(22,327)	(3)	(2,425)	-	-	(4,301)	-	(29,056)
Eliminated on disposal arising from lease cancellation	-	-	-	-	(4,022)	-	-	-	(4,022)
31 December 2024	**226,712**	**730,786**	**86,129**	**34,577**	**20,737**	**21,981**	**38,927**	**-**	**1,159,849**
Carrying amount									
31 December 2024	**299,905**	**313,584**	**24,208**	**35,146**	**97,070**	**17,303**	**67,307**	**74,721**	**929,244**
31 December 2023	247,756	179,822	11,270	26,299	62,302	16,549	33,890	70,978	648,866
31 December 2022	163,766	174,723	7,114	7,585	66,064	691	24,053	54,009	498,005

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

6. Property, plant and equipment (continued)

Included in property, plant, and equipment are assets with a cost of AED 667,282 thousand (2023: AED 626,323 thousand, 2022: AED 594,891 thousand), that are fully depreciated but still in use as at 31 December 2024.

Right-of-use assets - machinery and equipment include assets secured by a mortgage over the financed machinery and equipment with a total cost of AED 111,662 thousand (2023:AED 62,204 thousand, 2022:AED 56,055 thousand) (Note 22).

The Group leases several assets including machinery and equipment, building and land. The average lease terms are as follows:

	Number of months
Land	30 to 372 months
Building	18 to 32 months
Machinery and equipment	16 to 60 months

The right of use land includes AED 2,656 thousand (2023 and 2022: AED 2,656 thousand) related to asset retirement obligations (Note 22).

Amounts recognized in profit or loss related to leases

	2024 AED'000	2023 AED'000	2022 AED'000
Depreciation expense on right-of-use assets	**24,423**	13,120	9,846
Finance cost related to lease liabilities (Notes 21 and 22)	**7,580**	3,520	3,470
Rental expense relating to short-term leases and leases of low value assets	**85,776**	43,165	26,316

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

7. Intangible assets

	Tradename AED'000	License AED'000	Customer contracts AED'000	Computer software AED'000	Total AED'000
Cost					
Acquired through business combination (Note 23)	49,600	7,000	58,300	-	114,900
Additions	-	-	-	1,187	1,187
31 December 2022	49,600	7,000	58,300	1,187	116,087
Disposal	-	-	-	(448)	(448)
31 December 2023	49,600	7,000	58,300	739	115,639
Additions	-	-	-	71	71
Transfers from property, plant and equipment (Note 6)	-	-	-	16,718	16,718
31 December 2024	**49,600**	**7,000**	**58,300**	**17,528**	**132,428**
Accumulated amortization					
Charge for the year	1,240	175	1,458	585	3,458
31 December 2022	1,240	175	1,458	585	3,458
Charge for the year	4,960	700	5,830	215	11,705
Eliminated on disposal	-	-	-	(323)	(323)
31 December 2023	6,200	875	7,288	477	14,840
Charge for the year	4,960	700	5,830	2,023	13,513
31 December 2024	**11,160**	**1,575**	**13,118**	**2,500**	**28,353**
Carrying amount					
31 December 2024	**38,440**	**5,425**	**45,182**	**15,028**	**104,075**
31 December 2023	43,400	6,125	51,012	262	100,799
31 December 2022	48,360	6,825	56,842	602	112,629

8. Investments in joint ventures

Details of the Group's joint ventures at the end of the reporting period are as follows:

Name of joint venture	Principal activity	Place of incorporation	Proportion of ownership interest held by the Group legally			Beneficial interest held by the Group		
			2024	2023	2022	**2024**	2023	2022
Service and Trade and Al Jaber L.E.G.T. Company LLC	Construction of Jabal Al Akhdar Anantara Resort Hotel and Spa	Sultanate of Oman	**50%**	50%	**50%**	**50%**	50%	50%
ALEMCO Zawawi LLC	Electromechanical contracting services	Sultanate of Oman	**70%**	70%	**70%**	**70%**	70%	70%
Expo Contracting DWC LLC	Commercial enterprises and management	United Arab Emirates	**50%**	50%	**50%**	**50%**	50%	50%
APIO Solutions Limited	Modular solutions	United Kingdom	**50%**	50%	**50%**	**50%**	50%	50%

The above joint ventures are accounted for in these consolidated financial statements using the equity method.

A joint venture of the Group, has assets and liabilities which offset each other through a pass through arrangement, and should there be a shortfall between these, the difference is guaranteed by the Dubai Department of Finance. The exposure of the joint venture's shareholders is therefore limited to the share capital of the joint venture. Hence, this joint venture's assets and liabilities are not included in the table below.

Summarised financial information in respect of the Group's material joint ventures is set out below. These represent amounts shown in the joint ventures' financial statements prepared in accordance with IFRS Accounting Standards.

	2024 AED'000	2023 AED'000	2022 AED'000
Current assets	**34,214**	53,098	48,799
Non-current assets	**884**	-	-
Current liabilities	**109,881**	110,985	108,988
Non-current liabilities	**2,022**	47	42

8. Investments in joint ventures (continued)

	2024 AED'000	2023 AED'000	2022 AED'000
Revenue for the year	**-**	-	-
Loss for the year	**(26)**	(179)	(2,535)

Movement in investments in joint ventures:

	2024 AED'000	2023 AED'000	2022 AED'000
At 1 January	**-**	-	-
Share of results	**(26)**	(179)	(2,535)
Reallocations*	**26**	179	2,535
At 31 December	**-**	-	-

* Total share of results from the Group's joint ventures during the year is a loss of AED 26 thousand (2023: loss of AED 179 thousand, 2022: loss of AED 2,535 thousand). Out of that total, the loss attributable to two of the Group's joint ventures has exceeded the original investment. In accordance with IAS 28 *Investments in Associates and Joint Ventures*, when the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture, the Group discontinues recognizing its share of further losses and any additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations on behalf of the joint venture. Given that the Group no longer has receivable balances from the joint ventures against which to offset current year losses, these have been written-off in the year.

9. Related party balances and transactions

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard (IAS) 24 *Related Party Disclosures*. Related parties comprise companies and entities under common ownership and/or common management and control, shareholders and key management personnel. The terms and conditions of such transactions are decided by management.

Transactions with related parties

The following transactions during the year arose from the normal operations of the Group:

	2024 AED'000	2023 AED'000	2022 AED'000
Purchase of materials and services			
Companies under common control	**9,780**	7,695	6,267

9. Related party balances and transactions (continued)

Transactions with related parties (continued)

The following transactions during the year arose from the normal operations of the Group:

	2024 AED'000	2023 AED'000	2022 AED'000
Revenue from related parties (Note 25)			
Companies under common control	**82,114**	1,032,374	1,063,860
Joint venture	**-**	-	15
	82,114	1,032,374	1,063,875

Compensation of key management personnel

	2024 AED'000	2023 AED'000	2022 AED'000
Short-term benefits	**7,365**	10,619	9,149
Long-term benefits	**266**	392	351
	7,631	11,011	9,500
Directors' fees	**3,250**	1,250	1,250

Dividends paid to shareholders

	2024 AED'000	2023 AED'000	2022 AED'000
Dividends paid to shareholders	**242,537**	100,000	85,000

On 29 April 2024, prior to the Group reorganization in 23 August 2024 (Note1), by virtue of a board resolution, the shareholders approved and declared a cash dividend of AED 48,507 per share amounting to AED 242,537 thousand. The dividends were paid in full in May 2024.

On 8 February 2023, by virtue of a board resolution, the shareholders approved and declared a cash dividend of AED 20,000 per share amounting to AED 100,000 thousand. The dividends were paid in full in March 2023.

On 26 June 2022, by virtue of a board resolution, the shareholders of the Company approved and declared a cash dividend of AED 9,000 per share equal to a total cash dividend of AED 45,000 thousand. This dividend was paid in full in July 2022. Also, on 24 November 2022, by virtue of further board resolution, the shareholders of the Company approved and declared a cash dividend of AED 8,000 per share equal to a total cash dividend of AED 40,000 thousand. The dividends were paid in full in November 2022.

9. Related party balances and transactions (continued)

Balances and transactions with affiliated entities under the Ultimate Parent Company

The following balances and transactions during the year arose from the normal operations of the Group:

	2024 AED'000	2023 AED'000	2022 AED'000
Cash and cash equivalents held at related party banks	**292,026**	221,353	505,661
Borrowings from related party banks (Note 28)	**575,925**	461,267	520,262
Interest and commission paid to related party banks	**40,968**	35,968	12,260

Balances with related parties

The following are the outstanding balances with related parties arising from the normal operations of the Group:

	2024 AED'000	2023 AED'000	2022 AED'000
Due from related parties (Note 10)			
Parent company	**300**	300	300
Joint ventures	**11,601**	47,541	49,265
Joint operations	**72,051**	27,323	6,559
Other affiliated entities	**38,108**	90,468	157,700
	122,060	165,632	213,824
Less: Expected credit losses	**(10,307)**	(11,435)	(12,377)
	111,753	154,197	201,447

The following table shows the movement in Lifetime ECL that has been recognised for amounts due from related parties in accordance with the simplified approach set out in IFRS 9.

	2024 AED'000	2023 AED'000	2022 AED'000
At 1 January	**11,435**	12,377	13,580
Change in loss allowance	**(1,128)**	(942)	(1,203)
At 31 December	**10,307**	11,435	12,377

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

9. Related party balances and transactions (continued)

	2024 AED'000	2023 AED'000	2022 AED'000
Due to related parties (Note 19)			
Joint operations	**23,596**	-	1,963
Other affiliated entities	**2,145**	2,125	3,711
	25,741	2,125	5,674
Retention receivables (Note 11)	**202,451**	269,775	278,743
Retention payables (Note 19)	**63**	114	508
Advances from customers (Note 19)	**39,341**	37,086	34,352
Gross amounts due from customer on construction contracts (Note 12)	**312,778**	937,540	416,553
Gross amounts due to customer on construction contracts (Note 19)	**10,302**	1,020	929

10. Contract and other receivables

	2024 AED'000	2023 AED'000	2022 AED'000
Contract receivables	**1,251,727**	876,637	502,683
Less: Expected credit losses	**(70,585)**	(74,871)	(58,456)
	1,181,142	801,766	444,227
Due from related parties - net (Note 9)	**111,753**	154,197	201,447
Retention receivables - net (Note 11)	**747,303**	673,585	431,292
Advances to suppliers and subcontractors	**724,308**	538,695	258,067
Other receivables	**35,612**	27,009	47,142
	2,800,118	2,195,252	1,382,175

The average credit period on sale of goods or services is 90 days. No interest is charged on past due contract receivables.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

10. Contract and other receivables (continued)

Before accepting any new customers, the Group assesses the potential credit quality of the customer. Out of the contract receivable balance at the end of the year, an amount of AED 615,134 thousand (2023: AED 100,227 thousand, 2022: AED 81,498 thousand) is due from the Group's four major customers (2023: one major customer, 2022: one major customer). There are no other customers whose balance exceeds more than 10% of the contract receivables as at reporting date.

Included in the Group's contract receivables balance are debtors with a carrying amount of AED 305,623 thousand (2023: AED 116,673 thousand, 2022: AED 84,687 thousand) which are past due at the end of the reporting period. The Group does not hold any collateral over these balances.

Ageing of past due contract receivables:

	2024 AED'000	2023 AED'000	2022 AED'000
Past due for 90 to 120 days	**67,308**	11,120	5,829
Past due for 121 to 180 days	**7,561**	25,780	13,313
Past due for more than 180 days	**230,754**	79,773	65,545
	305,623	116,673	84,687

The Group always measures the loss allowance for contract receivables at an amount equal to Lifetime ECL using the simplified approach.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The following table shows the movement in Lifetime ECL that has been recognised for contract receivables in accordance with the simplified approach set out in IFRS 9.

	2024 AED'000	2023 AED'000	2022 AED'000
At 1 January	**74,871**	58,456	32,495
Acquired through business combination	**-**	-	25,252
Change in loss allowance	**(4,286)**	19,764	709
Write-off of loss allowance	**-**	(3,349)	-
At 31 December	**70,585**	74,871	58,456

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

11. Retention receivables

	2024 AED'000	2023 AED'000	2022 AED'000
Current portion, net of expected credit losses (Note 10)	**747,303**	673,585	431,292
Non-current portion, net of expected credit loss and fair value adjustment	**233,522**	76,253	175,138
	980,825	749,838	606,430

Non-current portion of retention receivables represents retention receivables that become due in a period exceeding one year from the reporting date.

Retention receivables are classified as follows:

	2024 AED'000	2023 AED'000	2022 AED'000
Related parties, net of expected credit losses (Note 9)	**202,451**	269,775	278,743
Third parties, net of expected credit losses	**778,374**	480,063	327,687
	980,825	749,838	606,430

The management always measure the loss allowance on retention receivables at an amount equal to Lifetime ECL, taking into account the historical default experience and the future prospects of the construction industry.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for retention receivables.

The following table shows the movement in Lifetime ECL that has been recognised for retention receivables in accordance with the simplified approach set out in IFRS 9.

	2024 AED'000	2023 AED'000	2022 AED'000
At 1 January	**16,811**	22,814	11,372
Acquired through business combination	**-**	-	10,803
Change in loss allowance	**(3,315)**	(5,099)	639
Write-off of loss allowance	**-**	(904)	-
At 31 December	**13,496**	16,811	22,814

12. Gross amounts due from customers on construction contracts

	2024 AED'000	2023 AED'000	2022 AED'000
Gross amounts due from customers on construction	**2,295,306**	2,493,572	816,788
Acquired through business combination (Note 23)	**-**	-	552,356
Less: Expected credit losses	**(41,220)**	(11,669)	(12,783)
	2,254,086	2,481,903	1,356,361

Gross amounts due from customers on construction contracts are contract assets that arise when the Group performs work for customers that has been recognised as revenue to date but has not received certifications from its customers. Any amount previously recognised as a contract asset is reclassified to contract receivables at the point at which it is certified by the customer and invoiced to the customer.

The above balance includes gross amounts due from customers on construction contracts arising from contracts with related parties, amounting to AED 312,778 thousand (2023: AED 937,540 thousand, 2022: AED 416,553 thousand) (Note 9).

Significant changes in the gross amounts due from and to customers on construction contracts during the year are mentioned in Note 19.

The management always measure the loss allowance on gross amounts due from customers at an amount equal to Lifetime ECL, taking into account the historical default experience and the future prospects of the construction industry.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for the gross amounts due from customers under construction contracts.

The following table shows the movement in Lifetime ECL that has been recognised for gross amounts due from customers under construction contracts in accordance with the simplified approach set out in IFRS 9.

	2024 AED'000	2023 AED'000	2022 AED'000
As at 1 January	**11,669**	12,783	8,036
Acquired through a business combination (Note 23)	**-**	-	6,164
Change in loss allowance	**29,551**	(1,114)	(1,417)
As at 31 December	**41,220**	11,669	12,783

**Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)**

13. Inventories

	2024 AED'000	2023 AED'000	2022 AED'000
Construction materials	**48,917**	51,973	46,363
Less: Allowance for obsolescence	**(4,038)**	(4,038)	(4,038)
	44,879	47,935	42,325

14. Share capital

As at 31 December 2024, the share capital comprises 50,000 authorised, issued and fully paid shares of AED 1 thousand each (31 December 2023 and 2022: 300 authorised, issued and fully paid shares of AED 1 thousand each).

On 23 August 2024, by virtue of an amendment to the Memorandum of Association of ALEC Holdings LLC, the share capital was increased from AED 300 thousand to become AED 50,000 thousand. It is divided into 50,000 shares, with a value of AED 1 thousand each. This increase was done through a capital reorganisation (Note 17).

15. Restricted reserves

In accordance with the UAE Federal Decree Law No. (32) of 2021 concerning Commercial Companies and the Company's Memorandum of Association, 5% of the profit for the year is to be transferred to a statutory reserve. Such transfers are required to be made until the reserve is equal to 50% of the share capital.

As at 31 December 2024, the statutory reserves of subsidiaries amounted to AED 92,977 thousand (31 December 2023 and 2022: AED 92,977 thousand). These reserves are not available for distribution.

16. General reserve

Transfers to and from the general reserve are made at the discretion of the Board of Directors of the Company.

17. Other equity

Management, as part of its policy choice, has opted to apply the pooling of interest method with the net amount presented as 'other equity'. This chosen accounting policy will be applied consistently to all similar common control transactions.

The net amount represents the amount of share capital of ALEC Engineering and Contracting LLC which is reflected in the consolidated financial statements after applying the pooling of interest method.

On 23 August 2024, share capital was increased by AED 49,700 thousand (Note 14). This increase was done through equity reorganization, through a debit to other equity, which represents the movement on this account for this period.

18. Provision for employees' end-of-service benefits

The movement in the provision for employees' end-of-service benefits is as follows:

	2024	2023	2022
	AED'000	AED'000	AED'000
At 1 January	**262,676**	236,937	164,334
Addition through business combination (Note 23)	**-**	-	68,596
	262,676	236,937	232,930
Current service cost	**52,139**	38,600	25,958
Finance cost	**4,584**	3,865	3,005
Total amount recognised in profit or loss	**56,723**	42,465	28,963
Remeasurement loss / (gain) :			
Gain from changes in demographic assumptions	**15,702**	-	-
Gain from changes in financial assumptions	**(4,994)**	-	-
Loss from changes in experience adjustments	**8,793**	6,394	(2,290)
Total amount recognised in other comprehensive income	**19,501**	6,394	(2,290)
Payments made during the year	**(29,061)**	(23,120)	(22,667)
At 31 December	**309,839**	262,676	236,936

In accordance with the provisions of IAS 19 *Employee Benefits*, management has carried out an exercise to assess the present value of its obligations of the Group as at 31 December 2024, 2023 and 2022 using the projected unit credit method, in respect of employees' end-of-service benefits payable under the Labour Laws of United Arab Emirates and Kingdom of Saudi Arabia.

Key assumptions include the discount rate, salary increase rate and mortality rates, these assumptions are summarised below:

	2024	2023	2022
Discount rate	**5.75%**	5.75%	5.75%
Salary inflation	**2 - 5%**	1 - 5%	1 - 5%
Mortality, disability and attrition rates	**6.4 - 15%**	1 - 6%	1 - 6%
Mortality rates basis	**AM92**	AM92	AM92

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

18. Provision for employees' end-of-service benefits (continued)

The possible changes at the reporting date to one of the principal assumptions (as mentioned in the previous page), holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Assumption and change	**Effect on provision**		
	2024	2023	2022
	AED'000	AED'000	AED'000
Discount rate: Increase by 0.5%	**(8,592)**	(3,386)	(124)
Discount rate: Decrease by 0.5%	**9,119**	3,650	142
Salary increase rate: Increase by 1%	**19,017**	7,728	284
Salary increase rate: Decrease by 1%	**(17,167)**	(6,751)	(217)
Mortality, disability and attrition rates: Increase by 2%	**5,092**	6,400	-
Mortality, disability and attrition rates: Decrease by 2%	**(6,234)**	(5,768)	-

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the statement of financial position.

The weighted average duration of the unfunded scheme is 7 years (2023: 10 years, 2022 16 years).

The Group's expected charge in 2025 is expected to amount to AED 58,236 thousand (2023: AED 53,758 thousand, 2022: AED 42,465 thousand).

19. Contract and other payables

	2024	2023	2022
	AED'000	AED'000	AED'000
Contract payables	**799,492**	827,963	635,771
Advances from customers	**1,120,743**	809,402	393,664
Due to related parties (Note 9)	**25,741**	2,125	5,674
Retention payables	**406,659**	511,372	456,402
Accruals	**1,977,809**	1,523,364	685,079
Other payables	**36,043**	32,014	34,469
	4,366,487	3,706,240	2,211,059

The average credit period on purchase of goods and services is 90 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

19. Contract and other payables (continued)

Retention payables

	2024 AED'000	2023 AED'000	2022 AED'000
Current portion	**406,659**	511,372	456,402
Non-current portion, net of fair value adjustment	**98,527**	27,015	113,625
	505,186	538,387	570,027
Related parties (Note 9)	**63**	114	508
Third parties	**505,123**	538,273	569,519
	505,186	538,387	570,027

Gross amounts due to customers on construction contracts

	2024 AED'000	2023 AED'000	2022 AED'000
Gross amounts due to customers on construction	**309,915**	176,160	46,511
Add: Acquired through business combination (Note 23)	**-**	-	134,404
	309,915	176,160	180,915

The above balance includes gross amounts due from customers on construction contracts arising from contracts with affiliated entities, amounting to AED 10,302 thousand (2023: AED 1,020 thousand, 2022: AED 929 thousand) (Note 9).

Significant changes in the gross amounts due to customers and gross amounts due from customers on construction contracts balance during the year are as follows:

	2024 AED'000	2023 AED'000	**Variance AED'000**
Gross amounts due from customers on construction contracts, before ECL (Note 12)	**2,295,306**	2,493,572	**(198,266)**
Gross amounts due to customers on construction contracts	**(309,915)**	(176,160)	**(133,755)**
	1,985,391	2,317,412	**(332,021)**

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

19. Contract and other payables (continued)

Gross amounts due to customers on construction contracts (continued)

Significant changes are as follows:

	Variance AED'000
Conversion to contract receivables	**(8,370,054)**
Revenue recognition (Note 25)	**8,038,033**
	(332,021)

	2023 AED'000	2022 AED'000	Variance AED'000
Gross amounts due from customers on construction contracts, before ECL (Note 12)	2,493,572	1,369,144	1,124,428
Gross amounts due to customers on construction contracts	(176,160)	(180,915)	4,755
	2,317,412	1,188,229	1,129,183

Significant changes are as follows:

	Variance AED'000
Conversion to contract receivables	(4,942,792)
Revenue recognition (Note 25)	6,071,975
	1,129,183

Advances from customers

	2024 AED'000	2023 AED'000	2022 AED'000
Current portion	**1,120,743**	809,402	393,664
Non-current portion	**595,476**	367,139	183,348
	1,716,219	1,176,541	577,012
Related parties (Note 9)	**39,341**	37,086	34,352
Third parties	**1,676,878**	1,139,455	542,660
	1,716,219	1,176,541	577,012

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

20. Profit for the year

	2024 **AED'000**	2023 AED'000	2022 AED'000
Profit for the year has been arrived at after charging			
Depreciation of property, plant, and equipment and amortization of right-of-use assets (Note 6)	**145,482**	96,459	51,291
Amortization of intangible assets (Note 7)	**13,513**	11,705	3,458
Staff costs including provision for end-of-service benefits	**1,922,421**	1,306,125	794,769
Gain on disposal of property, plant, and equipment, including the gain arising from lease cancellation	**(2,714)**	(2,786)	(2,342)
Loss on disposal of intangible assets	**-**	125	-
Net movement in loss allowance:			
Due from related parties (Note 9)	**(1,128)**	(942)	(1,203)
Contract and other receivables (Note 10)	**(4,286)**	19,764	708
Retention receivables (Note 11)	**(3,315)**	(5,099)	639
Gross amounts due from customers on construction contracts (Note 12)	**29,551**	(1,114)	(1,417)
Cash and bank balances (Note 24)	**49**	(25)	28

21. Finance costs

	2024 **AED'000**	2023 AED'000	2022 AED'000
Finance costs related to lease liabilities (Note 22)	**7,580**	3,520	3,470
Finance costs related to bank borrowings (Note 28)	**69,407**	74,323	8,520
Finance cost related to provision for employees' end of service benefit (Note 18)	**4,584**	3,865	3,005
Fair value adjustment of non-current retention receivables and retention payables - net	**18,807**	-	-
	100,378	81,708	14,995

22. Lease liabilities

	2024		2023	
	Minimum lease payment	**Present value of minimum lease payments**	Minimum lease payment	Present value of minimum lease payments
	AED'000	**AED'000**	AED'000	AED'000
Less than 1 year	**36,544**	**27,501**	16,325	11,323
Later than 1 year and not later than 5 years	**102,929**	**81,072**	55,054	39,920
Later than 5 years	**102,197**	**67,300**	80,857	51,957
	241,670	**175,873**	152,236	103,200
Less: future finance charges	**(65,797)**	**-**	(49,036)	-
Present value of minimum lease payments	**175,873**	**175,873**	103,200	103,200

	2022	
	Minimum lease payment	Present value of minimum lease payments
	AED'000	AED'000
Less than 1 year	11,834	7,987
Later than 1 year and not later than 5 years	30,342	16,548
Later than 5 years	85,308	53,742
	127,484	78,277
Less: future finance charges	(49,207)	-
Present value of minimum lease payments	78,277	78,277

The lease liabilities under financing lease agreements are repayable in around 60 to 62 installments due from May 2016 with final installments due in July 2055 which bear interest rate implicit on the lease ranging from 4.75% to 8.19% per annum.

The remaining lease liability related to the application of IFRS 16 has been calculated applying discount rates ranging from 5% to 8% per annum, with expiry dates between 2025 and 2055.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

22. Lease liabilities (continued)

Lease liabilities is repayable as follows:

	2024 AED'000	2023 AED'000	2022 AED'000
Current portion	**27,501**	11,323	7,987
Non-current portion	**148,372**	91,877	70,290
	175,873	103,200	78,277

Lease liabilities related to machinery and equipment are secured by a mortgage over the financed machinery and equipment with a total cost of AED 111,662 thousand (2023: AED 62,204 thousand, 2022: AED 56,055 thousand) (Note 6).

Asset retirement obligation of AED 2,656 thousand (2023 and 2022: AED 2,656 thousand) pertains to the present value of the estimated costs of demolition of the labor camp and restoring the land, which is leased by the Group, to its original condition. This is a contractual obligation of the lessee as stipulated in the lease agreement.

Movement in lease liabilities are as follows:

	2024 AED'000	2023 AED'000	2022 AED'000
At 1 January	**103,200**	78,277	63,468
Acquired through business combination (Note 23)	**-**	-	21,274
Additions during the year (Note 6)	**105,161**	35,999	4,524
Less: Payments made during the year	**(27,724)**	(14,596)	(16,310)
Less: Finance costs related to lease liabilities (Notes 6 and 21)	**7,580**	3,520	3,470
Reversal related to lease cancellation	**(12,344)**	-	1,851
	175,873	103,200	78,277

23. Goodwill

	2024 AED'000	2023 AED'000	2022 AED'000
AJI Heavy Equipment Rental LLC	**15,835**	15,835	15,835
Target Engineering Construction Company LLC	**7,220**	7,220	7,220
	23,055	23,055	23,055

The Group tests goodwill annually for impairment, or more frequently if there are indicators that goodwill might be impaired. No impairment loss has been recognized in 2024 (2023 and 2022: AED Nil).

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

23. Goodwill (continued)

Acquisition of Target Engineering Construction Company LLC and its subsidiaries

On 14 June 2022, ALEC Engineering and Contracting LLC entered into share purchase agreement to acquire 100% of the controlling interest in Target Engineering Construction Company LLC and its subsidiaries, thereby obtaining control over the Company effective 30 September 2022 and qualifying as a business as defined in IFRS 3 *Business Combinations*. Target Engineering Construction Company LLC and its subsidiaries was acquired to provide revenue diversification to the Group, as Target is primarily an Oil and Gas EPC Contractor offering complete end-to-end solutions in the fields of Mechanical Oil and Gas, Electrical, Power and Instrumentation, and a full range of coastal and shallow water marine works, in addition to Oil and Gas heavy civil engineering.

(a) The amounts recognised in respect of the fair value of identifiable assets acquired and liabilities assumed as at 30 September 2022 are as set out in the table below:

	AED'000
Non-current assets	
Property, plant and equipment *	222,189
Right-of-use assets	19,161
Retention receivables - non-current	126,706
Total non-current assets	**368,056**
Current assets	
Inventories	33,864
Due from related parties	13,200
Contract and other receivables	647,677
Gross amounts due from customers on construction contracts	546,192
Other financial assets	29,289
Other current assets	41,878
Cash and cash equivalents	20,362
Total current assets	**1,332,462**
Total assets	**1,700,518**

23. Goodwill (continued)

Acquisition of Target Engineering Construction Company LLC and its subsidiaries (continued)

(a) The amounts recognised in respect of the fair value of identifiable assets acquired and liabilities assumed as at 30 September 2022 are as set out in the table below (continued):

	AED'000
Non-current liabilities	
Contract liabilities - Advances to suppliers and subcontractors	69,697
Provision for employees' end of service benefits	68,596
Lease liabilities - non-current	19,971
Total non-current liabilities	**158,264**
Current liabilities	
Contract and other payables	680,496
Contract liabilities - gross amounts due to customers on construction contracts	134,404
Contract liabilities - Advances to suppliers and subcontractors	39,395
Borrowings - current	383,803
Lease liabilities - current	1,303
Due to related parties	1,526
Loans due to a related party	50,447
Total current liabilities	**1,291,374**
Total liabilities	**1,449,638**
Total identifiable assets acquired, and liabilities assumed	**250,882**

* Property, plant and equipment was adjusted to include a fair value adjustment of AED 54,234 thousand.

(b) Intangible assets arising on acquisition:

	AED'000
Trade name	49,600
License	7,000
Customer contracts	58,300
Total intangible assets arising on acquisition (Note 7)	114,900

23. Goodwill (continued)

(c) Goodwill arising on acquisition:

	AED'000
Total consideration paid	373,000
Less: Total identifiable assets acquired and liabilities assumed (a)	(250,880)
Less: Intangible assets acquired at business combination (b)	(114,900)
Goodwill arising on acquisition	7,220

(d) Net cash outflow on acquisition:

	AED'000
Total consideration paid	373,000
Less: cash and cash equivalents acquired (a)	(20,362)
Cash consideration paid for the acquisition of a subsidiary - net of cash and cash equivalents acquired	352,638

Target Engineering Construction Company LLC and its subsidiaries contributed revenue of AED 456,277 and AED 12,000 thousand to the Group's results of operations for the period between the date of acquisition and the reporting date of 31 December 2022. If the acquisition of Target Engineering Construction Company LLC and its subsidiaries had been completed on the first day of the financial year, total revenues of the Group for the year would have been AED 1,404,813 thousand and Group profit would have been AED 13,411 thousand for the year ended 31 December 2022.

24. Cash and bank balances

	2024	2023	2022
	AED'000	AED'000	AED'000
Cash at bank and on hand	**1,254,377**	897,126	983,521
Less: Expected credit losses	**(133)**	(84)	(109)
Cash and bank balances	**1,254,244**	897,042	983,412
Less: Margin deposits - under lien	**(89,554)**	(35,137)	(45,747)
Cash and cash equivalents	**1,164,690**	861,905	937,665

The above balance includes cash held with an exchange house, amounting to AED 27,928 thousand (2023: AED 15,177 thousand, 2022: AED 15,098 thousand).

Included in bank balances is an amount of AED 292,026 thousand (2023: AED 221,353 thousand, 2022: AED 505,661 thousand) held with three banks which are related parties to the Group (see Note 9). These transactions with the related parties are at arm's length and in the ordinary course of the business.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

24. Cash and bank balances (continued)

Balances with banks are assessed to have low credit risk of default since these banks are regulated by the central banks of the respective countries. Accordingly, the management of the Group measures the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. The management of the Group have assessed the impairment on cash and bank balances to be AED 133 thousand (2023: AED 84 thousand, 2022: AED 109 thousand), based on historical default experience and the current credit ratings of the banks.

25. Contract revenue

The Group derives its revenue from contracts with customers for the transfer of goods and services and income derived from leasing of machinery and equipment, which is recognised over time. Also, the Group generates revenue from sale of goods which is recognised at a point in time. Details of revenue are as follows:

	2024 AED'000	2023 AED'000	2022 AED'000
Construction revenue	**8,038,033**	6,071,975	3,565,521
Sales of services		-	23,411
Lease income	**36,423**	19,521	9,520
Sale of goods	**26,629**	183,623	458
	8,101,085	6,275,119	3,598,910

Construction revenue includes revenue recognised for contracts with related parties amounting to AED 82,114 thousand (2023: AED 1,032,374 thousand, 2022: AED 1,063,875 thousand) (Note 9).

The transaction price allocated to (partially) unsatisfied performance obligations at 31 December 2024,2023 and 2022, which will be recognized over time are as set out below.

	2024 AED'000	2023 AED'000	2022 AED'000
Transaction price allocated to (partially) unsatisfied performance obligations	**27,526,771**	22,133,656	8,608,084

Management expects that 39% of the transaction price allocated to partially unsatisfied contracts as of 31 December 2024 will be recognised as revenue during 2025 amounting to AED 10,764 million. The remaining transaction price will be recognised from 2026 till 2028.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

26. Income taxes

Income tax expense for the period relates to current tax on profit relating to the Group's operations in United Arab Emirates, Kingdom of Saudi Arabia, Egypt and Ethiopia. The tax rates in these jurisdictions are United Arab Emirates (9%), Kingdom of Saudi Arabia (Zakat of 2.5% and Income Tax of 20%), Egypt (30%) and Ethiopia (30%).

The Group also have a small presence in the Sultanate of Oman, State of Qatar, United Kingdom and Italy. The tax rates in these jurisdictions are Sultanate of Oman (15%), State of Qatar (10%), United Kingdom (25%) and Italy (24%).

The income tax expense for the year can be reconciled to the accounting profit as follows:

	2024 AED'000	2023 AED'000	2022 AED'000
Profit before tax	**386,416**	243,416	188,971
Less: Profit before tax on non-taxable jurisdictions	**-**	(224,283)	(195,844)
Profit / (loss) before tax on taxable jurisdictions	**386,416**	19,133	(6,873)
Tax at the corporate tax rate in United Arab Emirates	**9%**	-	-
Income tax expense on profit relating to the Group's operations taxable jurisdictions	**34,777**	-	-
Adjustment:			
Tax effect of share of results of a joint venture	**(146)**	-	-
Tax effect of expenses that are not deductible in determining taxable profit	**289**	-	-
Tax effect of income not taxable in determining taxable profit	**(585)**	-	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	**(10,827)**	5,091	3,230
Income tax expense for the year recognised in profit or loss	**23,508**	5,091	3,230
Current tax liability recognised in the consolidated statement of financial position	**23,465**	5,284	1,262

The Group's current tax liability as of the end of the reporting period relates to the same income tax above.

26. Income taxes (continued)

The Group has provided for income tax based on the estimated profit margins on revenue earned from projects in Kingdom of Saudi Arabia and United Arab Emirates based on relevant tax laws. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date and pending assessment from the tax authorities in the respective jurisdictions. There is a probability that the tax departments in each of the jurisdictions may assess tax at higher/lower profit margins or tax rates which may give rise to additional/lower tax liabilities.

Pillar Two Tax

As at 31 December 2024, the United Arab Emirates has not (substantively) enacted Pillar Two legislation. However, Pillar Two legislation has been substantively enacted in certain jurisdictions where the Group operates (i.e., the United Kingdom and Italy).

The Group is in scope of Pillar Two (based on the revenue threshold of EUR 750m and operations in multiple jurisdictions) and it is in process of assessing the Group's potential exposure to Pillar Two income taxes.

The assessment carried out so far is based on the most recent country-by-country reporting and financial statements of the constituent entities of the Group. Based on the assessment, the transitional safe harbour relief should apply in all the jurisdictions, except the United Arab Emirates. Therefore, a potential exposure has been identified in relation to the profits earned in the United Arab Emirates, where currently the effective tax rate is approximately 6.08% .

However, based on the assessment performed to date, the Group has identified that the Pillar Two income taxes impact should be limited and not material during financial year 2024, given that the Pillar Two legislation has been substantively enacted only in two jurisdictions where the Group operates and given the mechanisms of the Pillar Two rules (this is assuming that during the financial year 2024 there will not be material changes to the financials of the Group). However, it is expected that the tax exposure will increase in the subsequent financial years and the profits earned in the United Arab Emirates (which represents all profits before income tax of the Group) will be subject to an effective tax rate of 15% (while in financial year 2024, the effective tax rate should be around 9% in the United Arab Emirates).

The amendments to IAS 12 introduce a temporary mandatory relief from accounting for deferred tax that arises from legislation implementing Pillar Two. The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

27. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

27. Earnings per share (continued)

	2024 AED'000	2023 AED'000	2022 AED'000
Profit attributable Owners of the Company	**362,418**	236,249	184,541
Number of ordinary shares	**50**	50	50
Basic and diluted earnings per share	**7.25**	4.72	3.69

28. Borrowings

	2024 AED'000	2023 AED'000	2022 AED'000
Term loans	**445,984**	648,284	503,323
Trust receipts	**67,983**	35,386	133,615
Bank overdraft	**171,266**	173,857	131,020
Acceptances	**143,522**	77,450	57,869
	828,755	934,977	825,827

Bank borrowings are classified and presented in the consolidated statement of financial position as follows:

	2024 AED'000	2023 AED'000	2022 AED'000
Within one year	**524,978**	552,716	414,367
More than one year	**303,777**	382,261	411,460
	828,755	934,977	825,827

Term loans

The Group has the following outstanding term loans:

a) An unsecured loan originally amounting to AED 450,000 thousand is subject to interest equal to 1.25% per annum plus 3 months EIBOR and is repayable in equal quarterly instalments of AED 12,500 thousand each. As at 31 December 2024, outstanding balance of the loan amounted to AED 350,000 thousand (2023: AED 400,000 thousand, 2022: AED 450,000).

b) The loan in one of the subsidiaries of the Group as at 31 December 2024 is AED 3,018 thousand (2023: AED 4,762 thousand, 2022: AED 4,258 thousand) and is subject to interest equal to 3.5% per annum plus 1-month EIBOR with a minimum rate of 6% per annum. The proceeds of the loan were used to purchase items of machinery and equipment. The loan is payable in 60 equal monthly instalments.

28. Borrowings (continued)

Term loans (continued)

c) One of the subsidiaries of the Group has entered into a loan agreement with a bank for a total loan of 24,400 thousand subject to interest equal to 2.35% per annum plus 3 months EIBOR. Out of the total loan value, as at 31 December 2024, total drawdown amounted to AED 12,365 thousand (2023: AED 12,365 thousand, 2022: AED 10,613 thousand). The proceeds of the loan were used to finance capital expenditure related to the setting up of the factory. The loan is repayable in 36 equal monthly instalments. As at 31 December 2024, outstanding balance of the loan amounted to AED 6,195 thousand (2023: AED 10,325 thousand, 2022: AED 10,613 thousand). The loan is secured by a limited corporate guarantee from ALEC Engineering and Contracting LLC amounting to AED 50,400 thousand.

d) One of the subsidiaries of the Group has obtained term loans amounting to AED 104,075 thousand (2023: AED 477,322 thousand, 2022: AED 44,452 thousand). The first loan was secured (against Payment Certificate Discounting) for various projects and is subject to interest equal to 3.25 % per annum plus 3 months EIBOR and is repayable within 90 Days of the issuance date from the proceeds of the respective projects. The second loan has been secured for the purchase of equipment and machinery, subject to interest equal to 2.75 % per annum plus 1 months EIBOR for a period of 3 years. As at 31 December 2024, the outstanding balance of both loans is AED 86,771 thousand (2023: AED 256,996 thousand, 2022: AED 38,452 thousand).

Trust receipt assets

Trust receipts are obtained from commercial banks, repayable in 180 days and subject to interest at 5.62% to 9.76% per annum.

Bank overdrafts

Bank overdrafts represent funds received against discounting of the bills receivable. Bank overdrafts are in UAE dirhams and are repayable on demand which is secured by the certified receivables of one subsidiary. Bank overdrafts are arranged at floating rates which are linked to the prevailing market rates.

Acceptances

Acceptances are subject to commission charges and are obtained mainly from local commercial banks. The repayment of these acceptances is generally within 3 to 6 months. The rate of interest ranged from 4.5% to 6% per annum (2023: 6.5% to 9% per annum, 2022: 6.5% to 8% per annum).

Covenants

One of the Group's subsidiaries is required to comply with certain covenants in respect of its bank loans. The subsidiary has not been able to comply with certain covenants at the year end. Management, based on their ongoing relationship with the banks, is confident that this will not have any significant implications on the facilities provided by the banks. Accordingly, the balance amounting to AED 34,830 thousand has been presented as current liability.

There are no restrictive financial covenants against the other facilities above.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

28. Borrowings (continued)

Reconciliation of liabilities arising from financing activities:

	2024	2023	2022
	AED'000	AED'000	AED'000
Balance at 1 January	**934,977**	825,827	15,179
Acquired through business combination	**-**	-	383,803
Proceeds from bank borrowings	**2,066,200**	1,234,910	514,205
Repayments of bank borrowings	**(2,241,829)**	(1,200,083)	(95,880)
Finance costs paid (Note 21)	**69,407**	74,323	8,520
Balance at 31 December	**828,755**	934,977	825,827

One of the Group's borrowings are with a related party financial institution with a total balance of AED 575,925 thousand (2023: AED 520,262 thousand, 2022: 520,262 thousand) (Note 9).

29. Contingent liabilities and commitments

	2024	2023	2022
	AED'000	AED'000	AED'000
Bank guarantees	**7,601,106**	4,993,941	3,543,830
Letters of credit	**792,006**	401,011	283,489

The above bank guarantees and letters of credit were issued in the normal course of business and includes contingent liabilities incurred by the Group arising from its interest in joint venture amounting to AED 6,024 thousand (2023: AED 6,024 thousand, 2022: AED 6,024 thousand).

At 31 December 2024, the Group is committed to AED 15,128 thousand (2023: AED 14,552 thousand, 2022: AED 10,697) in respect of short-term rental of the yard and staff accommodation.

30. Joint operations

Details of the Group's material joint operations are as follows:

Name of joint operation	Principal activities	Principal place of business	Share in ownership 2024	2023	2022
Qatar International Trading/IMAR Trading & Contracting Joint Venture and Al Jaber L.E.G.T. Engineering (ALEC Qatar) W.L.L. (QIT/IMAR - ALEC JV)	Carrying out general contracting activities including interior design and related mechanical works	State of Qatar	**50%**	50%	50%
Gulf Contracting Company W.L.L. & ALEC L.E.G.T. Contracting W.L.L. (GCC - ALEC JV)	Execution of the Doha Festival City Package 3250	State of Qatar	**50%**	50%	50%
IMAR & Al Jaber Trading & Contracting Company Co. (IMAR - ALEC JV)	General contracting and trading in decoration accessories	State of Qatar	**50%**	50%	50%
Saudi Constructioneers Ltd. and ALEC Saudi Arabia Engineering and Contracting LLC (SAUDICO - ALEC JV)	Construction activities	Kingdom of Saudi Arabia	**50%**	50%	50%
El Seif Engineering Contracting Company Ltd and ALEC Saudi Arabia Engineering and Contracting – Qiddiyah Water Park (EL SEIF - ALEC JV - QWP)	Construction activities	Kingdom of Saudi Arabia	**50%**	50%	50%
El Seif Engineering Contracting Company Ltd and ALEC Saudi Arabia Engineering and Contracting – Qiddiyah Speed Park (EL SEIF - ALEC JV – QSP) (New)	Engineering, procurement and construction of waste to energy plant	United Arab Emirates	**50%**	-	-
ALEC Engineering and Contracting LLC and BUTEC s.a.l. (Dubai Branch (ALEC-BUTEC JV) (New)	Engineering, procurement and construction of waste to energy plant	United Arab Emirates	**50%**	-	-

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

30. Joint operations (continued)

The following represents the share of the Group over the assets, liabilities, equity, revenue, and profit/(loss) of the joint operations that are consolidated in these consolidated financial statements:

31 December 2024	**Assets AED'000**	**Liabilities AED'000**	**Equity AED'000**	**Revenue AED'000**	**Profit/(loss) AED'000**
QIT/IMAR - ALEC JV	**-**	**104**	**(104)**	**-**	**(26)**
GCC - ALEC JV	**636**	**-**	**636**	**-**	**-**
IMAR - ALEC JV	**1,160**	**304**	**856**	**-**	**(29)**
SAUDICO - ALEC JV	**46,442**	**40,207**	**6,235**	**36,890**	**9,030**
EL SEIF - ALEC JV - QWP	**276,574**	**205,914**	**70,660**	**505,521**	**34,117**
EL SEIF - ALEC JV - QSP	**583,322**	**519,792**	**63,530**	**622,098**	**63,530**
ALEC - BUTEC JV	**39,612**	**37,265**	**2,347**	**20,403**	**2,347**
	947,746	**803,586**	**144,160**	**1,184,912**	**108,969**

31 December 2023	Assets AED'000	Liabilities AED'000	Equity AED'000	Revenue AED'000	Profit/(loss) AED'000
QIT/IMAR - ALEC JV	-	78	(78)	-	(32)
GCC - ALEC JV	636	-	636	-	(1)
IMAR - ALEC JV	1,160	275	885	-	(131)
SAUDICO - ALEC JV	14,836	3,691	11,145	7,356	(97)
EL SEIF - ALEC JV (QWP)	246,289	209,291	36,998	413,529	24,881
	262,921	213,335	49,586	420,885	24,620

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

30. Joint operations (continued)

31 December 2022	Assets AED'000	Liabilities AED'000	Equity AED'000	Revenue AED'000	Profit/(loss) AED'000
QIT/IMAR - ALEC JV	-	47	(47)	-	-
GCC - ALEC JV	637	-	637	-	486
IMAR - ALEC JV	1,422	406	1,016	-	2,345
SAUDICO - ALEC JV	19,497	9,120	10,377	54,735	(3,761)
EL SEIF - ALEC JV (QWP)	179,670	162,660	17,010	174,953	17,010
	201,226	172,233	28,993	229,688	16,080

31. Financial instruments

31.1 Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return on equity. The Group does not have a formalised optimal target capital structure or target ratios in connection with its capital risk management objective. The Group's overall strategy remains unchanged from 2023 and 2022.

31.2 Financial risk management objectives

The Group is exposed to the following risks related to financial instruments - credit risk, liquidity risk and foreign currency risk. The Group does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes.

Categories of financial instruments

Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the consolidated financial statements approximate their fair values.

	2024 AED'000	2023 AED'000	2022 AED'000
Financial assets			
At amortised cost	**3,563,576**	2,629,852	2,282,658
Financial liabilities			
At amortised cost	**4,351,555**	3,964,686	2,837,782

31. Financial instruments (continued)

31.3 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and arises principally from the Group's contract and other receivables and bank balances. The Group has adopted a policy of only dealing with creditworthy counterparties, however, significant revenue is generated by dealing with entities related to the Ultimate Parent Company, for whom the credit risk is assessed to be low. The Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific non-related counterparties, and continually assessing the creditworthiness of such non-related counterparties.

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries.

Concentration of credit risk arise when a number of counterparties 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. All balances with banks represent local commercial banks.

The amount that best represents maximum credit risk exposure on financial assets at the end of the reporting period, in the event counterparties fail to perform their obligations generally approximates their carrying value. Contract and other receivables and balances with banks are not secured by any collateral.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2024, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from:

- the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position; and
- the Group's current credit risk grading framework comprises the following categories:

Category	**Description**	**Basis for recognising expected credit losses**
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12-month ECL
Doubtful	Amount is >90 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
In default	Amount is >365 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

31. Financial instruments (continued)

31.3 Credit risk (continued)

The tables below detail the credit quality of the Group's financial assets and contract assets, as well as the Group's maximum exposure to credit risk by credit risk rating grades:

31 December 2024	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				AED'000	AED'000	AED'000
Contract receivables	N/A	Note (i)	Lifetime ECL (simplified approach)	1,251,727	(70,585)	1,181,142
Due from related parties	N/A	Note (i)	Lifetime ECL (not credit impaired)	122,060	(10,307)	111,753
Gross amounts due from customers on construction contracts	N/A	Note (i)	Lifetime ECL (simplified approach)	2,295,306	(41,220)	2,254,086
Bank and cash	N/A	Performing	12-month ECL	1,254,377	(133)	1,254,244
Retention receivables	N/A	Note (i)	Lifetime ECL (simplified approach)	994,321	(13,496)	980,825
Other receivables	N/A	Note (i)	Lifetime ECL (simplified approach)	35,612	-	35,612
				5,953,403	(135,741)	5,817,662

31 December 2023	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				AED'000	AED'000	AED'000
Contract receivables	N/A	Note (i)	Lifetime ECL (simplified approach)	876,637	(74,871)	801,766
Due from related parties	N/A	Note (i)	Lifetime ECL (not credit impaired)	165,632	(11,435)	154,197
Gross amounts due from customers on construction contracts	N/A	Note (i)	Lifetime ECL (simplified approach)	2,493,572	(11,669)	2,481,903
Bank and cash	N/A	Performing	12-month ECL	897,126	(84)	897,042
Retention receivables	N/A	Note (i)	Lifetime ECL (simplified approach)	766,649	(16,811)	749,838
Other receivables	N/A	Note (i)	Lifetime ECL (simplified approach)	27,009	-	27,009
				5,226,625	(114,870)	5,111,755

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

31. Financial instruments (continued)

31.3 Credit risk (continued)

31 December 2022	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				AED'000	AED'000	AED'000
Contract receivables	N/A	Note (i)	Lifetime ECL (simplified approach)	502,683	(58,456)	444,227
Due from related parties	N/A	Note (i)	Lifetime ECL (not credit impaired)	213,824	(12,377)	201,447
Gross amounts due from customers on construction contracts	N/A	Note (i)	Lifetime ECL (simplified approach)	1,369,144	(12,783)	1,356,361
Bank and cash	N/A	Performing	12-month ECL	983,521	(109)	983,412
Retention receivables	N/A	Note (i)	Lifetime ECL (simplified approach)	629,244	(22,814)	606,430
Other receivables	N/A	Note (i)	Lifetime ECL (simplified approach)	47,142	-	47,142
				3,745,558	(106,549)	3,639,019

Note (i) For contract receivables, retention receivables due from related parties, and contract assets, 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 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.

31.4 Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its funding requirements. The responsibility of liquidity risk rests with the shareholders, who have built an appropriate liquidity risk management framework for the management of the Group's short-, medium- and long-term funding and liquidity management requirements. The maturity profile of trade and other payables is monitored by management to ensure adequate liquidity is maintained.

Notes to the consolidated financial statements for the year ended 31 December 2024 (continued)

31. Financial instruments (continued)

31.4 Liquidity risk (continued)

The contractual maturities of the financial instruments, determined on the basis of the remaining period at the end of the reporting period to the contractual maturity date, are as follows:

	Current Less than 1 year AED'000	Non-current Greater than 1 year AED'000
At 31 December 2024		
Contract and other payables (excluding current portion of retention payables and advances from customers)	**2,839,085**	**-**
Retention payables	**406,659**	**98,527**
Borrowings (fixed interest-bearing instruments)	**524,978**	**303,777**
Lease liabilities (fixed interest-bearing instruments)	**27,501**	**148,372**
Asset retirement obligation	**-**	**2,656**
	3,798,223	**553,332**
At 31 December 2023		
Contract and other payables (excluding current portion of retention payables and advances from customers)	2,385,466	-
Retention payables	511,372	27,015
Borrowings (fixed interest-bearing instruments)	552,716	382,261
Lease liabilities (fixed interest-bearing instruments)	11,323	91,877
Asset retirement obligation	-	2,656
	3,460,877	503,809
At 31 December 2022		
Contract and other payables (excluding current portion of retention payables and advances from customers)	1,360,993	-
Retention payables	456,402	113,625
Borrowings (fixed interest-bearing instruments)	414,367	411,460
Lease liabilities (fixed interest-bearing instruments)	7,987	70,290
Asset retirement obligation	-	2,656
	2,239,749	598,031

31.5 Foreign currency risk

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

At the reporting date, there are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in Arab Emirates Dirham. Other financial assets and financial liabilities are denominated in United States Dollars to which Arab Emirates Dirham is fixed and denominated in Qatari Rials, Omani Rials and Saudi Riyals to which these currencies are fixed with United States Dollars.

Notes to the consolidated financial statements
for the year ended 31 December 2024 (continued)

31. Financial instruments (continued)

31.5 Foreign currency risk (continued)

However, due to the incorporation of a branch in Ethiopia and a subsidiary in Egypt, the Group have exposure to exchange rate fluctuation on Great British Pound, Egyptian Pound and Ethiopian Birr.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	2024		2023	
	Assets	**Liabilities**	Assets	Liabilities
	AED'000	**AED'000**	AED'000	AED'000
Great British Pound	**59**	**1,672**	601	3,908
Egyptian Pound	**13**	**299**	3	9
Net current liabilities		**1,899**		3,313

	2022	
	Assets	Liabilities
	AED'000	AED'000
Ethiopian Birr	2,852	600
Great British Pound	83	2,527
Egyptian Pound	41	144
Net current liabilities		295

The following table details the Group's sensitivity to a 10% increase and decrease in Arab Emirates Dirham against the relevant foreign currencies.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the Arab Emirates Dirham strengthens 10% against the relevant currency. For a 10% weakening of the Arab Emirates Dirham against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

	2024	2023	2022
	AED'000	AED'000	AED'000
Impact to profit	190	331	29

31. Financial instruments (continued)

31.6 Price risk

The Group is exposed to commodity price risk for its purchases of contracting material which is managed by applying the same contract terms with the Group's customer to their subcontractors. Most of the materials used in construction are subcontracted by the Group.

31.7 Interest rate risk

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

The Group is exposed to interest rate risk on its interest-bearing assets and liabilities (bank deposits, bank overdrafts, acceptances, trust receipts and term loans). The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

As at 31 December 2024, if interest rates on borrowings had been 0.1% higher or lower with all other variables held constant, profit for the year would have been AED 828 thousand (2023: profit would have been AED 935 thousand, 2022: profit would have been AED 826 thousand) lower/higher, mainly as a result of higher/lower interest expense.

31.8 Fair value of financial instruments

Management considers that the fair values of the financial assets and financial liabilities approximate their carrying amounts as stated in the consolidated financial statements.

32. Approval of consolidated financial statements

The consolidated financial statements were approved by Board of Directors and authorised for issue on 14 February 2025.

ALEC Holdings LLC and its subsidiaries

Condensed consolidated interim financial information for the six-month period ended 30 June 2025 (Unaudited)

ALEC Holdings LLC and its subsidiaries

Table of contents	**Pages**

ALEC Holdings LLC and its subsidiaries

Report of the Directors
for the six-month period ended 30 June 2025

The Directors have the pleasure in submitting their report, together with the reviewed condensed consolidated interim financial information of the Group for the six-month period ended 30 June 2025.

Principal activities

The principal activities of the Group are engineering and construction contracting relating to installation, industrial process plants and infrastructure developments, earth and civil works, buildings, structural steelwork, mechanical, process piping, electrical and maintenance, shutdown, and turnaround activities in all types of process plants. In addition to the principal activities of the Group are general contracting works for civil, mechanical, electrical and marine, onshore and offshore industrial, oil and gas, commercial projects, scaffold installation works, building maintenance, investment and establishing and managing industrial projects.

Results and movement in retained earnings

Revenue for the six-month period ended 30 June 2025 is AED 5,362 million as compared to AED 3,436 million for the preceding period. Total comprehensive income attributable to Owners of the Company for the six-month period ended 30 June 2025 is AED 238 million compared to AED 129 million for the six-month period ended 30 June 2024.

Movement in retained earnings:

	Six-month period ended 30 June	
	2025	2024
	AED'000	AED'000
	(Unaudited)	*(Unaudited)*
Retained earnings at the beginning of the period	**913,066**	817,885
Total profit attributable to the Owners of the Company	**237,805**	128,459
Dividends declared / paid to shareholders (Note 7)	**(265,000)**	(242,537)
Acquisition of non-controlling interest in a subsidiary	**(13,539)**	**-**
Retained earnings at the end of the period	**872,332**	703,807

On behalf of the Board

…………………………
Director

……………………………..
Director

Deloitte.

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REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The Shareholder
ALEC Holdings LLC
Dubai
United Arab Emirates

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of **ALEC Holdings LLC** (the "Company") **and its subsidiaries** (the "Group") as of 30 June 2025, and the related condensed consolidated interim statement of profit or loss, condensed consolidated interim statement of comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the six-month period then ended, and material accounting policy information and explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34"). Our responsibility is to express a conclusion on this interim financial information 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 financial information has not been prepared, in all material respects, in accordance with IAS 34.

Deloitte & Touche (M.E.)

Cynthia Corby
Registration No.: 995
8 August 2025
Dubai
United Arab Emirates

Condensed consolidated interim statement of financial position as at 30 June 2025

	Notes	**30 June 2025 AED'000 *(Unaudited)***	31 December 2024 AED'000 *(Audited)*
ASSETS			
Non-current assets			
Property, plant and equipment	4	**1,114,915**	929,244
Intangible assets	5	**98,917**	104,075
Goodwill		**23,055**	23,055
Retention receivables	9	**276,000**	233,522
Advances to suppliers and subcontractors		**166,646**	49,062
Total non-current assets		**1,679,533**	1,338,958
Current assets			
Inventories	11	**84,043**	44,879
Contract and other receivables	8	**2,916,498**	2,800,118
Gross amounts due from customers on construction contracts	10	**3,124,607**	2,254,086
Prepayments		**66,871**	52,028
Cash and bank balances	20	**1,205,306**	1,254,244
Total current assets		**7,397,325**	6,405,355
Total assets		**9,076,858**	7,744,313

Condensed consolidated interim statement of financial position (continued)
as at 30 June 2025

	Notes	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
EQUITY AND LIABILITIES			
Equity			
Share capital	12	**50,000**	50,000
Restricted reserves	13	**92,977**	92,977
General reserve	14	**409**	409
Retained earnings		**872,332**	913,066
Foreign currency translation reserve		**(375)**	(420)
Remeasurement loss on employees' defined benefit obligations	15	**(23,602)**	(23,602)
Equity attributable to owners of the Company		**991,741**	1,032,430
Non-controlling interests		**52**	890
Total equity		**991,793**	1,033,320
Non-current liabilities			
Provision for employees' end-of-service benefits	16	**360,871**	309,839
Retention payables	17	**131,117**	98,527
Advances from customers	17	**1,417,718**	595,476
Borrowings	24	**275,000**	303,777
Lease liabilities	19	**215,837**	148,372
Long term provision		**7,099**	-
Asset retirement obligation	19	**2,656**	2,656
Total non-current liabilities		**2,410,298**	1,458,647
Current liabilities			
Contract and other payables	17	**5,098,613**	4,366,487
Gross amounts due to customers on construction contracts	25	**151,706**	309,915
Current tax liabilities	22	**43,651**	23,465
Borrowings	24	**332,324**	524,978
Lease liabilities	19	**48,473**	27,501
Total current liabilities		**5,674,767**	5,252,346
Total liabilities		**8,085,065**	6,710,993
Total equity and liabilities		**9,076,858**	7,744,313

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the condensed consolidated interim financial information presents fairly in all material respects the financial position, financial performance and cash flows of the Group.

……………………… ………………………

Director **Director**

The accompanying notes form an integral part of these condensed consolidated interim financial information.

Condensed consolidated interim statement of profit or loss
for the six-month period ended 30 June 2025

		Three-month period ended 30 June		Six-month period ended 30 June	
	Notes	**2025 AED'000 *(Unaudited)***	2024 AED'000 *(Unaudited)*	**2025 AED'000 *(Unaudited)***	2024 AED'000 *(Unaudited)*
Contract revenue	21	**2,894,939**	1,861,324	**5,362,334**	3,436,445
Contract costs		**(2,618,326)**	(1,631,911)	**(4,825,831)**	(3,080,635)
Gross profit		**276,613**	229,413	**536,503**	355,810
Administrative expenses		**(113,260)**	(99,093)	**(225,869)**	(168,415)
Share of results of joint ventures	6	**(12)**	(17,736)	**(19)**	(18,406)
Profit from operations		**163,341**	112,584	**310,615**	168,989
Impairment losses on financial assets and contract assets		**-**	(680)	**(1,296)**	(680)
Finance costs - net	18	**(31,457)**	(11,679)	**(53,766)**	(38,509)
Finance income		**5,640**	3,593	**8,624**	6,740
Other income - net		**566**	1,499	**2,474**	1,665
Profit before tax		**138,090**	105,317	**266,651**	138,205
Income tax expense	22	**(13,558)**	(4,998)	**(27,623)**	(8,948)
Profit for the period		**124,532**	100,319	**239,028**	129,257
Attributable to:					
Owners of the Company		**122,928**	98,988	**237,805**	128,459
Non-controlling interests		**1,604**	1,331	**1,223**	798
		124,532	100,319	**239,028**	129,257
Earnings per share					
Basic and diluted (AED)	23	**2,459**	1,980	**4,756**	2,569

The accompanying notes form an integral part of these condensed consolidated interim financial information.

Condensed consolidated interim statement of comprehensive income for the six-month period ended 30 June 2025

	Notes	Three-month period ended 30 June		Six-month period ended 30 June	
		2025	2024	**2025**	2024
		AED'000	AED'000	**AED'000**	AED'000
		(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Profit for the period		**124,532**	100,319	**239,028**	129,257
Other comprehensive income					
Item that may be reclassified subsequently to profit or loss					
Net change in foreign currency translation reserve		**(3)**	1	**45**	341
Total comprehensive income for the period		**124,529**	100,320	**239,073**	129,598
Attributable to:					
Owners of the Company		**122,925**	98,989	**237,850**	128,800
Non-controlling interests		**1,604**	1,331	**1,223**	798
		124,529	100,320	**239,073**	129,598

Condensed consolidated interim statement of changes in equity for the six-month period ended 30 June 2025

	Share capital AED'000	Restricted reserve AED'000	General reserve AED'000	Retained earnings AED'000	Foreign currency translation reserve AED'000	Remeasurement loss on employees' defined benefit obligations AED'000	Other equity AED'000	Equity attributable to owners of the Company AED'000	Non-controlling interests AED'000	Total AED'000
Balance at 1 January 2024 *(Audited)*	300	92,977	409	817,885	(731)	(4,101)	25,000	931,739	900	932,639
Profit for the period	-	-	-	128,459	-	-	-	128,459	798	129,257
Other comprehensive income for the period	-	-	-	-	341	-	-	341	-	341
Total comprehensive income for the period	-	-	-	128,459	341	-	-	128,800	798	129,598
Capital contribution of the non-controlling interest shareholder of a subsidiary	-	-	-	-	-	-	-	-	500	500
Dividends declared to shareholders (Note 7)	-	-	-	(242,537)	-	-	-	(242,537)	-	(242,537)
Balance at 30 June 2024 *(Unaudited)*	300	92,977	409	703,807	(390)	(4,101)	25,000	818,002	2,198	820,200
Balance at 1 January 2025 *(Audited)**	**50,000**	**92,977**	**409**	**913,066**	**(420)**	**(23,602)**	**-**	**1,032,430**	**890**	**1,033,320**
Profit / loss for the period	**-**	**-**	**-**	**237,805**	**-**	**-**	**-**	**237,805**	**1,223**	**239,028**
Other comprehensive income for the period	**-**	**-**	**-**	**-**	**45**	**-**	**-**	**45**	**-**	**45**
Total comprehensive income / (loss) for the period	**-**	**-**	**-**	**237,805**	**45**	**-**	**-**	**237,850**	**1,223**	**239,073**
Acquisition of non-controlling interest in a subsidiary (Note 1)	**-**	**-**	**-**	**(13,539)**	**-**	**-**	**-**	**(13,539)**	**(2,061)**	**(15,600)**
Dividends declared to shareholders (Note 7)	**-**	**-**	**-**	**(265,000)**	**-**	**-**	**-**	**(265,000)**	**-**	**(265,000)**
Balance at 30 June 2025 (Unaudited)	**50,000**	**92,977**	**409**	**872,332**	**(375)**	**(23,602)**	**-**	**991,741**	**52**	**991,793**

*Retained earnings has been restated as explained in Note 1 on page 10.

The accompanying notes form an integral part of these condensed consolidated interim financial information.

Condensed consolidated interim statement of cash flows for the six-month period ended 30 June 2025

	Notes	Six-month period ended 30 June 2025 AED'000 (Unaudited)	2024 AED'000 (Unaudited)
Operating activities			
Profit before tax		**266,651**	138,205
Adjustments for:			
Depreciation of property, plant and equipment and amortisation of right-of-use assets	4	**109,953**	62,939
Provision for employees' end-of-service benefits	16	**59,927**	28,860
Finance costs - net	18	**53,766**	38,509
Finance income		**(8,624)**	(6,740)
Amortization of intangible assets	5	**6,875**	5,745
Impairment loss on financial assets and contract assets		**1,296**	680
Gain on disposal of property, plant and equipment and gain arising from cancellation of lease		**(858)**	(1,140)
Share of results of joint ventures	6	**19**	18,406
Cash from operating activities before movements in working capital		**489,005**	285,464
Increase in inventories		**(39,164)**	(20,090)
Increase in contract and other receivables, including non-current retention receivables and advances to suppliers and subcontractors		**(283,029)**	(120,320)
(Increase) / decrease in gross amount due from customers on construction contracts		**(871,651)**	577,855
Increase in prepayments		**(14,843)**	(47,857)
Decrease / (increase) in margin deposits under lien	20	**46,980**	(7,288)
Increase in contract and other payables, including non-current portion of retention payables and advances from customer and long-term provisions		**1,506,546**	71,967
(Decrease) / increase in gross amounts due to customer on construction contracts		**(158,209)**	212,853
Cash generated from operations		**675,635**	952,584
Employees' end-of-service benefits paid	16	**(17,510)**	(8,512)
Income tax paid		**(7,437)**	(4,852)
Net cash generated from operating activities		**650,688**	939,220
Investing activities			
Payments for purchase of property, plant and equipment	4	**(166,721)**	(112,659)
Payments for purchase of intangible assets		**(1,717)**	-
Proceeds from disposal of property, plant and equipment		**838**	2,239
Finance income received		**8,624**	6,740
Payment for purchase of non-controlling interest in a subsidiary		**(10,000)**	-
Net cash used in investing activities		**(168,976)**	(103,680)

The accompanying notes form an integral part of these condensed consolidated interim financial information.

Condensed consolidated interim statement of cash flows (continued)
for the six-month period ended 30 June 2025

	Notes	Six-month period ended 30 June 2025 AED'000 (Unaudited)	2024 AED'000 (Unaudited)
Financing activities			
Proceeds from bank borrowings		**1,631,270**	527,806
Repayment of bank borrowings		**(1,852,701)**	(714,945)
Dividends paid to shareholder	7	**(180,000)**	(242,537)
Repayment of principal portion of lease liabilities	19	**(37,446)**	(8,837)
Finance costs paid	18	**(44,838)**	(38,509)
Capital contribution by non-controlling interest		**-**	500
Net cash used in financing activities		**(483,715)**	(476,522)
Net (decrease) / increase in cash and cash equivalents		**(2,003)**	359,018
Cash and cash equivalents at the beginning of the period	20	**1,164,823**	861,988
Less: Effect of foreign exchange rate changes		**45**	341
Cash and cash equivalents at the end of the period		**1,162,865**	1,221,347
Less: Expected credit loss allowance on cash and cash equivalents		**(133)**	(44)
Cash and cash equivalents at the end of the period, net of expected credit loss	20	**1,162,732**	1,221,303
Non-cash transactions:			
Purchase of property, plant and equipment relating to right-of-use asset with corresponding lease liability	4 and 19	**(140,355)**	(38,739)
Reallocation of share of loss in excess of investment in joint venture to due from related parties	6	**(19)**	(18,406)
Dividends declared to shareholders not yet paid	7	**(85,000)**	-
Contingent consideration on acquisition of non-controlling interest in a subsidiary	1	**(5,600)**	-
Cancellation and disposal of right of use asset with corresponding lease liability	4 and 19	**11,452**	-

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025

1. General information

ALEC Holdings LLC (the "Company") is a limited liability company - single owner operating in the United Arab Emirates under a trade licence issued in Dubai, United Arab Emirates on 3 March 2010. The Company also has operations in State of Qatar, Sultanate of Oman, Kingdom of Saudi Arabia, Ethiopia, United Kingdom, Italy, and Egypt through its subsidiaries, joint operations, joint ventures and branches.

By virtue of a Share Purchase Agreement dated 6 June 2024, Investment Corporation of Dubai acquired 100% shareholdings of ALEC Industries LLC from ALEC Engineering and Contracting LLC and Binaa Dubai LLC for a total consideration of AED 299 thousand and AED 1 thousand, respectively. On the same date, the Memorandum of Association of ALEC Industries LLC was amended and the name of the Company was changed from ALEC Industries LLC to ALEC Holdings LLC.

On 23 August 2024, the Memorandum of Association of ALEC Holdings LLC was amended for the increase in share capital of the Company from AED 300 thousand to AED 50,000 thousand.

The Company is now a wholly-owned subsidiary of Investment Corporation of Dubai (the "Immediate Parent Company"), which is ultimately owned by the Government of Dubai (the "Ultimate Parent Company").

The principal activities of the Group are engineering and construction contracting relating to installation, industrial process plants and infrastructure developments, earth and civil works, buildings, structural steelwork, mechanical, process piping, electrical and maintenance, shutdown, and turnaround activities in all types of process plants. In addition to the principal activities of the Group are general contracting works for civil, mechanical, electrical and marine, onshore and offshore industrial, oil and gas, commercial projects, scaffold installation works, building maintenance, investment and establishing and managing industrial projects.

Group reorganisation and business combinations under common control

By virtue of a Share Purchase Agreement dated 20 August 2024, the Company acquired 100% shareholding of ALEC Engineering and Contracting LLC from Binaa Dubai LLC and Manzil Investments LLC ("the Transaction") for a total consideration of AED 1,211,423 thousand and AED 242 thousand, respectively.

ALEC Engineering and Contracting LLC and the subsidiaries, joint operations and branches listed below and in Note 27 are now effectively owned by the Company.

As the reorganisation did not result in any change of economic substance and it involved transfer of entities under common control both before and after the transfer, it is not considered a business combination as defined in IFRS 3 *Business Combinations*.

At 31 December 2024, as part of its policy choice, management previously opted to apply the pooling of interest method with the net amount presented within 'Merger reserve'. As at 1 January 2025, the Group has changed this accounting policy and will recognize the net amount resulting from applying the pooling of interest method directly in retained earnings. This has been reflected in these condensed consolidated interim financial statements retrospectively as follows:

Retained earnings at 1 January 2025 have been restated as a result of the change in accounting policy to net off the merger reserve, previously known as other reserves, against Retained earnings. As such retained earnings at 1 January 2025 is restated from AED 937,766 thousand to AED 913,066 thousand.

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

1. General information (continued)

The condensed consolidated interim financial information includes the results of operations and financial position of the Company and its subsidiaries and branches (together referred as "the Group"). The principal activity, country of incorporation and operation and ownership interest of the Company in the subsidiaries and branches are set out below:

Name of subsidiary	Principal activity	Country of incorporation and operation	Proportion of ownership interest (%)		Proportion of beneficial interest (%)	
			2025	2024	**2025**	2024
ALEC Engineering and Contracting LLC - S.P.C.	Construction activities	United Arab Emirates	**100%**	100%	**100%**	100%
ALEC L.E.G.T. Contracting WLL (1)	Construction activities	State of Qatar	**-**	-	**100%**	100%
ALEC Engineering and Contracting Oman LLC	Construction activities	Sultanate of Oman	**70%**	70%	**100%**	100%
ALEMCO Electromechanical Contracting LLC - S.P.C.	Construction activities	United Arab Emirates	**99.67%**	99.67%	**100%**	100%
AJI Heavy Equipment Rental LLC	Rental of heavy and light machines and equipment	United Arab Emirates	**100%**	100%	**100%**	100%
ALEC Saudi Arabia Engineering and Contracting One Person Company	Construction activities	Kingdom of Saudi Arabia	**100%**	100%	**100%**	100%
L I N Q Modular LLC	Modular fabrication and assembly	United Arab Emirates	**100%**	100%	**100%**	100%
Emisha Technologies FZ-LLC	Software consultancy, developer, service provider	United Arab Emirates	**100%**	100%	**100%**	100%
ALEC Engineering and Contracting (UK) Ltd.	Construction activities	United Kingdom	**100%**	100%	**100%**	100%
AES Building Materials Trading LLC (5)	Building and construction materials trading	United Arab Emirates	**100%**	80%	**100%**	80%
ALEC Engineering and Contracting Egypt LLC	Construction activities	Egypt	**100%**	100%	**100%**	100%

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

1. General information (continued)

Name of subsidiary	Principal activity	Country of incorporation and operation	Proportion of ownership interest (%)		Proportion of beneficial interest (%)	
			2025	2024	**2025**	2024
ALEC Doha Contracting W.L.L.	Rental of heavy and light machines and equipment	State of Qatar	**-**	100%	**-**	100%
ALEC EPC Holding LLC – S.O.	Investment activities	United Arab Emirates	**100%**	100%	**100%**	100%
ALEMCO Contracting Company	Electromechanical works, projects contracting, sub-sewage networks connections and homes connections contracting and main water networks contracting works	Kingdom of Saudi Arabia	**100%**	100%	**100%**	100%
AJI Equipment Rental Company	Renting and operational leasing of machine tools, engines and turbines, cranes and lorries, scaffold and work platforms, without erection and dismantling and renting of cranes with operators	Kingdom of Saudi Arabia	**100%**	100%	**100%**	100%
Target Engineering Construction Company – Sole Proprietorship L.L.C.	General contracting works for civil, mechanical, electrical and marine, onshore and offshore industrial, oil and gas, commercial projects, scaffold installation works, building maintenance, investment and establishing and managing industrial projects in the UAE	United Arab Emirates	**100%**	100%	**100%**	100%
Target General Construction WLL (2)	Construction of buildings, civil and contracting works	State of Qatar	**49%**	49%	**49%**	49%
Idrotec S.r.l. (Italy)	Engineering, design and consultancy	Italy	**100%**	100%	**100%**	100%

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

1. General information (continued)

Name of subsidiary	Principal activity	Country of incorporation and operation	Proportion of ownership interest (%)		Proportion of beneficial interest (%)	
			2025	2024	**2025**	2024
Target Saudi Construction Company LLC	Construction of buildings, civil and contracting works	Kingdom of Saudi Arabia	**90%**	90%	**90%**	90%
Target Steel Industries – Sole Proprietorship LLC	Steel fabrication works	United Arab Emirates	**100%**	100%	**100%**	100%
ALEC Interior Decoration One Person Company	Manufacture of carpentry products and crafts needed for construction workers construction of building and other related construction activities	Kingdom of Saudi Arabia	**100%**	100%	**100%**	100%
AES Aluminium and Glass Works LLC	Aluminium installation works, machining and forming of metals and glass plates installation works.	United Arab Emirates	**100%**	**82%**	**100%**	**82%**
Infrastructure Protective Services Inproserv Middle East L.L.C (3)	Corrosion and oxidation resistant services, fire resistant painting works and removing corrosion of metals	United Arab Emirates	**50%**	**50%**	**50%**	**50%**
ALEC Engineering and Contracting RAK LLC - OPC	Metal prefabricated buildings manufacturing, alternative energy equipment installation and maintenance and construction.	United Arab Emirates	**100%**	**100%**	**100%**	**100%**
ALEC Industries LLC (4)	Central airconditioning requisites manufacturing, ventilation equipment manufacturing and central airconditioning equipment manufacturing.	United Arab Emirates	**100%**	**-**	**100%**	**-**

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

1. General information (continued)

Name of subsidiary	Principal activity	Country of incorporation and operation	Proportion of ownership interest (%)		Proportion of beneficial interest (%)	
			2025	2024	**2025**	2024
Altrons Integrated Security Equipment Installation LLC (4)	Measuring and control system installation, security equipment installation and maintenance, wired and wireless communication systems installation, security systems and equipment trading, radio, T.V. station, cinema theatre equipment installation and maintenance, and internal communication network installation and maintenance.	United Arab Emirates	**100%**	-	**100%**	-

Name of branch	Principal activities	Country of incorporation and operation
ALEC Engineering and Contracting LLC - Dubai Branch	Construction activities	United Arab Emirates
ALEC Engineering and Contracting LLC - RAK Branch	Construction activities	United Arab Emirates
ALEC Engineering and Contracting LLC (Branch) - RAKEZ Branch	Construction activities	United Arab Emirates
ALEMCO Electromechanical Contracting LLC - Dubai Branch	Construction activities	United Arab Emirates
ALEMCO Electromechanical Contracting LLC - RAK Branch	Construction activities	United Arab Emirates
Infrastructure Protective Services Inproserv Middle East L.L.C – Dubai Branch	Corrosion and oxidation resistant services, fire resistant painting works and removing corrosion of metals	United Arab Emirates

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

1. General information (continued)

Name of branch	Principal activities	Country of incorporation and operation
Infrastructure Protective Services Inproserv Middle East L.L.C – RAK Branch	Corrosion and oxidation resistant services, fire resistant painting works and removing corrosion of metals	United Arab Emirates
ALEC Engineering and Contracting LLC	Construction activities	Ethiopia
Target Engineering Construction Company LLC - Dubai Branch	Construction activities	United Arab Emirates
Target Engineering Construction Company LLC - Qatar Branch	Construction activities	United Arab Emirates
Idrotec S.r.l. - Abu Dhabi Branch	Engineering, design and consultancy	United Arab Emirates

(1) ALEC LEGT Contracting WLL is legally owned by International Company for Project Development, State of Qatar and LEGT Construction Company Limited, Jersey. By virtue of the shareholders' agreement between ALEC Engineering and Contracting LLC and the shareholders of ALEC LEGT Contracting WLL, all the shareholdings in ALEC LEGT Contracting WLL are effectively owned by ALEC Engineering and Contracting LLC.

(2) Target Engineering Construction Company L.L.C. (Target), a subsidiary, owns 49% of the shareholding in Target General Construction WLL and Target is exercising control over this subsidiary.

(3) The Company owns 50% of the shareholding of Infrastructure Protective Services Inproserv Middle East L.L.C. and the Company is exercising control over this subsidiary.

(4) During the current period, ALEC Engineering and Contracting LLC - SPC has invested in a newly incorporated entity in United Arab Emirates. The operations of this newly incorporated entity have not yet commenced.

(5) On 17 June 2025, by the virtue of share transfer agreement, ALEC Engineering and Contracting LLC – S.P.C. acquired the remaining 20% equity interest in AES Building Materials Trading LLC, from Bashar Kayali for a total consideration of AED 15,600 thousand, of which AED 5,600 is payable subject to meeting a certain condition. The transaction was accounted for as an equity transaction in accordance with IFRS 10 *Consolidated Financial Statements*, as control had already been established. The difference between the acquisition consideration and the carrying value of the non-controlling interest acquired, amounting to AED 13,539 thousand, was recognised directly in equity and attributed to the Owners of the Parent Company. No goodwill or gain / loss was recognised in the condensed consolidated interim statement of profit or loss as a result of this transaction.

2. Basis of preparation and material accounting policy information

2.1 Basis of preparation

This condensed consolidated interim financial information for the six-month period ended 30 June 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The condensed consolidated interim financial information does not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2024.

2.2 Functional and presentation currency

These condensed consolidated interim financial statements are presented in UAE Dirhams (AED) which is the functional and presentation currency of the Group and all values are rounded to the nearest thousand (AED'000) except when otherwise indicated.

2.3 Material accounting policy information

The material accounting policy information applied in the preparation of the condensed consolidated interim financial information is consistent with that applied by the Group in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the common control transactions as stated below:

Common control transactions

Transactions involving entities under common control where the transaction has substance are accounted for using the acquisition method. For transactions involving entities under common control where the transaction does not have substance, the Group adopts the pooling of interests method. Under the pooling of interests method, the carrying value of assets and liabilities in the books of the transferor, are used to account for these transactions. No goodwill is recognised as a result of the transfer. Any difference between the consideration paid and the net assets acquired is recognized within the retained earnings.

A number of factors are considered in assessing whether the transaction has substance including the following:

- the purpose of the transaction;
- the involvement of outside parties in the transaction, such as non-controlling interests or other third parties;
- whether or not the transaction is conducted at fair value;
- the existing activities of the entities involved in the transaction; and
- whether or not the transaction brings entities together into a 'reporting entity' that did not exist before.

2.4 Basis of consolidation

The condensed consolidated interim financial information as at, and for the six-month period ended 30 June 2025 comprises results of the Company and its subsidiaries. The condensed consolidated interim financial information of the subsidiaries is prepared for the same reporting period as that of the Company, using consistent accounting policies. All inter-company transactions, profits and balances are eliminated on consolidation. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

2. Basis of preparation and material accounting policy information (continued)

2.4 Basis of consolidation (continued)

In the prior year, the Company initiated the re-organization of its related and affiliated companies that are beneficially owned and controlled by the Immediate Parent Company, into a unified group structure, specifically under the umbrella of ALEC Holdings LLC. The transfer of entities to the Company is considered to be a common control transaction as the entities will continue to be controlled by the ultimate controlling party before and after the reorganisation. Therefore, this reorganisation is considered to be outside the scope of IFRS 3 *Business Combinations*. The Company has applied the pooling of interest method of accounting for the reorganisation.

3. Segment reporting

Information regarding the Group's operating segments is set out below in accordance with IFRS 8 *Operating Segments*. IFRS 8 requires operating segments to be identified based on internal reports about components of the Group that are regularly reviewed by the "Executive management" who are the Chief Operating Decision Makers (CODM) in order to allocate resources to the segment and to assess its performance. The Board of Directors is identified as CODM for the Group. The management of the Group assess the Group into four key business units: Building and Infrastructure Construction Services, Energy, Related Businesses and Corporate Activities.

These businesses are the basis on which the Group reports its primary segment information to CODM for the purpose of resource allocation and assessment of segment performance. Transactions between segments are conducted at estimated market rates on an arm's length basis and eliminated on consolidation.

Segment assets and liabilities are not disclosed in the segment reporting as these are not regularly provided to the CODM. Only the total assets and liabilities of the Group are reported to the CODM.

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

3. Segment reporting (continued)

	Building and infrastructure construction services AED'000	Energy AED'000	Related businesses AED'000	Corporate activities AED'000	Eliminations AED'000	Total AED'000
Six-month period ended 30 June 2025 ***(Unaudited)***						
Contract revenue	**2,804,795**	**2,012,122**	**1,145,468**	**45,449**	**(645,500)**	**5,362,334**
Contract costs	**(2,624,148)**	**(1,822,695)**	**(1,012,920)**	**(39,370)**	**673,302**	**(4,825,831)**
Gross profit	**180,647**	**189,427**	**132,548**	**6,079**	**27,802**	**536,503**
Administrative expenses	**(35,386)**	**(52,779)**	**(67,740)**	**(69,964)**	**-**	**(225,869)**
Share of results of joint ventures	**-**	**-**	**(19)**	**-**	**-**	**(19)**
Provision for impairment losses on financial assets and contract assets	**-**	**(1,296)**	**-**	**-**	**-**	**(1,296)**
Finance costs - net	**3,632**	**(35,471)**	**(4,093)**	**(18,349)**	**515**	**(53,766)**
Finance income	**-**	**1,572**	**940**	**6,627**	**(515)**	**8,624**
Other income - net	**935**	**1,323**	**259**	**(43)**	**-**	**2,474**
Net segment results – profit / (loss) before tax	**149,828**	**102,776**	**61,895**	**(75,650)**	**27,802**	**266,651**
Three-month period ended 30 June 2025 ***(Unaudited)***						
Contract revenue	1,481,684	1,152,214	641,583	29,809	(410,351)	2,894,939
Contract costs	(1,388,357)	(1,047,579)	(569,502)	(26,898)	414,010	(2,618,326)
Gross profit	93,327	104,635	72,081	2,911	3,659	276,613
Administrative expenses	(16,615)	(29,313)	(32,977)	(34,355)	-	(113,260)
Share of results of joint ventures	-	-	(12)	-	-	(12)
Finance costs - net	2,380	(19,341)	(2,391)	(12,543)	438	(31,457)
Finance income	-	1,440	662	3,976	(438)	5,640
Other income- net	575	(651)	255	387	-	566
Net segment results – profit / (loss) before tax	79,667	56,770	37,618	(39,624)	3,659	138,090

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

3. Segment reporting (continued)

	Building and infrastructure construction services AED'000	Energy AED'000	Related businesses AED'000	Corporate activities AED'000	Eliminations AED'000	Total AED'000
Six-month period ended 30 June 2024 ***(Unaudited)***						
Contract revenue	**1,739,188**	**1,174,147**	**850,230**	**-**	**(327,120)**	**3,436,445**
Contract costs	**(1,620,390)**	**(1,071,354)**	**(709,599)**	**-**	**320,708**	**(3,080,635)**
Gross profit	**118,798**	**102,793**	**140,631**	**-**	**(6,412)**	**355,810**
Administrative expenses	**(31,247)**	**(24,392)**	**(52,659)**	**(60,117)**	**-**	**(168,415)**
Share of results of joint ventures	**(18,361)**	**-**	**(45)**	**-**	**-**	**(18,406)**
Provision for impairment losses on financial assets and contract assets	**-**	**(680)**	**-**	**-**	**-**	**(680)**
Finance costs - net	**(181)**	**(23,322)**	**(1,954)**	**(14,427)**	**1,375**	**(38,509)**
Finance income	**41**	**-**	**-**	**8,074**	**(1,375)**	**6,740**
Other income - net	**1,294**	**(130)**	**335**	**166**	**-**	**1,665**
Net segment results – profit / (loss) before tax	**70,344**	**54,269**	**86,308**	**(66,304)**	**(6,412)**	**138,205**
Three-month period ended 30 June 2024 ***(Unaudited and unreviewed)***						
Contract revenue	943,124	589,257	502,904	-	(173,961)	1,861,324
Contract costs	(868,627)	(536,773)	(400,681)	-	174,170	(1,631,911)
Gross profit	74,497	52,484	102,223	-	209	229,413
Administrative expenses	(14,529)	(12,089)	(35,467)	(37,008)	-	(99,093)
Share of results of joint ventures	(17,717)	-	(19)	-	-	(17,736)
Provision for impairment losses on financial assets and contract assets	-	(680)	-	-	-	(680)
Finance costs - net	3,782	(8,626)	806	(8,484)	843	(11,679)
Finance income	-	-	(1)	4,437	(843)	3,593
Other income- net	1,332	(198)	196	169	-	1,499
Net segment results – profit / (loss) before tax	47,365	30,891	67,738	(40,886)	209	105,317

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

4. Property, plant and equipment

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Balance at the beginning of the period / year	**929,244**	648,866
Additions during the period / year	**307,076**	454,714
Transfer to intangible assets (Note 5)	**-**	(16,718)
Depreciation and amortization charge for the period / year	**(109,953)**	(145,482)
Disposals during the period / year	**(381)**	(337)
Disposal arising from lease cancellation during the period / year	**(11,071)**	(11,799)
Balance at the end of the period / year	**1,114,915**	929,244

Property, plant and equipment includes right-of-use assets which include land, building and machinery, and which is summarised below:

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Balance at the beginning of the period / year	**181,680**	112,741
Additions during the period / year (Note 19)	**140,355**	105,161
Amortization for the period / year	**(20,423)**	(24,423)
Disposals during the period / year	**(381)**	-
Disposal arising from lease cancellation during the period / year	**(11,071)**	(11,799)
Balance at the end of the period / year	**290,160**	181,680

5. Intangible assets

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Balance at the beginning of the period / year	**104,075**	100,799
Additions during the period / year	**1,717**	71
Transfer from property, plant and equipment (Note 4)	**-**	16,718
Amortization for the period / year	**(6,875)**	(13,513)
Balance at the end of the period / year	**98,917**	104,075

6. Investments in joint ventures

Details of the Group's joint ventures at the end of the reporting period are as follows:

Name of joint venture	Principal activity	Place of incorporation	Proportion of ownership interest held by the Group legally		Beneficial interest held by the Group	
			2025	2024	**2025**	2024
Service and Trade and Al Jaber L.E.G.T. Company LLC	Construction of Jabal Al Akhdar Anantara Resort Hotel and Spa	Sultanate of Oman	**50%**	50%	**50%**	50%
ALEMCO Zawawi LLC	Electromechanical contracting services	Sultanate of Oman	**70%**	70%	**70%**	70%
Expo Contracting DWC LLC	Commercial enterprises and management	United Arab Emirates	**50%**	50%	**50%**	50%
APIO Solutions Limited	Modular solutions	United Kingdom	**50%**	50%	**50%**	50%

The above joint ventures are accounted for in the condensed consolidated interim financial information using the equity method.

A joint venture of the Group has assets and liabilities which offset each other through a pass-through arrangement, and should there be a shortfall between these, the difference is guaranteed by the Dubai Department of Finance. The exposure of the joint venture's shareholders is therefore limited to the share capital of the joint venture.

Movement in investments in joint ventures:

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Balance at the beginning of the period / year	**-**	-
Share of results	**(19)**	(26)
Reallocation / write-off*	**19**	26
Balance at the end of the period / year	**-**	-

* Total share of results from the Group's joint ventures for the six-month period ended 30 June 2025 is a loss of AED 19 thousand (for the year ended 31 December 2024: loss of AED 26 thousand). Out of that total, the loss attributable to two of the Group's joint ventures has exceeded the original investment. In accordance with IAS 28 *Investments in Associates and Joint Ventures*, when the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture, the Group discontinues recognizing its share of further losses and any additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations on behalf of the joint venture. Given that the Group no longer has receivable balances from the joint ventures against which to offset current period losses, these have been written-off in the year.

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

7. Related party balances and transactions

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in International Accounting Standard (IAS) 24 *Related Party Disclosures*. Related parties comprise companies and entities under common ownership and/or common management and control, shareholders and key management personnel. The terms and conditions of such transactions are decided by management.

Transactions with related parties

The following transactions during the period arose from the normal operations of the Group:

	Three-month period ended 30 June		**Six-month period ended 30 June**	
	2025	2024	**2025**	2024
	AED'000	AED'000	**AED'000**	AED'000
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Purchase of materials and services				
Companies under common control	**23,181**	438	**33,808**	2,353

	Three-month period ended 30 June		**Six-month period ended 30 June**	
	2025	2024	**2025**	2024
	AED'000	AED'000	**AED'000**	AED'000
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Contract revenue from related parties (Note 21)				
Companies under common control	**5,560**	25,377	**22,291**	35,610

Compensation of key management personnel

	Three-month period ended 30 June		**Six-month period ended 30 June**	
	2025	2024	**2025**	2024
	AED'000	AED'000	**AED'000**	AED'000
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Short-term benefits	**1,533**	3,303	**6,316**	4,657
Long-term benefits	**76**	66	**151**	133
	1,609	3,369	**6,467**	4,790

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

7. Related party balances and transactions (continued)

Compensation of key management personnel (continued)

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025 AED'000 *(Unaudited)*	2024 AED'000 *(Unaudited)*	**2025 AED'000 *(Unaudited)***	2024 AED'000 *(Unaudited)*
Directors' fees	**1,098**	424	**1,570**	843

Dividends

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Dividends declared to shareholders	**265,000**	242,537

On 20 March 2025, by virtue of a shareholders resolution, the shareholders approved and declared a cash dividend of AED 3,600 per share amounting to AED 180,000 thousand, which was paid on 19 June 2025.

On 30 June 2025, by virtue of a shareholders resolution, the shareholders approved and declared a cash dividend of AED 1,700 per share amounting to AED 85,000 thousand.

On 29 April 2024, prior to the Group reorganization on 23 August 2024 (Note 1), by virtue of a board resolution, the shareholders approved and declared a cash dividend of AED 48,507 per share amounting to AED 242,537 thousand. The dividends were paid in full in May 2024.

Balances and transactions with affiliated entities under the Ultimate Parent Company

The following balances and transactions during the period / year arose from the normal operations of the Group:

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Cash and cash equivalents held at related party banks (Note 20)	**341,857**	292,026
Borrowings from related party banks (Note 24)	**486,507**	575,925

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

7. Related party balances and transactions (continued)

Balances and transactions with affiliated entities under the Ultimate Parent Company (continued)

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025	2024	**2025**	2024
	AED'000	AED'000	**AED'000**	AED'000
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Finance cost and commission expense charged by related party banks (Note 18)	**8,750**	12,265	**17,954**	15,857

Balances with related parties

The following are the outstanding balances with related parties arising from the normal operations of the Group:

	30 June 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	*(Audited)*
Due from related parties (Note 8)		
Parent Company	**-**	300
Joint ventures	**11,640**	11,601
Joint operations	**3,610**	72,051
Other affiliated entities	**17,987**	38,108
	33,237	122,060
Less: Expected credit loss allowance	**(10,307)**	(10,307)
	22,930	111,753

The following table shows the movement in Lifetime ECL that has been recognised for amounts due from related parties in accordance with the simplified approach set out in IFRS 9.

	30 June 2025	31 December 2024
	AED'000	AED'000
	(Unaudited)	*(Audited)*
Balance at the beginning of the period / year	**10,307**	11,435
Change in loss allowance	**-**	(1,128)
Balance at the end of the period / year	**10,307**	10,307

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

7. Related party balances and transactions (continued)

Balances with related parties (continued)

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Due to related parties (Note 17)		
Parent Company	**84,700**	-
Joint operations	**59,991**	23,596
Other affiliated entities	**14,596**	2,145
	159,287	25,741
Retention receivables - net (Note 9)	**103,392**	202,451
Retention payables (Note 17)	**63**	63
Advances from customers (Note 17)	**39,147**	39,341
Gross amounts due from customer on construction contracts - net (Note 10)	**223,364**	312,778
Gross amounts due to customer on construction contracts (Note 25)	**9,317**	10,302

8. Contract and other receivables

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Contract receivables	**1,393,505**	1,251,727
Less: Expected credit loss allowance	**(72,462)**	(70,585)
	1,321,043	1,181,142
Due from related parties - net (Note 7)	**22,930**	111,753
Retention receivables - net (Note 9)	**714,308**	747,303
Advances to suppliers and subcontractors	**820,383**	724,308
Other receivables	**37,834**	35,612
	2,916,498	2,800,118

8. Contract and other receivables (continued)

The average credit period on sale of goods or services is 90 days (31 December 2024: 90 days). No interest is charged on past due contract receivables.

Before accepting any new customers, the Group assesses the potential credit quality of the customer. Out of the contract receivable balance as at 30 June 2025, an amount of AED 317,378 thousand (31 December 2024: AED 615,134 thousand) is due from the Group's one customer (31 December 2024: four customers). There are no other customers whose balance exceeds more than 10% of the contract receivables as at reporting date.

Included in the Group's contract receivables balance as at 30 June 2025 are debtors with a carrying amount of AED 249,742 thousand (31 December 2024: AED 305,623 thousand) which are past due at the end of the reporting period. The Group does not hold any collateral over these balances.

Ageing of past due contract receivables:

	30 June 2025 AED'000 ***(Unaudited)***	31 December 2024 AED'000 *(Audited)*
Past due for 90 to 120 days	**21,321**	67,308
Past due for 121 to 180 days	**59,947**	7,561
Past due for more than 180 days	**168,474**	230,754
	249,742	305,623

The Group always measures the loss allowance for contract receivables at an amount equal to Lifetime ECL using the simplified approach.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The following table shows the movement in Lifetime ECL that has been recognised for contract receivables in accordance with the simplified approach set out in IFRS 9.

	30 June 2025 AED'000 ***(Unaudited)***	31 December 2024 AED'000 *(Audited)*
Balance at the beginning of the period / year	**70,585**	74,871
Change in loss allowance	**1,907**	(4,286)
Write-off of loss allowance	**(30)**	-
Balance at the end of the period / year	**72,462**	70,585

9. Retention receivables

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Current portion, net of expected credit losses (Note 8)	**714,308**	747,303
Non-current portion, net of expected credit loss allowance and fair value adjustment	**276,000**	233,522
	990,308	980,825

Non-current portion of retention receivables represents retention receivables that become due in a period exceeding one year from the reporting date.

Retention receivables are classified as follows:

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Related parties, net of expected credit loss allowance and fair value adjustment (Note 7)	**103,392**	202,451
Third parties, net of expected credit loss allowance and fair value adjustment	**886,916**	778,374
	990,308	980,825

The management always measure the loss allowance on retention receivables at an amount equal to Lifetime ECL, taking into account the historical default experience and the future prospects of the construction industry. There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for retention receivables.

The following table shows the movement in Lifetime ECL that has been recognised for retention receivables in accordance with the simplified approach set out in IFRS 9:

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Balance at the beginning of the period / year	**13,496**	16,811
Change in loss allowance	**(1,741)**	(3,315)
Balance at the end of the period / year	**11,755**	13,496

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

10. Gross amounts due from customers on construction contracts

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Gross amounts due from customers on construction contracts	**3,166,957**	2,295,306
Less: Expected credit loss allowance	**(42,350)**	(41,220)
	3,124,607	2,254,086

The above balance includes gross amounts due from customers on construction contracts arising from contracts with related parties as at 30 June 2025, amounting to AED 223,364 (31 December 2024: AED 312,778 thousand) (Note 7).

The following table shows the movement in Lifetime ECL that has been recognised for gross amounts due from customers under construction contracts in accordance with the simplified approach set out in IFRS 9:

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
At the beginning of the period / year	**41,220**	11,669
Change in loss allowance	**1,130**	29,551
At the end of the period / year	**42,350**	41,220

11. Inventories

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Construction materials	**88,081**	48,917
Less: Allowance for obsolescence	**(4,038)**	(4,038)
	84,043	44,879

12. Share capital

As at 30 June 2025 and 31 December 2024, the share capital comprises 50,000 authorised, issued and fully paid shares of AED 1 thousand each.

On 23 August 2024, by virtue of an amendment to the Memorandum of Association of ALEC Holdings LLC, the share capital was increased from AED 300 thousand to become AED 50,000 thousand. It is divided into 50,000 shares, with a value of AED 1 thousand each. This increase was done through a capital reorganisation (Note 1).

13. Restricted reserve

In accordance with the UAE Federal Decree Law No. (32) of 2021 concerning Commercial Companies and the Memorandum of Association of the subsidiaries, 5% of the profit for the year is to be transferred to a statutory reserve. Such transfers are required to be made until the reserve is equal to 50% of the share capital.

As at 30 June 2025, the statutory reserves of subsidiaries amounted to AED 92,977 thousand (31 December 2024: AED 92,977 thousand). These reserves are not available for distribution.

14. General reserve

Transfers to and from the general reserve are made at the discretion of the Board of Directors of the Company.

15. Remeasurement loss on employee's defined benefit obligation

Actuarial gains and losses arising from experience adjustments and changes in assumptions are charged or credited to equity in the other comprehensive income in the period in which they arise (Note 16).

16. Provision for employees' end-of-service benefits

The movement in the provision for employees' end-of-service benefits is as follows:

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
At the beginning of the period / year	**309,839**	262,676
Current service cost for the period / year	**59,927**	52,139
Finance cost (Note 18)	**8,615**	4,584
Payments made during the period / year	**(17,510)**	(29,061)
Remeasurement loss on employees defined benefit obligations (Note 15)	**-**	19,501
At the end of the period / year	**360,871**	309,839

In accordance with the provisions of IAS 19 *Employee Benefits*, management has carried out an exercise to assess the present value of its obligations of the Group as at 30 June 2025 using actuarial techniques, in respect of employees' end-of-service benefits payable under the UAE Labour Law and the Laws applicable in the countries in which the Group operates, for their period of service up to the reporting date and have concluded the impact to be immaterial.

17. Contract and other payables

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Contract payables	**972,584**	799,492
Advances from customers	**1,436,690**	1,120,743
Due to related parties (Note 7)	**159,287**	25,741
Retention payables	**333,341**	406,659
Accruals	**2,137,367**	1,977,809
Other payables	**59,344**	36,043
	5,098,613	4,366,487

The average credit period on purchase of goods and services is 90 days (31 December 2024: 90 days). The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

Retention payables

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Current portion	**333,341**	406,659
Non-current portion, net of fair value adjustment	**131,117**	98,527
	464,458	505,186
Related parties (Note 7)	**63**	63
Third parties	**464,395**	505,123
	464,458	505,186

Advances from customers

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Current portion	**1,436,690**	1,120,743
Non-current portion	**1,417,718**	595,476
	2,854,408	1,716,219

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

17. Contract and other payables (continued)

Advances from customers (continued)

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Related parties (Note 7)	**39,147**	39,341
Third parties	**2,815,261**	1,676,878
	2,854,408	1,716,219

18. Finance costs – net

	Three-month period ended 30 June		**Six-month period ended 30 June**	
	2025 AED'000 *(Unaudited)*	2024 AED'000 *(Unaudited)*	**2025 AED'000 *(Unaudited)***	2024 AED'000 *(Unaudited)*
Finance cost related to bank borrowings	**20,724**	16,462	**38,872**	35,178
Finance cost related to provision for employee' end of service benefits (Note 16)	**8,615**	-	**8,615**	-
Finance costs related to lease liabilities (Note 19)	**3,185**	2,332	**5,966**	3,331
Fair value adjustment of non-current retention receivables and retention payables - net	**(1,117)**	(7,115)	**263**	-
Others	**50**	-	**50**	-
	31,457	11,679	**53,766**	38,509

The Group's finance cost as at 30 June 2025 amounting to AED 17,954 thousand (30 June 2024: AED 15,857 thousand) (Note 7) are from a related party financial institutions.

19. Lease liabilities

	30 June 2025 ***(Unaudited)***		31 December 2024 *(Audited)*	
	Minimum lease payment	**Present value of minimum lease payments**	Minimum lease payment	Present value of minimum lease payments
	AED'000	**AED'000**	AED'000	AED'000
Less than 1 year	**61,069**	**48,473**	36,544	27,501
Later than 1 year and not later than 5 years	**146,896**	**115,522**	102,929	81,072
Later than 5 years	**161,015**	**100,315**	102,197	67,300
	368,980	**264,310**	241,670	175,873
Less: future finance charges	**(104,670)**	**-**	(65,797)	-
Present value of minimum lease payments	**264,310**	**264,310**	175,873	175,873

The lease liabilities under financing lease agreements are repayable in around 60 installments due from February 2022 with final installments due in May 2030 and carry an interest rate implicit in the lease ranging from 4.5% to 8% per annum.

The remaining lease liability related to the application of IFRS 16 has been calculated applying incremental borrowing rates ranging from 5% to 8% per annum, with expiry dates between 2025 and 2055.

Lease liabilities are repayable as follows:

	30 June 2025 AED'000 ***(Unaudited)***	31 December 2024 AED'000 *(Audited)*
Current portion	**48,473**	27,501
Non-current portion	**215,837**	148,372
	264,310	175,873

Asset retirement obligation as at 30 June 2025 of AED 2,656 thousand (31 December 2024: AED 2,656 thousand) pertains to the present value of the estimated costs of demolition of the labor camp and restoring the land, which is leased by the Group, to its original condition. This is a contractual obligation of the lessee as stipulated in the lease agreement.

19. Lease liabilities (continued)

Movement in lease liabilities are as follows:

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
At 1 January	**175,873**	103,200
Additions during the period / year (Note 4)	**137,355**	105,161
Finance cost related to lease liabilities (Note 18)	**5,966**	7,580
Less: Payments made during the period / year	**(37,446)**	(20,144)
Less: Payment of finance cost related to lease	**(5,966)**	(7,580)
Reversal related to lease cancellation	**(11,472)**	(12,344)
	264,310	175,873

20. Cash and bank balances

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Cash at bank and on hand	**1,205,439**	1,254,377
Less: Expected credit loss allowance	**(133)**	(133)
Cash and bank balances	**1,205,306**	1,254,244
Less: Margin deposits - under lien	**(42,574)**	(89,554)
Cash and cash equivalents	**1,162,732**	1,164,690

As at 30 June 2025, the above cash at bank and on hand balance includes cash held with an exchange house, amounting to AED 21,730 thousand (31 December 2024: AED 27,928 thousand).

Included in bank balances as at 30 June 2025 are amounts totalling to AED 341,857 thousand (31 December 2024: AED 292,026 thousand) held with six banks which are related parties to the Group (Note 7). The transactions with the related parties are at arm's length and in the ordinary course of the business.

Balances with banks are assessed to have low credit risk of default since these banks are regulated by the central banks of the respective countries. Accordingly, the management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. As at 30 June 2025, the management of the Group have assessed the impairment on bank and cash balances to be AED 133 thousand (31 December 2024: AED 133 thousand), based on historical default experience and the current credit ratings of the banks.

21. Contract revenue

The Group derives its revenue from contracts with customers for the transfer of goods and services and income from leasing of machinery and equipment, which is recognised over time. Also, the Group generates revenue from sale of goods which is recognised at a point in time. Details of revenue are as follows:

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025	2024	**2025**	2024
	AED'000	AED'000	**AED'000**	AED'000
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Construction revenue	**2,877,639**	1,835,423	**5,333,020**	3,402,908
Lease income	**16,189**	6,482	**28,126**	14,118
Sale of goods	**1,111**	19,419	**1,188**	19,419
	2,894,939	1,861,324	**5,362,334**	3,436,445

Construction revenue includes revenue recognised for contracts with related parties amounting to AED 22,291 thousand for the six-month period ended 30 June 2025 (30 June 2024: AED 35,610 thousand) (Note 7).

The transaction price allocated to (partially) unsatisfied performance obligations at 30 June 2025, which will be recognized over time are as set out below.

	Six-month period ended 30 June	
	2025	2024
	AED'000	AED'000
	(Unaudited)	*(Unaudited)*
Transaction price allocated to (partially) unsatisfied performance obligations	**35,407,801**	25,778,644

Management expects that 23% of the transaction price allocated to partially unsatisfied contracts as of the six-month period ended 30 June 2025 will be recognised as revenue in the following quarters of 2025 amounting to AED 8.03 billion. The remaining transaction price will be recognised from 2026 to 2028.

22. Income taxes

Income tax expense for the period relates to current tax on profit relating to the Group's operations in United Arab Emirates, Kingdom of Saudi Arabia, Egypt and Ethiopia. The tax rates in these jurisdictions are United Arab Emirates (9%), Kingdom of Saudi Arabia (Zakat of 2.5% and Income Tax of 20%), Egypt (30%) and Ethiopia (30%).

ALEC Group also have a presence in the Sultanate of Oman, State of Qatar, United Kingdom and Italy. The tax rates in these jurisdictions are Sultanate of Oman (15%), State of Qatar (10%), United Kingdom (25%) and Italy (24%).

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

22. Income taxes (continued)

The income tax expense for the period can be reconciled to the accounting profit as follows:

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025 AED'000 *(Unaudited)*	2024 AED'000 *(Unaudited)*	**2025 AED'000 *(Unaudited)***	2024 AED'000 *(Unaudited)*
Profit before tax	**138,090**	105,317	**266,651**	138,205
Add: Loss before tax on non-taxable jurisdictions	**(96,788)**	(79,192)	**(96,394)**	(78,282)
Profit before tax on taxable jurisdictions	**41,302**	26,125	**170,257**	59,923
Tax at the corporate tax rate in United Arab Emirates	**9%**	9%	**9%**	9%
Income tax expense on profit relating to the Group's operations taxable jurisdictions	**3,717**	2,351	**15,323**	5,393
Adjustments:				
Tax effect of expenses that are not deductible in determining taxable profit	**123**	536	**66**	245
Tax effect of income not taxable in determining taxable profit	**(68)**	(68)	**-**	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	**5,002**	2,179	**7,109**	3,310
Pillar II top up tax	**4,784**	-	**5,125**	-
Income tax expense for the period recognised in profit or loss	**13,558**	4,998	**27,623**	8,948

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Current tax liability recognised in the condensed consolidated interim statement of financial position	**43,651**	23,465

22. Income taxes (continued)

The Group has provided for income tax based on the estimated profit for the period earned in Kingdom of Saudi Arabia and United Arab Emirates based on relevant tax laws. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date and pending assessment from the tax authorities in the respective jurisdictions. There is a probability that the tax departments in each of the jurisdictions may assess tax at higher/lower profit margins or tax rates which may give rise to additional/lower tax liabilities.

Pillar Two Tax

The OECD has published GloBE Model Rules, which includes a minimum 15% tax rate by jurisdiction ("Pillar Two"). The Pillar Two rules apply to multinational groups with consolidated turnover exceeding €750 million in two of the previous four fiscal years. Various countries have enacted or intend to enact tax legislation to comply with the Pillar Two rules. The Group is within the scope of the OECD Pillar Two model rules, and it operates within Jurisdictions in which the OECD's Pillar Two rules are in effect at the reporting date.

The Group have assessed the exposure to Pillar Two income taxes. Based on this assessment, the Group have recognised a current tax expense in the consolidated statement of profit or loss in the period of AED 5,125 thousand related to Pillar Two taxes.

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

Effective tax rate for the Group is 10.36%.

23. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Three-month period ended 30 June		**Six-month period ended 30 June**	
	2025 AED'000 *(Unaudited)*	2024 AED'000 *(Unaudited)*	**2025 AED'000 *(Unaudited)***	2024 AED'000 *(Unaudited)*
Profit for the period attributable to Owners of the Company	**122,928**	98,988	**237,805**	128,459
Weighted average number of ordinary shares	**50**	50	**50**	50
Basic and diluted earnings per share (AED)	**2,459**	1,980	**4,756**	2,569

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

24. Borrowings

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Term loans	**443,965**	445,984
Trust receipts	**16,685**	67,983
Bank overdrafts	**8,135**	171,266
Acceptances	**138,539**	143,522
	607,324	828,755

Borrowings are classified and presented in the condensed consolidated interim statement of financial position as follows:

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Within one year	**332,324**	524,978
More than one year	**275,000**	303,777
	607,324	828,755

The Group's borrowings as at 30 June 2025 amounting to AED 486,507 thousand (31 December 2024: AED 575,925 thousand) (Note 7) are with a related party financial institutions.

Term loans

The Group has the following outstanding term loans:

a) A loan amounting to AED 450,000 thousand is unsecured subject to interest at 1.25% per annum plus 3 months EIBOR and is repayable in equal quarterly instalments of AED 12,500 thousand each. As at 30 June 2025, outstanding balance of the loan amounted to AED 325,000 thousand (31 December 2024: AED 350,000 thousand).

b) One of the subsidiaries of the Group has entered into a loan agreement with a bank for a total loan value of AED 24,400 thousand subject to interest at 2.35% per annum plus 3 months EIBOR. Out of the total loan value, as at 30 June 2025 and 31 December 2024, total drawdown amounted to AED 12,365 thousand. The proceeds of the loan were used to finance capital expenditure related to the setting up of the factory. The loan is repayable in 36 equal monthly instalments. As at 30 June 2025, outstanding balance of the loan amounted to AED 4,130 thousand (31 December 2024: AED 6,195 thousand). The loan is secured by a limited corporate guarantee from ALEC Engineering and Contracting LLC amounting to AED 50,400 thousand.

24. Borrowings (continued)

c) One of the subsidiaries of the Group has obtained additional loans amounting to AED 139,017 thousand (31 December 2024: AED 104,075 thousand). The first loan was secured (against Payment Certificate Discounting) for various projects and is subject to interest equal to 3 % per annum plus 3 months EIBOR and is repayable within 90 Days of the issuance date from the proceeds of the respective projects. The second loan has been secured for the purchase of equipment and machinery, subject to interest equal to 2.75% per annum plus 1 months EIBOR for a period of 3 years. As at 30 June 2025, the outstanding balance of both loans is AED 114,835 thousand (31 December 2024: AED 86,771 thousand).

Trust receipt assets

Trust receipts are obtained from commercial banks, repayable in 180 days and subject to interest at 5.4% to 7.7% per annum.

Bank overdrafts

Bank overdrafts represent funds received against discounting of bills receivable. Bank overdrafts are in UAE dirhams and are repayable on demand which is secured by the certified receivables of one subsidiary. Bank overdrafts are arranged at floating rates which are linked to the prevailing market rates.

Acceptances

Acceptances are subject to commission charges and are obtained mainly from local commercial banks. The repayment of these acceptances is generally within 3 to 6 months. The rate of interest ranged from 4.5% to 6% per annum (31 December 2024: 4.5% to 6% per annum).

Acceptances

One of the Group's subsidiaries is required to comply with certain covenants in respect of its bank loans. The subsidiary has not been able to comply with certain covenants during the period. Management, based on their ongoing relationship with the banks, is confident that this will not have any significant implications on the facilities provided by the banks. Accordingly, the balance has been presented as current liability.

There are restrictive financial covenants that will be measured on annual basis.

25. Gross amounts due to customers on construction contracts

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Gross amounts due to customers on construction contracts	**151,706**	309,915

The above balance includes gross amounts due to customers on construction contracts arising from contracts with affiliated entities as at 30 June 2025 amounting to AED 9,317 thousand (31 December 2024: AED 10,302 thousand) (Note 7).

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

25. Gross amounts due to customers on construction contracts (continued)

Significant changes in the Gross amounts due to customers and Gross amounts due from customers on construction contracts balance during the period / year are as follows:

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*	**Variance AED'000**
Gross amounts due from customers on construction contracts, before ECL (Note 10)	**3,166,957**	2,295,306	**871,651**
Gross amounts due to customers on construction contracts	**(151,706)**	(309,915)	**158,209**
	3,015,251	1,985,391	**1,029,860**

Significant changes are as follows:

	Variance AED'000
Conversion to contract receivables	**(4,303,160)**
Revenue recognition (Note 21)	**5,333,020**
	1,029,860

26. Contingent liabilities and commitments

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Bank guarantees	**8,277,056**	7,601,106
Letters of credit	**907,310**	792,006

As at 30 June 2025, the above bank guarantees and letters of credit were issued in the normal course of business and includes contingent liabilities incurred by the Group arising from its interest in joint venture amounting to AED 6,024 thousand (31 December 2024: AED 6,024 thousand).

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

27. Joint operations

Details of the Group's material joint operations are as follows:

Name of joint operation	Principal activities	Principal place of business	Share in ownership 2025	Share in ownership 2024
Qatar International Trading/IMAR Trading & Contracting Joint Venture and Al Jaber L.E.G.T. Engineering (ALEC Qatar) W.L.L. (QIT/IMAR - ALEC JV)	Carrying out general contracting activities including interior design and related mechanical works	State of Qatar	**50%**	50%
Gulf Contracting Company W.L.L. & ALEC L.E.G.T. Contracting W.L.L. (GCC - ALEC JV)	Execution of the Doha Festival City Package 3250	State of Qatar	**50%**	50%
IMAR & Al Jaber Trading & Contracting Company Co. (IMAR - ALEC JV)	General contracting and trading in decoration accessories	State of Qatar	**50%**	50%
Saudi Constructioneers Ltd. and ALEC Saudi Arabia Engineering and Contracting LLC (SAUDICO - ALEC JV)	Construction activities	Kingdom of Saudi Arabia	**50%**	50%
El Seif Engineering Contracting Company Ltd and ALEC Saudi Arabia Engineering and Contracting – Qiddiyah Water Park (EL SEIF - ALEC JV - QWP)	Construction activities	Kingdom of Saudi Arabia	**50%**	50%
El Seif Engineering Contracting Company Ltd and ALEC Saudi Arabia Engineering and Contracting – Qiddiyah Speed Park (EL SEIF - ALEC JV – QSP)	Engineering, procurement and construction of waste to energy plant	Kingdom of Saudi Arabia	**50%**	50%
ALEC Engineering and Contracting LLC and BUTEC s.a.l. (Dubai Branch (ALEC-BUTEC JV)	Engineering, procurement and construction of waste to energy plant	United Arab Emirates	**50%**	50%

The Group accounts for the assets, liabilities, revenues and expenses relating to its interests in a joint operation in accordance with the IFRS Accounting Standards as issued by the IASB applicable to the particular assets, liabilities, revenues and expenses.

Notes to the condensed consolidated interim financial information for the six-month period ended 30 June 2025 (continued)

28. Financial instruments

28.1 Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return on equity. The Group does not have a formalised optimal target capital structure or target ratios in connection with its capital risk management objective. The Group's overall strategy remains unchanged from 2024.

28.2 Financial risk management objectives

The Group is exposed to the following risks related to financial instruments - credit risk, liquidity risk and foreign currency risk. The Group does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes.

Categories of financial instruments

Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the condensed consolidated interim financial information approximate their fair values.

	30 June 2025 AED'000 *(Unaudited)*	31 December 2024 AED'000 *(Audited)*
Financial assets		
Retention receivables	**990,308**	980,825
Contract and other receivables (excluding retentions and advance to suppliers)	**1,381,807**	1,328,507
Cash and bank balances	**1,205,306**	1,254,244
	3,577,421	3,563,576
Financial liabilities		
Retention payables	**464,458**	505,186
Contract and other payables (excluding retentions and advance from customers)	**3,328,582**	2,839,085
Borrowings	**607,324**	828,755
Lease liabilities	**264,310**	175,873
Long term provision	**7,099**	-
Asset retirement obligation	**2,656**	2,656
	4,674,429	4,351,555

29. Approval of condensed consolidated interim financial information

The condensed consolidated interim financial information was approved by Board of Directors and authorised for issue on 8 August 2025.

Annex (2) – Memorandum of Association and Articles of Association

MEMORANDUM OF ASSOCIATION

OF

Alec Holdings PJSC

(Public Joint-Stock Company)

This Memorandum of Association (the "**Memorandum**") is made on the day and date specific in the seal of the notary public hereunder, by:

Investment Corporation of Dubai, a corporation established by decree in the Emirate of Dubai and having its principal address at Levels 17&18, Tower A, One Za'abeel Offices, Za'abeel Palace Road, Dubai, PO Box 333888, UAE (the "**Founder**").

Alec Holdings LLC (formerly known as Alec Industries LLC), a limited liability company – single owner, registered in Dubai with license number 635662, issued by the Dubai Economy and Tourism (the "**Company**"), was incorporated by virtue of a memorandum of association signed before the Notary Public in Abu Dhabi on 14/12/2009 with reference number 2009/18216, and the share transfer agreement and amendment to the memorandum and articles of association notarized before the Notary Public in Dubai on 18/5/2017 with reference number 2017/1/115286, as per amendment addendum to the memorandum and articles of association notarized before the Notary Public in Dubai on 12/10/2017 with reference number 2017/1/221865, as per sale purchase agreement notarized before the Notary Public in Dubai on 6/6/2024, with reference number 564835/1/2024, as per amended and restated memorandum of association, notarized before the Notary Public in Dubai on 6/6/2024, with reference number 564831/1/2024.

عقد تأسيس

شركة

اليك القابضة ش.م.ع

(شركة مساهمة عامة)

ابرم عقد التأسيس الماثل ("**العقد**") في اليوم والتاريخ الموضحين في ختم كاتب العدل الوارد أدناه، من:

مؤسسة دبي للاستثمارات الحكومية، وهي مؤسسة تأسست بموجب مرسوم في إمارة دبي وعنوانها الرئيسي في الطابقين ١٧ و١٨، البرج أ، مكاتب ون زعبيل، شارع قصر زعبيل، دبي، ص.ب ٣٣٣٨٨٨، الإمارات العربية المتحدة ("**المؤسس**").

حيث إن اليك القابضة ش.ذ.م.م، المعروفة سابقاً باسم (اليك للصناعات ش.ذ.م.م)، وهي شركة ذات مسؤولية محدودة - شركة الشخص الواحد، مسجلة في إمارة دبي بموجب الرخصة رقم ٦٣٥٦٦٢، الصادرة من دبي للاقتصاد والسياحة ("**الشركة**")، بموجب عقد التأسيس والنظام الأساسي المصدق لدى الكاتب العدل في أبوظبي بتاريخ ٢٠٠٩/١٢/١٤، برقم ٢٠٠٩/١٨٢١٦، وبموجب اتفاقية تنازل عن حصص وتعديل عقد التأسيس والنظام الأساسي المصدق لدى الكاتب العدل بدبي بتاريخ ٢٠١٧/٥/١٨، بالمحرر رقم ٢٠١٧/١/١١٥٢٨٦، وبموجب ملحق بتعديل عقد تأسيس المصدق لدى الكاتب العدل بدبي بتاريخ ٢٠١٧/١٠/١٢، بالمحرر رقم ٢٠١٧/١/٢٢١٨٦٥، وبموجب عقد بيع حصص مصدق لدى الكاتب العدل بدبي بتاريخ ٢٠٢٤/٦/٦، بمحرر رقم ٥٦٤٨٣٥/١/٢٠٢٤، وبموجب عقد تأسيس معدل ومعاد صياغته، مصدق لدى الكاتب العدل بدبي بتاريخ ٢٠٢٤/٦/٦، بمحرر رقم ٥٦٤٨٣١/١/٢٠٢٤.

Whereas the Founder of the Company wishes to convert its legal form from a limited liability company - single owner into a public joint stock company and the Founder of the Company approved on 24 January 2025 (i) such conversion from a limited liability company - single owner into a public joint stock company; (ii) the offer of part of the Company's capital to the public.

وحيث أن المؤسس يرغب في تحويل الشكل القانوني من شركة ذات مسؤولية محدودة – شركة الشخص الواحد إلى شركة مساهمة عامة، فقد وافق المؤسس بتاريخ ٢٤ يناير ٢٠٢٥ على (١) تحول الشركة من شركة ذات مسؤولية محدودة – شركة الشخص الواحد إلى شركة مساهمة عامة؛ و(٢) طرح جزء من رأس مال الشركة للاكتتاب العام.

Accordingly, the Company Converted into a public joint stock company subject to the Federal Decree by Law No 32 of 2021 on Commercial Companies (as amended) (the "**Law**")

على إثر ذلك، تم تحويل الشركة إلى شركة مساهمة عامة طبقاً لأحكام المرسوم بقانون اتحادي رقم (٣٢) لسنة ٢٠٢١ بشأن الشركات التجارية (كما يتم تعديله) ("**القانون**").

Article 1

المادة ١

The name of the Company is "**Alec Holdings PJSC**" **(**a public joint stock company) (hereinafter referred to as (the "**Company**")).

اسم الشركة هو "**اليك القابضة ش.م.ع**" (شركة مساهمة عامة)، (ويشار إليها فيما بعد بلفظ ("**الشركة**")).

Article 2

المادة ٢

The head office of the Company and its legal place of business shall be in the Emirate of Dubai. The Board of Directors may establish branches, offices and agencies for the Company inside and outside the United Arab Emirates (the "**State**").

يكون مكتب الشركة الرئيسي ومحلها القانوني في إمارة دبي، ويجوز لمجلس الإدارة أن ينشئ لها فروعاً ومكاتب ووكالات في داخل دولة الإمارات العربية المتحدة ("**الدولة**") وخارجها.

Article 3

المادة ٣

The fixed term of the Company shall be (100) hundred Gregorian years commencing from the date the Company is registered in the commercial register.

المدة المحددة لهذه الشركة هي (١٠٠) مئة سنة ميلادية تبدأ من تاريخ إشهار الشركة في السجل التجاري.

Such term shall be automatically renewed for similar successive terms unless a Special Resolution of the General Assembly is issued to amend the term of the Company or terminate the

وتجدد هذه المدة بعد ذلك تلقائياً لمدد متعاقبة ومماثلة ما لم يصدر قرار خاص من الجمعية العمومية بتعديل مدة الشركة أو انهائها.

same.

Article 4

المادة ٤

4.1 The objects that the Company is established for shall be in compliance with the provisions of the laws and regulations in force in the State and shall be:

٤,١ تكون الأغراض التي أسست من أجلها الشركة متفقة مع أحكام القوانين والقرارات المعمول بها داخل الدولة، وهي:

a. Investment in Commercial Enterprises & Management;

أ. الاستثمار في المشروعات التجارية وتأسيسها وإدارتها؛

b. Investment in Industrial Enterprises & Management; and

ب. الاستثمار في المشروعات الصناعية وتأسيسها وإدارتها؛ و

c. Investment in Agricultural Enterprises & Management.

ت. الاستثمار في المشروعات الزراعية وتأسيسها وإدارتها.

4.2 Furthermore, the Company shall be entitled to carry on any other activities incidental to or conducive to the attainment of any of its objects.

٤,٢ علاوةً على ذلك، يجوز للشركة مزاولة أية أنشطة أخرى تتعلق بأي من أغراضها أو تؤدي إلى تحقيقها.

4.3 During the course of carrying out its objects, the Company is authorised:

٤,٣ يجوز للشركة، ضمن مسار القيام بأغراضها:

a. To enter commercial transactions, to execute and implement contracts and other obligations, to borrow money, to open and operate bank accounts and provide guarantees and other security for loans, to make investments, to draw, accept and handle all kinds of negotiable instruments, to sue and be sued;

أ. الدخول في العمليات التجارية، وابرام وتنفيذ العقود والتبعيات الأخرى، والقيام باقتراض النقود، وفتح وتشغيل الحسابات المصرفية وتقديم الضمانات والكفالات الأخرى للقروض، وتحمل الاستثمارات، وسحب وقبول والتعامل بجميع السندات القابلة للانتقال وان تُقاضي وتتقاضى؛

b. To conduct its business, attain its objects and exercise its powers in any part of the world either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others;

ب. اداره أعمالها والعمل على تحقيق أغراضها والقيام بممارسه صلاحياتها في أي جزء من العالم سواءً كأصلاء، أو وكلاء أو مقاولين أو سواه، وسواءً بشكل منفرد أو بالترابط مع آخرين؛

c. To do all such things as are incidental on conducive to or arise out of the business or

ج. القيام بجميع تلك الأشياء التي توافق أو تؤدي أو

powers of the Company, provided the same be lawful;	تنجم عن عمل الشركة أو صلاحياتها شريطه أن يكون ذلك قانونياً؛
d. Enter into joint ventures with, establish, acquire or participate with other entities, establishments or companies in the State or outside the State, in projects, establishments and companies pursing objects and exercising activities similar to its own objects and activities;	د. أن تدخل في مشاريع مشتركة أو تؤسس أو تستحوذ أو تشترك مع الشركات والمؤسسات والجهات داخل الدولة أو خارجها في مشاريع ومؤسسات وشركات تزاول أغراضاً واعمالاً شبيهة بأغراضها وأعمالها؛
e. In fulfillment of its objects above, the Company may, enter into commercial and financial transactions, execute and implement contracts and other obligations, draw, accept and negotiate negotiable instruments, open and operate bank accounts and borrow money for any period of time with or without security on any of all of the assets of the Company, issue guarantees, invest monies and deal with such investments on its own account and generally to institute, participate in or promote commercial and mercantile enterprises and operations of all kinds in relation to or for the purpose of the business of the Company, and to do all such other businesses as may be considered to be incidental to the above objects.	هـ. وللشركة في سبيل تحقيق أغراضها المحددة لها السابق ذكرها، أن تقوم بالعمليات التجارية والمالية وإنجاز والتوقيع على العقود والالتزامات الأخرى وسحب وقبول وحسم الأوراق التجارية القابلة للتداول وفتح وإدارة الحسابات البنكية واقتراض الأموال لأية فترة زمنية سواء مقابل ضمانات أو دون ضمانات على أي وجميع موجودات الشركة وإصدار الضمانات واستثمار الأموال والتعامل مع هذه الاستثمارات لحسابها الخاص وعلى وجه العموم إقامة أو الإسهام في أو تطوير الأعمال أو العمليات التجارية من جميع الأشكال المتعلقة بأغراض الشركة أو التي تخدم أغراضها وكذلك القيام بجميع الأعمال التي تكون مرتبطة مع الأغراض المذكورة.
4.4 The Company shall not carry out any activity for which a license is required from the competent regulatory authority in or outside the State, unless it obtains such license. A copy of such license should be provided to the authority and the competent authority.	٤،٤ لا يجوز للشركة القيام بأي نشاط يُشترط لمزاولته صدور ترخيص من الجهة الرقابية المشرفة على النشاط بالدولة أو خارج الدولة إلا بعد الحصول على الترخيص من تلك الجهة وتقديم نسخة من هذا التراخيص للهيئة والسلطة المختصة.
4.5 The Company may not undertake either insurance or banking activities or the investment of money on behalf of or for the account of third parties.	٤،٥ لا يجوز للشركة مزاولة أنشطة التأمين أو الأعمال المصرفية أو استثمار الأموال نيابةً عن أو لحساب أطراف ثالثة.

Article 5

The issued capital of the Company has been fixed at AED Fifty million (50,000,000 Dirhams) divided into 5,000,000,000 shares, the nominal value of which is 0.01 Dirham for each share. All the Company's shares are fully paid and are of the same class and are equal in their rights and obligations.

المادة ٥

حدد رأس مال الشركة المصدر بمبلغ خمسون مليون درهم (٥٠,٠٠٠,٠٠٠) درهم موزع على عدد ٥,٠٠٠,٠٠٠,٠٠٠ من الأسهم قيمتها الاسمية ٠,٠١ درهم لكل سهم، مدفوعة بالكامل. وتكون جميع أسهم الشركة متساوية مع بعضها البعض من كافة الحقوق.

Article 6

The Founder, duly represented by a signatory to this Memorandum, undertakes to do all necessary acts with a view to completing the conversion of the Company. For this purpose, it has delegated powers to a committee comprising the persons whose names are mentioned below to apply, individually or jointly, for obtaining an authorization for the conversion of the Company and to take all legal procedures and complete the necessary documents to finalize the conversion of the Company and introduce such amendments as deemed necessary by the Competent Authorities to this Memorandum or to the Articles of Association of the Company attached hereto and to sign the same before the notary public, if necessary.

المادة ٦

يتعهد المؤسس الممثل قانوناً في التوقيع على هذا العقد بالقيام بجميع الإجراءات اللازمة لإتمام تحول الشركة. ولهذا الغرض وكل عنه اللجنة المكونة من السادة الواردة أسماؤهم أدناه ليقوموا منفردين أو مجتمعين بالتقدم بطلب للترخيص بتحول الشركة واتخاذ جميع الإجراءات القانونية وإعداد وتقديم المستندات اللازمة لاكتمال تحولها وإدخال التعديلات التي تراها الجهات المختصة لازمة سواءً على هذا العقد أو على النظام الأساسي للشركة المرفق به، والتوقيع عليها أمام الكاتب العدل، إن لزم الأمر.

Article 7

The Founder shall bear all expenses, costs, fees and other charges required to be paid due to its conversion to a public joint stock company.

المادة ٧

يتحمل المؤسس المصروفات والنفقات والأجور والتكاليف الأخرى اللازمة لتحولها كشركة مساهمة عامة.

Article 8

The Articles of Association attached to this Memorandum shall be deemed an integral part thereof and complementary thereto.

المادة ٨

يعتبر النظام الأساسي المرفق بهذا العقد جزءاً لا يتجزأ منه ومكملاً له.

Article 9

المادة ٩

In case of a discrepancy between the Arabic and the English text, the Arabic text shall prevail

في حال وجود أي تعارض بين النص العربي والنص الإنجليزي، يؤخذ بالنصوص الواردة في النسخة العربية.

Article 10

المادة ١٠

This Memorandum is made of several copies for submission to the relevant authorities upon application for the licenses necessary for the establishment of the Company. The Founder may apply for a certified copy thereof from the Notary Public.

حرر هذا العقد من عدة نسخ لتقديمها إلى الجهات المختصة عند طلب التراخيص اللازمة لتأسيس الشركة، ويجوز للمؤسس طلب الحصول على نسخة معتمدة من الكاتب العدل.

The Articles of Association
of
Alec Holdings PJSC
(Public Joint-Stock Company)

النظام الأساسي

اليك القابضة ش.م.ع
(شركة مساهمة عامة)

PART ONE

الباب الأول

ESTABLISHING THE COMPANY

في تأسيس الشركة

Alec Holdings LLC, formerly known as (Alec Industries LLC), a limited liability company – single owner, registered in Dubai with license number 635662, issued by the Dubai Economy and Tourism (the "**Company**"), was incorporated by virtue of a memorandum of association signed before the Notary Public in Abu Dhabi on 14/12/2009 with reference number 2009/18216, and the share transfer agreement and amendment to the memorandum and articles of association notarized before the Notary Public in Dubai on 18/5/2017 with reference number 2017/1/115286, as per amendment addendum to the memorandum and articles of association notarized before the Notary Public in Dubai on 12/10/2017 with reference number 2017/1/221865, as per sale purchase agreement notarized before the Notary Public in Dubai on 6/6/2024, with reference number 564835/1/2024, as per amended and restated memorandum of association, notarized before the Notary Public in Dubai on 6/6/2024, with reference number 564831/1/2024.

حيث إن **اليك القابضة ش.ذ.م.م**، المعروفة سابقاً باسم (اليك للصناعات ش.ذ.م.م)، وهي شركة ذات مسؤولية محدودة - شركة الشخص الواحد، مسجلة في إمارة دبي بموجب الرخصة رقم ٦٣٥٦٦٢، الصادرة من دبي للاقتصاد والسياحة ("**الشركة**")، بموجب عقد التأسيس والنظام الأساسي المصدق لدى الكاتب العدل في أبوظبي بتاريخ ٢٠٠٩/١٢/١٤، برقم ٢٠٠٩/١٨٢١٦، وبموجب اتفاقية تنازل عن حصص وتعديل عقد التأسيس والنظام الأساسي المصدق لدى الكاتب العدل بدبي بتاريخ ٢٠١٧/٥/١٨، بالمحرر رقم ٢٠١٧/١/١١٥٢٨٦ وبموجب ملحق بتعديل عقد تأسيس المصدق لدى الكاتب العدل بدبي بتاريخ ٢٠١٧/١٠/١٢، بالمحرر رقم ٢٠١٧/١/٢٢١٨٦٥، وبموجب عقد بيع حصص مصدق لدى الكاتب العدل بدبي بتاريخ ٢٠٢٤/٦/٦، بمحرر رقم ٥٦٤٨٣٥/١/٢٠٢٤، وبموجب عقد تأسيس معدل ومعاد صياغته، مصدق لدى الكاتب العدل بدبي بتاريخ ٢٠٢٤/٦/٦، بمحرر رقم ٥٦٤٨٣١/١/٢٠٢٤.

Whereas the sole shareholder of the Company, listed in the share register below, is referred to herein as the ("**Founder**").

يشار إلى المساهم الوحيد – والمدرج اسمه بسجل المساهمين أدناه بـ ("**المؤسس**").

Whereas the Founder wishes to convert the Company's legal form from a limited liability company – single owner, into a public joint stock company and the Founder of the Company approved on 24 January 2025, (i) such conversion from a limited liability company – single owner into a public joint stock company; (ii) the offer of part of the Company's capital to the public.

وحيث أن المؤسس يرغب في تحويل الشكل القانوني للشركة من شركة ذات مسؤولية محدودة – شركة الشخص الوحد إلى شركة مساهمة عامة، فقد وافق المؤسس بتاريخ ٢٤ يناير ٢٠٢٥ على (١) تحول الشركة من شركة ذات مسؤولية محدودة – شركة الشخص الواحد إلى شركة مساهمة عامة؛ (٢) طرح جزء من رأس مال الشركة للاكتتاب العام.

Whereas it has been agreed to offer to the public a part of the share capital of the Company.

وحيث تم الاتفاق على طرح جزء من أسهم الشركة للاكتتاب العام.

Therefore, it has been agreed that the following shall be the Articles of Association of the Company:

وعليه، فقد تمَ الاتفاق على النظام الأساسي التالي للشركة:

DEFINITIONS

تعريفات

The following terms and expressions, when mentioned in the provisions of these Articles, shall have the following meanings:

يقصد بالألفاظ أدناه، عند ورودها في النظام الأساسي، المعاني المرادفة لكل منها:

Affiliated Company: means a company associated with another company under a cooperation and coordination agreement, in accordance with the resolution No.)3 R.M(issued by the Board of Directors of the Authority concerning Approval of Joint Stock Companies Governance Guide as amended ("**Governance Code**").

الشركة الحليفة: تعني الشركة المرتبطة بعقد تعاون وتنسيق مع شركة أخرى وفقاً لقرار رئيس مجلس إدارة الهيئة رقم (٣ ر.م) لسنة ٢٠٢٠ بشأن اعتماد دليل حوكمة الشركات المساهمة العامة وتعديلاته ("**قواعد الحوكمة**").

Articles or Articles of Association: means the Articles of Association of the Company as amended from time to time.

النظام أو النظام الأساسي: يعني هذا النظام الأساسي للشركة كما يتم تعديله من وقت لآخر.

Authority: means the Securities and Commodities Authority in the United Arab

الهيئة: تعني هيئة الأوراق المالية والسلع بدولة

Emirates.

الإمارات العربية المتحدة.

Board or Board of Directors: means the board of directors of the Company.

المجلس أو مجلس الإدارة: يعني مجلس إدارة الشركة.

Chairman or Chairman of the Board: means the chairman of the Board of Directors of the Company.

الرئيس أو رئيس المجلس: يعني رئيس مجلس إدارة الشركة.

Company: means Alec Holdings PJSC.

الشركـة: تعني اليك القابضة ش.م.ع.

Competent Authority: means the Dubai Economy and Tourism.

السلطة المختصة: تعني دبي للاقتصاد والسياحة.

Conflict of Interest: A situation in which the impartiality in taking a decision is affected due to a personal, financial or moral interest, whereby the interests of the Related Parties interfere or seem to interfere with the interests of the Company as a whole, or upon taking advantage of the professional or official position in any way with a view to achieving a personal benefit.

تعارض المصالح: تعني الحالة التي يتأثر فيها حياد اتخاذ القرار بسبب مصلحة شخصية مادية أو معنوية حيث تتداخل أو تبدو أنها تتداخل مصالح الأطراف ذات العلاقة مع مصالح الشركة ككل أو عند استغلال الصفة المهنية أو الرسمية بطريقة ما لتحقيق منفعة شخصية.

Control: The ability to direct management and policies of the Company and control financial and operational polices through controlling the following: formation of the Board, election of the majority of its members or control of the administration appointments. Control shall also be illustrated by the acquisition/control of shares that have voting rights of 30% or more in the company.

السيطـرة: تعني القدرة على التأثير أو التحكم - بشكل مباشر أو غير مباشر- في تعيين أغلبية أعضاء مجلس إدارة شركة أو القرارات الصادرة منه أو من الجمعية العمومية للشركة، وذلك من خلال ملكية نسبة ٣٠٪ أو أكثر من أسهم الشركة، أو الحصص، أو باتفاق، أو ترتيب آخر يؤدي إلى ذات التأثير.

Corporate Governance: means a set of controls, standards and procedures that aim to achieve corporate discipline for the management of the Company in

حوكمة الشركات أو الحوكمة: تعني مجموعة الضوابط والمعايير والإجراءات التي تحقق الانضباط المؤسسي في إدارة الشركة وفقاً للمعايير

accordance with international standards and practices, through determining the duties and responsibilities of the Directors and the executive management of the Company, while taking into consideration the protection of the rights of shareholders and stakeholders.

والأساليب العالمية وذلك من خلال تحديد مسؤوليات وواجبات أعضاء مجلس الإدارة والإدارة التنفيذية للشركة مع الأخذ في الاعتبار حماية حقوق المساهمين وأصحاب المصالح.

Cumulative Voting: means each shareholder has a number of votes equal to the number of shares held by such shareholder. Such votes can be provided to a single nominated director or distributed among more than one nominated director provided that the number of votes to be given to such group of nominated directors is not more than the number of the votes held by such shareholder in any case whatsoever.

التصويت التراكمي: يعني أن يكون لكل مساهم عدد من الأصوات يساوي عدد الأسهم التي يملكها، بحيث يقوم بالتصويت بها لمرشح واحد لعضوية مجلس الإدارة أو توزيعها بين من يختارهم من المرشحين على ألا يتجاوز عدد الأصوات التي يمنحها للمرشحين الذين اختارهم عدد الأصوات التي بحوزته بأي حال من الأحوال.

Director(s): means the person(s) elected to perform the function of member(s) of the Board of Directors of the Company, including the Chairman of the Board.

عضو (أعضاء) مجلس الإدارة: يعني الشخص الذي يتم انتخابه لشغل عضوية مجلس إدارة الشركة، بما في ذلك رئيس المجلس.

Dirham: means the official currency in the State.

درهم: يعني العملة الرسمية لدولة الإمارات العربية المتحدة.

Disclosure Rules: mean the rules and requirements of disclosure under the Law and the regulations and resolutions issued in accordance thereof.

قواعد الإفصاح: تعني قواعد ومتطلبات الإفصاح الواردة في القانون والأنظمة والقرارات الصادرة بمقتضاه.

Executive Management: means the senior executive management of the Company including the General Manager, the Chief Executive Officer, the Managing Director delegated by the Board to manage the Company and their deputies or any other persons authorized by the Board of Directors and their deputies to manage the Company.

الإدارة التنفيذية: تعني الإدارة التنفيذية العليا للشركة وتشمل المدير العام والرئيس التنفيذي والعضو المنتدب المخول من قبل أعضاء مجلس الإدارة بإدارة الشركة ونوابهم / أو أشخاص أخرى مخولين من قبل أعضاء مجلس الإدارة ونوابهم بإدارة الشركة.

General Meeting or General Assembly: means the Company's shareholders general meeting held as per the provisions of Part Five of these Articles of Association.

الجمعية العمومية: تعني الجمعية العمومية للمساهمين المنعقدة وفقاً لأحكام الباب الخامس من هذا النظام الأساسي.

Law: means Federal Decree by Law No 32 of 2021 Concerning Commercial Companies and any amendments thereof.

القانون: يعني المرسوم بقانون اتحادي رقم (٣٢) لسنة ٢٠٢١ في شأن الشركات التجارية وأية تعديلات تطرأ عليه.

Listing Rules: mean the rules and requirements of listing under the Law, the regulations and resolutions issued in accordance thereof, including the internal regulations of the Market.

قواعد الإدراج: تعني قواعد ومتطلبات الإدراج الواردة في القانون والأنظمة والقرارات الصادرة بمقتضاه، واللوائح الداخلية الخاصة بالسوق.

Manager of the Company: means the general manager, the executive manager, the chief executive officer or the managing director of the Company appointed by the Board of Directors.

مدير الشركة: يعني المدير العام أو المدير التنفيذي أو الرئيس التنفيذي أو العضو المنتدب للشركة المعينين من قبل مجلس الادارة.

Market: means the financial market licensed in the State on which the shares of the Company are listed being Dubai Financial Market.

السوق: يعني سوق الأوراق المالية المرخص في الدولة من قبل الهيئة والمدرجة فيه أسهم الشركة وهو سوق دبي المالي.

Parent Company: means a company related to a Subsidiary Company through any of the following relationships:

1. has the right to exercise or already exercises Control of the Subsidiary Company; or
2. a parent company of the Parent Company relating to the Subsidiary Company.

الشركة الأم: تعني شركة ترتبط بالشركة التابعة من خلال أي من العلاقات التالية:

١- أن يكون لديها الحق في ممارسة أو تقوم بالفعل بممارسة السيطرة على الشركة التابعة؛ أو

٢- شركة أم للشركة الأم للشركة التابعة.

Related Party(ies): means any person, entity or entity identified by the Authority

الأطراف ذات العلاقة: أي شخص أو جهة أو

as a related party, in accordance with the decisions issued by the Authority in this regard.

كيان يتم تحديدُه من الهيئة كطرف ذي علاقة، وفقاً للقرارات الصّادرة عنها في هذا الشأن.

Sister Company: means a company that belongs to the same group to which the Company belongs.

الشركة الشقيقة: تعني الشركة التي تتبع نفس المجموعة التي تتبعها شركة اخرى.

Special Resolution: means a resolution that has been passed by the majority shareholders of the Company holding at least three quarters (75%) of the shares represented in the General Assembly of the Company.

القرار الخاص: يعني القرار الصادر بأغلبية أصوات مساهمي الشركة الذين يملكون ما لا يقل عن ثلاثة أرباع (٧٥٪) من الأسهم الممثلة في اجتماع الجمعية العمومية للشركة.

State: means the United Arab Emirates.

الدولة: تعني دولة الإمارات العربية المتحدة.

Subsidiary Company: means a company in which the Company owns more than 50% of its capital and fully controls the formation of its board of directors.

الشركة التابعة: تعني الشركة المملوكة من الشركة بأكثر من ٥٠٪ من رأسمالها وتخضع للسيطرة الكاملة من قبل الشركة في تعيين مجلس ادارتها.

Transactions: means an event that may affect a listed public joint stock company's assets, liabilities and net value in terms of transactions, contracts or agreements concluded by the company and any other transactions determined by the Authority from time to time under decisions, instructions or circulations issued thereby.

الصفقات: حدث يؤثر على أصول الشركة المساهمة العامة المدرجة في السوق أو التزاماتها أو صافي قيمتها من تعاملات أو عقود أو اتفاقيات تبرمها الشركة، وأي تعاملات اخرى تحددها الهيئة من وقت لآخر بقرارات أو تعليمات أو تعاميم تصدرها.

Article 1

المادة ١

The name of the Company **Alec Holdings PJSC** (a public joint stock company).

اسم الشركة هي شركة **اليك القابضة ش.م.ع** (شركة مساهمة عامة).

Article 2

المادة ٢

The head office of the Company and its legal place of business shall be in the Emirate of Dubai. The Board of Directors may establish branches, offices and agencies for the Company inside and outside the State.

يكون مكتب الشركة الرئيسي ومحلها القانوني في إمارة دبي، ويجوز لمجلس الإدارة أن ينشئ لها فروعاً ومكاتب ووكالات في داخل الدولة وخارجها.

Article 3

المادة ٣

3.1. The fixed term of the Company shall be one hundred (100) Gregorian years commencing from the date the Company is registered in the commercial register.

٣,١ المدة المحددة لهذه الشركة هي (١٠٠) مئة سنة ميلادية تبدأ من تاريخ إشهار الشركة في السجل التجاري.

3.2. Such term shall be automatically renewed for similar successive terms unless a Special Resolution of the General Assembly is issued to amend the term of the Company or terminate the same.

٣,٢ تجدد هذه المدة بعد ذلك تلقائياً لمدد متعاقبة ومماثلة ما لم يصدر قرار خاص من الجمعية العمومية بتعديل مدة الشركة أو انهائها.

Article 4

المادة ٤

4.1 The objects that the Company is established for shall be in compliance with the provisions of the laws and regulations in force in the State and shall be:

٤,١ تكون الأغراض التي أسست من أجلها الشركة متفقة مع أحكام القوانين والقرارات المعمول بها داخل الدولة، وهي:

a. Investment in Commercial Enterprises & Management;

أ. الاستثمار في المشروعات التجارية وتأسيسها وإدارتها؛

b. Investment in Industrial Enterprises & Management; and

ب. الاستثمار في المشروعات الصناعية وتأسيسها وإدارتها؛ و

c. Investment in Agricultural

ج. الاستثمار في المشروعات الزراعية

Enterprises & Management

وتأسيسها وإدارتها.

4.2 Furthermore, the Company shall be entitled to carry on any other activities incidental to or conducive to the attainment of any of its objects.

٤,٢ علاوةً على ذلك، يجوز للشـركة مزاولة أية أنشـطة أخرى تتعلق بأي من أغراضـها أو تؤدي إلى تحقيقها.

4.3 During the course of carrying out its objects, the Company is authorised:

٤,٣ يجوز للشركة، ضمن مسار القيام بأغراضها:

a. To enter commercial transactions, to execute and implement contracts and other obligations, to borrow money, to open and operate bank accounts and provide guarantees and other security for loans, to make investments, to draw, accept and handle all kinds of negotiable instruments, to sue and be sued;

أ. الدخول في العمليات التجارية، وابرام وتنفيذ العقود والتبعيات الأخرى، والقيام باقتراض النقود، وفتح وتشغيل الحسابات المصرفية وتقديم الضمانات والكفالات الأخرى للقروض، وتحمل الاستثمارات، وسحب وقبول والتعامل بجميع السندات القابلة للانتقال وأن تُقاضي وتتقاضى؛ و

b. To conduct its business, attain its objects and exercise its powers in any part of the world either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others; and

ب. إدارة أعمالها والعمل على تحقيق أغراضها والقيام بممارسه صلاحياتها في أي جزء من العالم سواءً كأصلاء، أو وكلاء أو مقاولين أو سواه، وسواءً بشكل منفرد أو بالترابط مع آخرين؛ و

c. To do all such things as are incidental on conducive to or arise out of the business or powers of the Company, provided the same be lawful.

ج. القيام بجميع تلك الأشياء التي توافق أو تؤدي أو تنجم عن عمل الشركة أو صلاحياتها شريطه أن يكون ذلك قانونياً.

d. Enter into joint ventures with, establish, acquire or participate with other entities, establishments or companies in the State or outside the State, in projects, establishments and companies pursing objects and exercising

د. أن تدخل في مشاريع مشتركة أو تؤسس أو تستحوذ أو تشترك مع الشركات والمؤسسات والجهات داخل الدولة أو خارجها في مشاريع ومؤسسات وشركات تزاول أغراضاً واعمالاً شبيهة

activities similar to its own objects and activities.

بأغراضها وأعمالها.

e. In fulfillment of its objects above, the Company may, enter into commercial and financial transactions, execute and implement contracts and other obligations, draw, accept and negotiate negotiable instruments, open and operate bank accounts and borrow money for any period of time with or without security on any of all of the assets of the Company, issue guarantees, invest monies and deal with such investments on its own account and generally to institute, participate in or promote commercial and mercantile enterprises and operations of all kinds in relation to or for the purpose of the business of the Company, and to do all such other businesses as may be considered to be incidental to the above objects

هـ. وللشركة في سبيل تحقيق أغراضها المحددة لها السابق ذكرها، أن تقوم بالعمليات التجارية والمالية وإنجاز والتوقيع على العقود والالتزامات الأخرى وسحب وقبول وحسم الأوراق التجارية القابلة للتداول وفتح وإدارة الحسابات البنكية واقتراض الأموال لأية فترة زمنية سواء مقابل ضمانات أو دون ضمانات على أي وجميع موجودات الشركة وإصدار الضمانات واستثمار الأموال والتعامل مع هذه الاستثمارات لحسابها الخاص وعلى وجه العموم إقامة أو الإسهام في أو تطوير الأعمال أو العمليات التجارية من جميع الأشكال المتعلقة بأغراض الشركة أو التي تخدم أغراضها وكذلك القيام بجميع الأعمال التي تكون مرتبطة مع الأغراض المذكورة.

4.4 The Company shall not carry out any activity for which a license is required from the competent regulatory authority in or outside the State, unless it obtains such license. A copy of such license should be provided to the Authority and the Competent Authority.

٤,٤ لا يجوز للشركة القيام بأي نشاط يُشترط لمزاولته صدور ترخيص من الجهة الرقابية المشرفة على النشاط بالدولة أو خارج الدولة إلا بعد الحصول على الترخيص من تلك الجهة وتقديم نسخة من هذا التراخيص للهيئة والسلطة المختصة.

4.5 The Company may not undertake either insurance or banking activities or the investment of money on behalf of or for the account of third parties.

٤,٥ لا يجوز للشركة مزاولة أنشطة التأمين أو الأعمال المصرفية أو استثمار الأموال نيابةً عن أو لحساب أطراف ثالثة.

PART TWO

THE CAPITAL OF THE COMPANY

Article 5

The issued capital of the Company has been fixed at an amount AED fifty million (50,000,000 Dirhams) divided into 5,000,000,000 shares, the nominal value of which is 0.01 Dirham for each share. All the Company's shares are fully paid and are of the same class and are equal in their rights and obligations.

Article 6

All the shares in the Company are of the same nominal value, and the provisions of the Law and the resolutions issued for its implementation with regard to the ownership of shares must be adhered to.

Article 7

The shareholders shall not be responsible for any liabilities or losses that the Company incurs save to the extent of the unpaid amount, if any, of the shares they own. The obligations of shareholders may not be increased without their unanimous consent.

Article 8

Ownership of any share in the Company shall be deemed an acceptance by the shareholder to be bound by these Articles and the resolutions of the Company's General Assemblies. A shareholder may not request a refund for amounts paid to

الباب الثاني

في رأسمال الشركة

المادة ٥

حدد رأس مال الشركة المصدر بمبلغ خمسون مليون درهم (٥٠,٠٠٠,٠٠٠) درهم موزع على عدد ٥,٠٠٠,٠٠٠,٠٠٠ من الأسهم قيمتها الاسمية ٠,٠١ درهم لكل سهم، مدفوعة بالكامل. وتكون جميع أسهم الشركة متساوية مع بعضها البعض في كافة الحقوق والالتزامات.

المادة ٦

جميع أسهم الشركة اسمية وبذات القيمة ويجب الالتزام بأحكام القانون والقرارات الصادرة تنفيذاً له فيما يتعلق بملكية الأسهم.

المادة ٧

لا يلتزم المساهمون بأية التزامات أو خسائر على الشركة إلا في حدود المبلغ (إن وجد) المتبقي غير المدفوع على ما يملكون من أسهم، ولا يجوز زيادة التزاماتهم إلا بموافقتهم الجماعية.

المادة ٨

يترتب على ملكية السهم قبول المساهم بنظام الشركة الأساسي وقرارات جمعياتها العمومية. ولا يجوز للمساهم أن يطلب استرداد ما دفعه للشركة كحصة في رأس المال.

the Company in consideration of his/her shareholding.

Article 9

المادة ٩

The shares of the Company are not divisible (i.e. shares may not be divided among more than one person). However, if the ownership of the share is transmitted or owned by multiple persons, they must select a nominee to act on their behalf towards the Company. Such persons shall be jointly liable for the obligations arising from the ownership of the shares. If they fail to agree on the selection of a nominee, any of them may refer to the competent court to appoint such nominee. The Company and the Market shall be notified of the decision of the court in this regard.

يكون السهم في الشركة غير قابل للتجزئة (بمعنى أنه لا يجوز تجزئة السهم على أكثر من شخص). ومع ذلك إذا آلت ملكية السهم إلى عدة ورثة أو تملكه أشخاص متعددون وجب أن يختاروا من بينهم من ينوب عنهم تجاه الشركة، ويكون هؤلاء الأشخاص مسؤولين بالتضامن عن الالتزامات الناشئة عن ملكية السهم، وفي حال عدم اتفاقهم على اختيار من ينوب عنهم يجوز لأي منهم اللجوء للمحكمة المختصة لتعيينه ويتم إخطار الشركة والسوق بقرار المحكمة بهذا الشأن.

Article 10

المادة ١٠

Each share shall entitle its holder to a proportion equal to that of other shareholders without distinction (i) in the ownership of the assets of the Company upon dissolution; (ii) in the profits as stated hereinafter; (iii) in the rights to attend the General Assembly meetings and (iv) in voting on the resolutions thereof.

كل سهم يخول مالكه الحق في حصة معادلة لحصة غيره بلا تمييز (أ) في ملكية موجودات الشركة عند تصفيتها؛ و (ب) في الأرباح المبينة فيما بعد؛ و (ج) في حق حضور اجتماعات الجمعيات العمومية؛ و (د) في التصويت على قراراتها.

Article 11

المادة ١١

11.1 The Board of Directors may elect to list the shares on other stock markets outside the State. In the event the shares of the Company are listed in the markets of any other jurisdiction, the Company shall comply with their respective

١١,١ يجوز لمجلس الإدارة إدراج الشركة في الأسواق المالية الأخرى خارج الدولة، وفي حالة إدراج أسهم الشركة في الأسواق المالية خارج الدولة فعلى الشركة أن تتبع القوانين والأنظمة واللوائح المعمول بها في تلك الأسواق بما في ذلك قوانين وأنظمة

governing rules and regulations including the laws, rules and regulations relating to the issuance and registration, transfer, trading and encumbering the shares without the need to amend the provisions of these Articles of Association should they conflict with the laws, rules and regulations of those stock markets.

ولوائح إصدار وتسجيل أسهم الشركة وتداولها ونقل ملكيتها وترتيب أي حقوق عليها، وذلك دون الحاجة إلى تعديل الأحكام الواردة في هذا النظام الأساسي في حالة تعارضها مع هذه القوانين أو الأنظمة أو اللوائح.

11.2 The Company's shares may be sold, assigned, pledged, or otherwise disposed of in any way whatsoever in accordance with the provisions of these Articles and all the regulations of the Authority and the Market where the shares of the Company are listed. The transfer of title to shares or any other disposal thereof shall become effective from the date of its registration in the share register at the Market where the shares are listed.

١١,٢ يجوز بيع أسهم الشركة أو التنازل عنها أو رهنها أو التصرف أو التعامل فيها على أي وجه بمقتضى وطبقاً لأحكام هذا النظام الأساسي ونظام الهيئة والسوق المدرجة فيه الأسهم. ولا يجوز الاحتجاج بنقل ملكية الأسهم أو اجراء أي تصرف آخر فيها إلا من تاريخ قيدها في سجل أسهم الشركة بالسوق المدرجة فيه الأسهم.

11.3 In the event of a death of a shareholder, his/her heirs shall be the only persons to be approved by the Company as having rights or interests in the shares of the deceased shareholder. Such heir shall be entitled to dividends and other privileges which the deceased shareholder had. Such heir, after being registered as a shareholder of the Company in accordance with these Articles, shall have the same rights in his/her capacity as a shareholder in the Company as the deceased shareholder had in relation to such shares. The estate of the

١١,٣ في حالة وفاة أحد المساهمين، يكون وريثه هو الشخص الوحيد الذي توافق الشركة بأن له حقوق ملكية أو مصلحة في أسهم المتوفى ويكون له الحق في الأرباح والامتيازات الأخرى التي كان للمتوفى حق فيها. ويكون للوريث بعد تسجيله في الشركة وفقا لأحكام هذا النظام ذات الحقوق كمساهم في الشركة التي كان يتمتع بها المتوفى فيما يخص هذه الأسهم. ولا تعفى تركة المساهم المتوفي من أي التزام فيما يختص بأي سهم كان يملكه وقت الوفاة.

deceased shareholder shall not be exempted from any obligation regarding any share held by him/her at the time of death.

11.4 Any person who becomes entitled to rights to shares in the Company as a result of the death or bankruptcy of any shareholder, or pursuant to an attachment order issued by any competent court of law, should within thirty (30) days:

a. produce evidence of such right to the Board of Directors; and

b. select either to be registered as a shareholder or to nominate another person to be registered as a shareholder of the relevant share.

Article 12

When the Company completes the listing of its shares on the Market in accordance with the Listing Rules, it shall replace its share register system and the applicable system of its ownership transfer with an electronic system for the registration of the shares and transfers thereof as applicable in the Market. The data electronically recorded thereon is final and binding and cannot be challenged, transferred or altered except in accordance with the regulations and procedures followed in such Market.

Article 13

A shareholder's heirs or creditors may not, for whatsoever reason, request the

١١,٤ يجب على أي شخص يصبح له الحق في أية أسهم في الشركة نتيجةً لوفاة أو إفلاس أي مساهم أو بمقتضى أمر حجز صادر عن أية محكمة مختصة أن يقوم خلال ثلاثين (٣٠) يوماً:

أ. بتقـديم البينـة على هـذا الحق إلى مجلس الإدارة؛ و

ب. أن يختار أما أن يتم تسجيله كمساهم أو أن يسـمي شـخصـاً ليتم تسـجيله كمساهم فيما يختص بذلك السهم.

المادة ١٢

تستبدل الشركة، عند اتمام إدراج أسهمها في السوق وفقاً لقواعد الإدراج، سجل الأسهم ونظام نقل ملكية الأسهم المعمول به بنظام إلكتروني لتسجيل الأسهم وقيد نقل ملكيته وفقاً للنظام المعمول به في السوق الخاص بقيد وتسجيل الأسهم. وتعتبر البيانات الواردة في هذا النظام الإلكتروني نهائية وملزمة ولا يجوز الطعن فيها أو طلب نقلها أو تغييرها إلا وفقاً للنظم والإجراءات المتبعة في السوق المعني.

المادة ١٣

لا يجوز لورثة المساهم أو لدائنيه، لأي سبب كان،

attachment of the Company's books or assets. They also may not request to divide those assets or sell them in one lot as a result of their indivisibility, nor to interfere in any way whatsoever in the management of the Company. Those heirs and creditors must, when exercising their rights, rely on the Company's books, inventories, balance sheets and resolutions of its General Assembly.

أن يطلبوا وضع الأختام على دفاتر الشركة أو ممتلكاتها ولا أن يطلبوا قسمتها أو بيعها جملةً لعدم إمكان القسمة ولا أن يتدخلوا بأية طريقة كانت في إدارة الشركة. ويجب عليهم، لدى استعمال حقوقهم، التعويل على قوائم جرد الشركة وحساباتها الختامية وعلى قرارات جمعياتها العمومية.

Article 14

المادة ١٤

14.1 Dividends shall be paid to the Shareholders in accordance with the regulations on trading, set-off, settlement, transfer of ownership, and custody of securities, and other applicable rules, of the Financial Market in which the Company's shares are listed.

١٤,١ يتم دفع حِصَص الأرباح إلى المُساهِمين وفقاً لنظام التداول والمقاصّة والتسويات في نقل ملكيّة وحفظ الأوراق الماليّة، وكذلك القواعد واجبة التطبيق في السّوق المالي الذي تم فيه إدراج أسهُم الشّركة.

14.2 The Company may distribute quarterly or semi-annual dividends to the Shareholders out of its operating profits or accumulated profits.

١٤,٢ يجوز للشّركة توزيع أرباح رُبع سنويّة أو نِصف سنويّة على المُساهِمين من الأرباح التشغيليّة أو الأرباح المُتراكِمة للشّركة.

Article 15

المادة ١٥

A shareholder has the right to access the Company's books and documents, as well as any document relating to a deal transacted by the Company with one of the Related Parties under the permission of the Board or a decision of the General Assembly.

للمساهم الحق في الاطلاع على دفاتر الشركة ووثائقها وكذلك على أية مستندات أو وثائق تتعلق بصفقة قامت الشركة بإبرامها مع أحد الأطراف ذات العلاقة بإذن من مجلس الإدارة أو بموجب قرار من الجمعية العمومية.

Article 16

المادة ١٦

16.1 Subject to the approval of the Authority and the Competent Authority, the Company, by way of a Special Resolution, may:

a. increase the share capital of the Company by issuing new shares of the same nominal value as the original shares or of the same nominal value plus a premium in case the market value of a share exceeds the nominal value of that share;

b. grant issuance discount in case the market value of the share decreased below the nominal value of the share; and

c. reduce the share capital of the Company.

16.2 Without prejudice to Article 5 above, the increase or reduction of the share capital shall be resolved by a Special Resolution of the General Assembly, pursuant to a recommendation of the Board of Directors, and after hearing the auditors' report in case of a reduction. In the case of an increase, the resolution must state the amount of the increase, the value of the shares issued and any preemption rights to existing shareholders. In the case of a decrease in the share capital, the resolution must state the amount of decrease and the method of its implementation.

16.3 Shareholders shall have priority to subscribe for the issuance of new

١٦,١ بعد الحصول على موافقة الهيئة والسلطة المختصة يجوز للشركة بموجب قرار خاص:

أ. زيادة رأسمال الشركة من خلال إصدار أسهم جديدة بنفس القيمة الاسمية للأسهم الأصلية أو بإضافة علاوة إصدار إلى القيمة الاسمية في حالة زيادة القيمة السوقية عن القيمة الاسمية للسهم؛ و

ب. منح خصم إصدار في حالة انخفاض القيمة السوقية عن القيمة الاسمية للسهم؛ و

ج. تخفيض رأس مال الشركة.

١٦,٢ مع مراعاة المادة (٥) أعلاه، تكون زيادة رأس مال الشركة أو تخفيضه بقرار خاص من الجمعية العمومية بناءً على اقتراح من مجلس الإدارة، وبعد سماع تقرير مدقق الحسابات في حالة أي تخفيض، وعلى أن يبين في حالة الزيادة، مقدارها وسعر إصدار الأسهم الجديدة وحق المساهمين القدامى في أولوية الاكتتاب في هذه الزيادة. ويبين في حالة التخفيض مقدار هذا التخفيض وكيفية تنفيذه.

١٦,٣ يكون للمساهمين حق الأولوية في

shares. Subscription to new shares shall be governed by the rules of subscription to the original shares.

الاكتتاب بالأسهم الجديدة ويسري على الاكتتاب في هذه الأسهم القواعد الخاصة بالاكتتاب في الأسهم الأصلية.

16.4 In accordance with Articles 225, 226, 227 and 231 of the Law, the Company may increase its capital: (a) for the purpose of the entry of a strategic partner; (b) for the purpose of capitalizing the Company's debts, or (c) for the purpose of converting bonds or Sukuk issued by the Company into shares, and without applying the pre-emption rights of the existing shareholders, provided that the Company obtains all the required approvals from the Authority and the Competent Authority and approves the relevant increase in capital by way of Special Resolution.

١٦,٤ وفقا لأحكام المواد (٢٢٥،٢٢٦,٢٢٧,٢٣١) من القانون يجوز زيادة رأس مال الشركة: (أ) لأغراض إدخال مساهم استراتيجي في الشركة؛ أو (ب) لتحويل ديون الشركة إلى رأس مال؛ أو (ج) تحويل السندات أو الصكوك المصدرة من الشركة إلى أسهم، وذلك دون إعمال لحقوق الأولوية وذلك بشرط الحصول على جميع الموافقات اللازمة من الهيئة والسلطة المختصة والموافقة على زيادة رأس المال من خلال قرار خاص للجمعية العمومية.

16.5 By way of additional exception, the Company may by Special Resolution increase its share capital without triggering the preemption rights, in order to implement a share incentive scheme for its employees in light of the resolutions issued by the Authority and the Competent Authority in this respect.

١٦,٥ وكذلك يُستثنى من حق الأولوية في الاكتتاب بالأسهم الجديدة برنامج تحفيز موظفي الشركة، حيث يجوز للشركة بموجب قرار خاص أن تزيد رأسمالها لتطبيق برنامج تحفيز موظفي الشركة بتملك أسهم فيها في ضوء القرارات المنظمة الصادرة عن الهيئة والسلطة المختصة بهذا الشأن.

16.6 The Board of Directors of the Company shall present an employee share incentive scheme (if present) to the General Assembly for approval.

١٦,٦ يعرض مجلس الإدارة على الجمعية العمومية برنامج تحفيز موظفي الشركة بتملك أسهم فيها (إن وجد) للموافقة.

16.7 Directors of the Board are not allowed to participate in the

١٦,٧ لا يجوز لأعضاء مجلس الإدارة المشاركة في برنامج تحفيز موظفي الشركة بتملك

employee share incentive scheme.

أسهم فيها.

16.8 The share capital of the Company may be increased by no more than 10% of the issued capital in any given five-year period for the purpose of establishing and implementing such employee share incentive scheme.

١٦,٨ يجوز زيادة رأسمال الشركة بنسبة لا تزيد عن ١٠٪ من رأس المال المصدر خلال كل فترة خمس سنوات لغرض تطبيق برامج تحفيز موظفي الشركة بتملك أسهم فيها.

16.9 The Board of Directors, will, from time to time, determine the number of shares and conditions of allocation for the implementation of the employee share incentive scheme.

١٦,٩ يحدد مجلس الإدارة من وقت إلى آخر عدد وشروط تخصيص الأسهم لتطبيق برامج تحفيز موظفي الشركة بتملك أسهم فيها.

PART THREE

الباب الثالث

LOAN DEBENTURES

في سندات القرض

Article 17

المادة ١٧

17.1 Subject to the provisions of the Law, the Company may by a Special Resolution resolve, after obtaining the approval of the Authority, to issue bonds or Sukuk of any nature of equal value per issue whether such bonds or Sukuks are convertible to shares or otherwise and the term of the bonds. The Special Resolution shall determine the value of the bonds, the conditions of their issuance and their convertibility into shares. The General Assembly may also resolve to delegate to the Board of Directors the power to determine the date of issuance of such bonds or Sukuks, pursuant to the terms and

١٧,١ مع مراعاة أحكام القانون، للجمعية العمومية للشركة بموجب قرار خاص بعد الحصول على موافقة الهيئة، أن تقرر إصدار سندات قرض من أي نوع أو صكوك اسلامية بقيم متساوية لكل إصدار وسواءً كانت قابلة أو غير قابلة للتحول إلى أسهم في الشركة وكذلك مدة السندات. ويبين القرار الخاص قيمة السندات أو الصكوك وشروط إصدارها ومدى قابليتها للتحويل إلى أسهم. وللجمعية العمومية أن تصدر قراراً بتفويض الصلاحية إلى مجلس الإدارة في تحديد موعد إصدار السندات أو الصكوك وفقًا للشروط واللوائح الصادرة من الهيئة.

regulations issued by the Authority.

17.2 For the avoidance of doubt, any: (i) loans, credit facilities and/or derivative instruments entered into by the Company with banks or financial institutions or any third-party; and (ii) guarantees, indemnities and/or security arrangements granted by the Company in favour of any banks or financial institutions or any third-party, pursuant to any loans and/or credit facilities, in each case, having periods in excess of 3 years and entered into prior to the date of these Articles of Association, shall continue in full force and effect without the requirement for any further ratification from the Board of Directors and/or the General Assembly.

١٧,٢ لتجنب الشك، أي: (١) قروض و / أو تسهيلات ائتمانية و/ أو أدوات دين / مشتقات قد دخلت فيها الشركة مع بنوك أو مؤسسات مالية أو مع الغير؛ و (٢) الضمانات والتعويضات و/أو ترتيبات الضمان الممنوحة من الشركة لصالح أي بنوك أو مؤسسات مالية أو مع الغير بموجب أي قروض و/ أو تسهيلات ائتمانية، في كل حالة، لفترات تتجاوز ٣ سنوات تم إبرامها قبل تاريخ هذا النظام الأساسي، تظل نافذة وسارية المفعول ونافذة بالكامل دون الحاجة إلى أي تصديق لاحق من مجلس الإدارة و / أو الجمعية العمومية.

Article 18

المادة ١٨

18.1 The bond or Sukuk shall remain nominal until fully paid up. The Company may not issue “bearer” bonds or Sukuk.

١٨,١ يكون السند أو الصك اسمياً حتى اكتمال سداد قيمته ولا يجوز إصدار السندات أو الصكوك لحاملها.

18.2 Bonds or Sukuk issued in connection with a single loan shall give equal rights to the holders of such bonds or Sukuk. Any condition to the contrary shall be invalid.

١٨,٢ السندات أو الصكوك التي تصدر بمناسبة قرض واحد تعطي لأصحابها حقوقاً متساوية ويقع باطلاً كل شرط يخالف ذلك.

PART FOUR

الباب الرابع

BOARD OF DIRECTORS

في مجلس الادارة

Article 19

المادة ١٩

19.1 The Company shall be managed by a Board of Directors consisting of seven (7) Directors to be elected by a General Assembly via secret Cumulative Voting. The first Board of Directors will be appointed by the Founder of the Company for three (3) years.

١٩,١ يتولى إدارة الشركة مجلس إدارة مكون من سبعة (٧) أعضاءً تنتخبهم الجمعية العمومية بالتصويت السري التراكمي. ومع ذلك يتم تعيين أعضاء أول مجلس إدارة من قبل مؤسس الشركة لمدة ٣ سنوات.

19.2 In all cases, the composition of the Board shall take into consideration the Law and its amendments along with the relevant implementing resolutions.

١٩,٢ يتعين أن يراعى في تشـــكيل مجلس الادارة أحكـام القـانون وتعـديلاتـه والقرارات الصادرة تنفيذاً له.

Article 20

المادة ٢٠

20.1 The Board of Directors shall hold its office for a term of three (3) years. At the end of such term, the Board of Directors shall be reconstituted. Directors whose term of office is completed may be re-elected.

٢٠,١ يتولى مجلس الإدارة مهامـه لمـدة ثلاث ســـنوات. وفي نهـايـة هـذه المـدة، يعـاد تشـــكيـل مجلس الإدارة. ويجوز إعـادة انتخـاب أعضـــاء مجلس الإدارة الـذين انتهت مدة عضويتهم.

20.2 The Company shall have a secretary who shall not be a Director.

٢٠,٢ يجب أن يكون للشركة مقرر لمجلس الإدارة، ولا يجوز أن يكون مقرر المجلس من أعضائه.

20.3 The Board of Directors may appoint Directors to fill the positions that become vacant within thirty (30) days of the vacancy provided that such appointment is presented to the General Assembly in its first meeting to ratify it or to appoint replacement Directors. The newly appointed Director shall complete the term of his/her predecessor. If no Director is appointed within thirty (30) days, the Board of Directors shall open nomination to elect a

٢٠,٣ لمجلس الإدارة أن يعين أعضـــاء مجلس الإدارة في المراكز التي تخلو في مدة أقصاها ٣٠ يوماً على أن يعرض هـذا التعيين على الجمعيـة العموميـة في أول اجتمـاع لهـا لإقرار تعيينهم أو تعيين غيرهم، ويكمـل العضو الجديد مدة سلفه، وفي حالة عدم تعيين عضـو جديد بالمركز الشـاغر خلال مدة ثلاثين (٣٠) يوماً، وجب على مجلس الإدارة فتح باب الترشـــح لانتخاب عضـــو للمركز الشـــاغر في أول اجتماع للجمعية العمومية تنعقد بعد نشـــوء تلك المركز

replacement Director for the vacant position in the first General Assembly held after such vacancy, and the newly elected Director shall complete the term of his/her predecessor and such elected Director may be re-elected once again.

الشاغر، ويكمل العضو الجديد مدة سلفه ويكون هذا العضـــو قابلاً للانتخاب مرة أخرى.

20.4 If the positions becoming vacant during any given year reach one quarter of the number of the Directors, the Board of Directors must call for a General Assembly to convene within a maximum of thirty (30) days from the date of the last position becoming vacant in order to elect new Directors to fill the vacant positions. In all cases, the new Director shall complete the term of his predecessor and such Director may be re-elected once again.

٢٠,٤ وإذا بلغت المراكز الشـاغرة في أثناء السـنة ربع عـدد أعضــــاء مجلس الإدارة، وجـب على مـجـلـس الإدارة دعـوة الـجـمـعـيـة العموميـة للاجتمـاع خلال ٣٠ يومـاً على الأكثر من تـاريخ خلو آخر مركز لانتخـاب من يملأ المراكز الشــــاغرة. وفي جميع الأحـوال، يكمـل عضـــو مجلس الإدارة الجديد مدة ســـلفه ويكون هذا العضـــو قابلاً للانتخاب مرة أخرى.

Article 21

المادة ٢١

21.1 The Company shall comply with the rules and conditions set out by the Authority with respect to nomination for membership of the Board of Directors. The candidate to the Board membership shall provide the Company with the following:

٢١,١ تلتزم الشركة بالضوابط والشروط الصادرة عن الهيئة بشأن الترشح لعضوية مجلس الادارة ويتعين على المرشح لعضوية مجلس الإدارة أن يقدم للشركة ما يلي:

a. A curriculum vitae stating his/her professional experience and academic qualifications and determining the type of membership applied for (executive/non executive/independent).

أ. السيرة الذاتية موضحاً بها الخبرات العملية والمؤهل العلمي مع تحديد صفة العضو التي يترشح لها (تنفيذي /غير تنفيذي / مستقل).

b. An undertaking to comply with the provisions of the Law, and its

ب. إقرار بالتزامه بأحكام القانون والقرارات

implementing decisions, and the Company's Articles of Association; and to exercise his/her duties as a diligent person.

المنفذة له والنظام الأساسي للشركة، وأنه سوف يبذل عناية الشخص الحريص في أداء عمله.

c. A list of the names of companies and corporations where the candidate is a member of their board of directors, as well as any work he/she performs, directly or indirectly, which could reasonably be considered to be in competition with the Company.

ج. بيان بأسماء الشركات والمؤسسات التي يزاول المرشح العمل فيها أو يشغل عضوية مجالس إداراتها وكذلك أي عمل يقوم به بصورة مباشرة أو غير مباشرة يشكل منافسةً للشركة.

d. A declaration by the candidate that the candidate is not in breach of Article 149 of the Law.

د. إقرار المرشح بعدم مخالفة المرشح للمادة ١٤٩ من القانون.

e. For representatives of a corporate person, an official letter from the corporate bodies listing the names of its candidates for Board membership.

هـ. في حال ممثلي الشخص الاعتباري يتعين إرفاق كتاب رسمي من الشخص الاعتباري محدد فيه أسماء ممثليه المرشحين لعضوية مجلس الإدارة.

f. A list of the commercial companies in which the candidate participates or is a partner in their ownership and the number of stocks or shares therein.

و. بيان بالشركات التجارية التي يساهم أو يشارك في ملكيتها المرشح وعدد الأسهم أو الحصص فيها.

Article 22

المادة ٢٢

22.1 The Board of Directors shall elect, from amongst its members, a Chairman and a vice-chairman. The Chairman shall execute the resolutions adopted by the Board of Directors. The vice-chairman shall act on behalf of the Chairman in his/her absence or if the latter is otherwise incapacitated.

٢٢,١ ينتخب مجلس الإدارة من بين أعضائه رئيساً ونائبا للرئيس. وعليه تنفيذ القرارات التي يصدرها مجلس الإدارة. ويقوم نائب رئيس مجلس الإدارة مقام رئيس مجلس الإدارة عند غيابه أو في حالة عجزه عن القيام بدوره.

22.2 The Chairman shall represent the Company before courts and third parties and shall implement the resolutions adopted by the Board of Directors.

٢٢,٢ يكون رئيس مجلس الإدارة الممثل القانوني للشركة أمام القضاء وفي علاقتها بالغير وعليه تنفيذ القرارات التي يصدرها مجلس الإدارة.

22.3 The Board of Directors may, but is not obliged to, elect from amongst its members one or more managing director(s) whose powers and remuneration are to be determined by the Board of Directors. Furthermore, the Board of Directors may form from its members, one or more committees, giving it/them some of its powers or to delegate it/them to supervise the business affairs of the Company, and to execute the Board of Directors' resolutions. The Board of Directors shall form permanent committees that shall directly report to it. Permanent committees shall consist of at least three non-executive Board members, of whom at least two members shall be independent Board members and shall be chaired by one independent Board member. The Chairman of the Board of Directors shall not be a member of any such permanent committees. The Board of Directors shall select non-executive Board members for the committees charged with the duties that may result in Conflicts of Interest, such as verification of the integrity of financial and non-financial reports, review of deals concluded with stakeholders, selection of the executive management and setting their remuneration. The Board may, at its sole discretion, appoint external

٢٢,٣ يحق لمجلس الإدارة، دون التزام عليه، أن ينتخب من بين أعضائه عضوا منتدباً للإدارة، ويُحدد مجلس الإدارة اختصاصاته ومكافآته. كما يكون لمجلس الإدارة أن يشكل من بين أعضائه لجنه أو أكثر يمنحها بعض اختصاصاته أو يعهد إليها بمراقبة سير العمل بالشركة وتنفيذ قرارات المجلس. يشكل مجلس الإدارة لجان دائمة تتبعه بشكل مباشر، وتتألف اللجان الدائمة من أعضاء مجلس الإدارة غير التنفيذيين لا يقل عددهم عن ثلاثة، على أن يكون اثنان منهم على الأقل من الأعضاء المستقلين وأن يترأس اللجنة أحدهما، ولا يجوز لرئيس مجلس الإدارة أن يكون عضواً في أي من هذه اللجان. ويتعين على مجلس الإدارة اختيار أعضاء مجلس الإدارة غير التنفيذيين في اللجان المعنية بالمهام التي قد ينتج عنها حالات تعارض مصالح مثل التأكد من سلامة التقارير المالية وغير المالية، ومراجعة الصفقات المبرمة مع الأطراف أصحاب المصالح، واختيار الإدارة التنفيذية، وتحديد أتعابهم. كما يجوز للمجلس وفق ما يرى أن يعين أعضاء من ذوي الخبرة من خارج أعضائه لعضوية اللجان الدائمة أو المشكلة بقرار منه لأغراض خاصة.

subject matter expert members to the permanent committees or committees formed for special purposes.

Article 23

المادة ٢٣

23.1 The Board of Directors shall have all the powers to manage the Company and the authority to perform all deeds and acts on behalf of the Company to the extent permitted to the Company and to carry out all the functions required by its objects. Such powers and authorities shall not be restricted except as stipulated in the Law, the Memorandum of Association, these Articles or as resolved by the General Assembly.

٢٣,١ لمجلس الإدارة كافة السلطات في إدارة الشركة والقيام بكافة الأعمال والتصرفات نيابةً عن الشركة حسبما هو مصرح للشركة القيام به وممارسة كافة الصلاحيات المطلوبة لتحقيق أغراضها. ولا يحد من هذه السلطات الصلاحيات إلا ما نص عليه القانون أو عقد التأسيس أو هذا النظام الأساسي وماورد بقرار من الجمعية العمومية.

23.2 Without limiting the generality of the foregoing and without prejudice to the provisions of the Law and its implementing decisions issued by the Authority, the Board of Directors shall be authorized to:

٢٣,٢ مع عدم تقييد عمومية ما تقدم ومع مراعاة أحكام القانون والقرارات المنفذة له الصادرة عن الهيئة يُفوض مجلس الإدارة في:

a. To enter into and/or ratify loan agreements having a period in excess of three (3) years, to sell no more than 50% of the Company's assets and real estate properties, to mortgage the said real estate and movable and immovable assets and to release the liability of debtors of the Company and to enter into conciliations and to agree arbitration; and

أ. إبرام و/أو المصادقة على عقود قرض تتجاوز أجالها ثلاث (٣) سنوات، وبيع ما لا يتجاوز عن ٥٠٪ من أصول وعقارات الشركة ورهن عقارات وأصول الشركة المنقولة وغير المنقولة وإبراء ذمة مديني الشركة وإجراء الصلح والاتفاق على التحكيم، و

b. To grant for a limited or unlimited period securities and/or guarantees required by the Company and to borrow and provide credit for the normal course of business, and to apply for loans and sign secured and unsecured bank facilities and pledge, mortgage or otherwise encumbrance or lien the assets, rights, benefits or entitlements of the Company for the purposes of raising and providing financial facilities for any term whether it is a short or a long term.

ب. منح ضمان و/أو كفالة لمدة محددة أو غير محددة والاقتراض وتقديم ائتمان ضمن النشاطات التجارية الاعتيادية والتقديم على القروض والتوقيع على التسهيلات البنكية مع تقديم أو بدون تقديم ضمانات ورهن أو رهن وفاء أو بشكل آخر تحميل أعباء مالية أو امتيازات على أصول أو حقوق أو امتيازات أو استحقاقات الشركة لغرض الحصول على وتوفير تسهيلات مالية لأيّ مدة سواء أكانت طويلة أم قصيرة.

23.3 The Board of Directors shall issue regulations relating to administrative and financial affairs, personnel affairs and their financial entitlements. The Board of Directors shall also issue regulations to organize its business, meetings and allocation of its authorities and responsibilities.

٢٣,٣ ويضع مجلس الإدارة اللوائح المتعلقة بالشؤون الإدارية والمالية وشؤون الموظفين ومستحقاتهم المالية. كما يضع مجلس الإدارة لوائح خاصة بتنظيم أعماله، واجتماعاته، وتوزيع الاختصاصات، والمسؤوليات.

Article 24

المادة ٢٤

The Chairman, vice-chairman, Chief Executive Officer or any other authorized Director, acting within the limits granted to him by the Board of Directors may severally sign on behalf of the Company.

يجوز لأي من رئيس مجلس الإدارة أو نائبه أو الرئيس التنفيذي أو أي عضو آخر مفوض وفي حدود التفويض الممنوح من مجلس الإدارة التوقيع منفرداً عن الشركة.

Article 25

المادة ٢٥

25.1 The Board of Directors shall hold a minimum of four (4) meetings each year. The meeting shall be convened by a written or electronic invitation by the Chairman, the board secretary as directed by the Chairman or upon a written request filed by at least two (2) Board Directors.

٢٥,١ يعقد مجلس الإدارة أربعة (٤) اجتماعات سنويًا على الأقل. يكون الاجتماع بناءً على دعوة خطية أو إلكترونية من قبل رئيس مجلس الإدارة أو مقرره بموجب توجيهات رئيس مجلس الإدارة، أو بناءً على طلب خطي يقدمه عضوين من أعضاء المجلس على الأقل

25.2 The Board meetings can be held at the head office of the Company, or at any other place within the State as agreed by the Board of Directors. The meetings of the Board of Directors may be held through audio or video conferencing facilities as per the regulations and requirements issued by the Authority in this regard.

٢٥,٢ ويجوز أن تعقد اجتماعات المجلس في المركز الرئيسي للشركة أو في أي مكان آخر يوافق عليه أعضاء مجلس الإدارة داخل الدولة. ويجوز أن تعقد اجتماعات المجلس عن طريق وسائل الاتصال المسموعة أو المرئية وفقاً للضوابط الصادرة عن الهيئة بهذا الشأن.

Article 26

المادة ٢٦

26.1 Meetings of the Board of Directors shall not be valid unless attended by a majority of the Directors in person. A Director may appoint another Director to vote on his/her behalf. In this case, such Director shall have two votes. A Director may not represent more than one other Director. A Director shall be considered present if he/she attends in person or via any means approved by the Authority.

٢٦,١ لا يكون اجتماع مجلس الإدارة صحيحاً إلا بحضور أغلبية أعضائه شخصياً. ويجوز لعضو مجلس الإدارة أن ينيب عنه غيره من أعضاء مجلس الإدارة في التصويت. وفي هذه الحالة، يكون لهذا العضو صوتان، ولا يجوز أن ينوب عضو مجلس الإدارة عن أكثر من عضو مجلس الإدارة واحد. يعتبر عضو مجلس حاضرًا إذا حضر شخصيًا أو بأي وسيلة أخرى توافق عليها الهيئة.

26.2 The resolutions of the Board of Directors shall be adopted by a majority of the votes of the Directors present or represented. In case of a tie, the Chairman or the person acting on his/her behalf shall have a

٢٦,٢ وتصدر قرارات مجلس الإدارة بأغلبية أصوات أعضاء مجلس الإدارة الحاضرين والممثلين. وإذا تساوت الأصوات، رجح الجانب الذي منه الرئيس أو من يقوم

casting vote.

مقامه.

26.3 The details of the items discussed in a meeting of the Board of Directors or its committee(s) and decisions thereof, including any reservations or any dissenting opinions, shall be recorded in the minutes of such meetings. All the Directors present shall sign the draft minutes prior to its adoption. Copies of the said minutes of meeting shall be sent to the Directors following adoption for their records. The minutes of meetings of the Board of Directors or its committee(s) shall be kept with the secretary of the Board of Directors. In the event that a Director refuses to sign, his/her refusal, with reasoning thereof, should be noted in the minutes.

٢٦,٣ تسجل في محاضر اجتماعات مجلس الإدارة أو لجانه من قبل مقرر المجلس أو اللجنة تفاصيل المسائل التي نظر فيها والقرارات التي تم اتخاذها بما في ذلك أية تحفظات لأعضاء مجلس الإدارة أو آراء مخالفة عبروا عنها. ويجب توقيع كافة أعضاء مجلس الإدارة الحاضرين على مسودات محاضر اجتماعات مجلس الإدارة قبل اعتمادها، على أن ترسل نسخ من هذه المحاضر لأعضاء مجلس الإدارة بعد الاعتماد للاحتفاظ بها. وتحفظ محاضر اجتماعات مجلس الإدارة ولجانه من قبل مقرر مجلس الإدارة. وفي حالة امتناع أحد أعضاء مجلس الإدارة عن التوقيع، يثبت اعتراضه في المحضر وتُذكر أسباب الاعتراض في حال إبدائها.

26.4 Without prejudice to the minimum number of the Board of Directors' meetings mentioned in Article 25 above, the Board of Directors may exceptionally issue resolutions by circulation in cases of emergency in accordance with the conditions and procedures issued by the Authority. Such decisions shall be considered valid and enforceable as if they were issued in a duly convened meeting of the Board provided that:

٢٦,٤ مع مراعاة الالتزام بالحد الأدنى لعدد اجتماعات مجلس الإدارة المذكورة بالمادة ٢٥ من هذا النظام الأساسي، فإنه يجوز لمجلس الإدارة إصدار بعض قراراته بالتمرير في الحالات الطارئة وفقاً للشروط والإجراءات التي يصدر بها قرار من الهيئة بهذا الشأن وتُعتبر تلك القرارات صحيحة ونافذة كما لو أنها اتخذت في اجتماع تمت الدعوة إليه وعقد أصولاً مع مراعاة ما يلي:

a. All of the Directors agree that the case necessitating a resolution by circulation is an emergency.

أ. موافقة جميع أعضاء مجلس الإدارة على أن الحالة التي تستدعي إصدار القرار بالتمرير حالة طارئة.

b. The resolutions are delivered to all the Directors in writing for

ب. تسليم جميع أعضاء مجلس الإدارة القرار مكتوب خطياً للموافقة عليه

approval and accompanied by all the supporting documents and papers as necessary for their review.

مصحوباً بكافة المستندات والوثائق اللازمة لمراجعته.

c. Any resolution by circulation must be approved in writing by a majority of the Directors and must be presented to the next meeting of the Board of Directors to be included in the minutes of such meeting.

ت. يجب الموافقة الخطية بالأغلبية على أي من قرارات مجلس الإدارة الصادرة بالتمرير مع ضرورة عرضها في الاجتماع التالي لمجلس الإدارة لتضمينها بمحضر اجتماعه.

Article 27

المادة ٢٧

27.1 A Director may not, without the consent of the General Assembly of the Company, which consent shall be renewed every year, participate in any business in competition with the Company or trade for his own account or for the account of third parties in any branch of an activity conducted by the Company, and shall not reveal any information or statements related to the Company, otherwise the Company may demand him to pay compensation or to consider the profitable transactions made for his account as if it were made for the account of the Company.

٢٧,١ لا يجوز لعضو مجلس الإدارة بغير موافقة من الجمعية العمومية للشركة والتي تجدد سنوياً أن يشترك في أي عمل من شأنه منافسة الشركة أو أن يتاجر لحسابه أو لحساب غيره في أحد فروع النشاط الذي تزاوله الشركة، ولا يجوز له أن يفشي أي معلومات أو بيانات تخص الشركة وإلا كان لها أن تطالبه بالتعويض أو باعتبار العمليات المربحة التي زاولها لحسابه كأنها أجريت لحساب الشركة.

27.2 Every Director of the Company who may have a common interest or a conflicting interest in respect of a transaction referred to the Board of Directors for approval shall notify the Board of Directors of such interest and his declaration shall be noted in the minutes of the meeting. Such Director may not vote on any resolution concerning such

٢٧,٢ على كل عضـــو في مجلس إدارة الشـركة تكون لـه أو للجهـة التي يمثلهـا بمجلس الإدارة مصـلحة مشـتركة أو متعارضـة في صـــفقة أو تعامل أن يبلغ مجلس الإدارة بهذه المصلحة لاتخاذ قرار بشأن الصفقة أو العمليـة، ولا يجوز لـه الاشـــتراك في التصـويت الخاص بالقرار الصـادر في شـأن

transaction.

هذه الصفقة أو التعامل.

27.3 If the Director fails to disclose his transaction referred to in Clause 27.2 hereof, the Company or any shareholder may bring a claim before a competent court requesting such court to annul the relevant transaction or to compel and direct the breaching Director to return to the Company any profits or benefits realized by him.

٢٧,٣ إذا تخلّف عضو مجلس الإدارة عن إبلاغ المجلس وفقاً لحكم البند ٢٧,٢ من هذه المادة جاز للشركة أو لأي من مساهميها التقدم للمحكمة المختصة لإبطال العقد أو إلزام العضو المخالف بأداء أي ربح أو منفعة تحققت له من التعاقد ورده للشركة.

Article 28

المادة ٢٨

The Related Parties shall not utilize the information in the possession of any of them due to their membership or occupation to achieve any interest whatsoever for them or for others as a result of dealing in the securities of the Company and any other Transactions. Such party or employee may not have a direct or indirect interest with any party making deals intended to influence the rates of the securities issued by the Company.

يحظر على الأطراف ذات العلاقة أن يستغل أي منهم ما اتصل به من معلومات بحكم عضويته في مجلس الإدارة أو وظيفته في الشركة في تحقيق مصلحة له أو لغيره أيا كانت نتيجة التعامل في الأوراق المالية للشركة وغيرها من الصفقات، كما لا يجوز أن يكون لأي منهم مصلحة مباشرة أو غير مباشرة مع أي جهة تقوم بعمليات يراد بها إحداث تأثير في أسعار الأوراق المالية التي أصدرتها الشركة مع علمه بذلك.

Article 29

المادة ٢٩

The Company must not enter into Transactions with Related Parties where the value of such Transactions do not exceed (5%) of the Company's issued capital without the consent of the Board of Directors and without the approval of the General Assembly where such percentage threshold is exceeded. The Company is not allowed to conclude Transactions with the Related Parties that exceed (5%) of the issued share capital unless it has obtained a valuation of the

لا يجوز للشركة إبرام الصفقات مع الأطراف ذات العلاقة إلا بموافقة مجلس الإدارة فيما لا يتجاوز ٥٪ من رأس مال الشركة المصدر، وبموافقة الجمعية العمومية للشركة فيما زاد على ذلك، ولا يجوز إبرام الصفقات مع الأطراف ذات العلاقة التي تجاوز قيمتها ٥٪ من رأس المال المصدر للشركة إلا بعد تقييمها بواسطة مقيم معتمد لدى الهيئة، ولا يجوز للطرف ذو العلاقة الاشتراك في التصويت الخاص بقرار مجلس الإدارة أو الجمعية العمومية الصادر في شأن هذه الصفقة. ويتعين

Transaction by a valuer certified by the Authority. A Related Party who has an interest in the Transaction may not, and their nominees or appointees may not, participate in voting on decisions taken by the Board of Directors or the General Assembly (as applicable) in respect of such a Transaction. The report of the auditor must include a statement of the Conflict of Interest Transactions and financial Transactions concluded with Related Parties and procedures taken in these regards.

على مدقق حسابات الشركة أن يشتمل تقريره على بيان بصفقات تعارض المصالح والصفقات المالية التي تمت بين الشركة وأي من الأطراف ذات العلاقة والإجراءات التي اتخذت بشأنها.

Article 30

المادة ٣٠

30.1 The Company may not provide any loans to any Director or execute guarantees or provide any collateral in connection with any loans granted to them. A loan shall be deemed as granted to a Director if granted to his spouse, children or relative up to the second degree.

٣٠,١ لا يجوز للشركة تقديم قروض لأي من أعضاء مجلس إداراتها أو عقد كفالات أو تقديم أي ضمانات تتعلق بقروض ممنوحة لهم، ويعتبر قرضاً مقدماً لعضو مجلس الإدارة كل قرض مقدم إلى زوجه أو أبنائه أو أي قريب لهُ حتى الدرجة الثانية.

30.2 No loan may be granted to a company where a Director or his spouse, children or any of his said relatives up to the second degree holds, jointly or severally, over 20% of the capital of that company.

٣٠,٢ لا يجوز تقديم قرض إلى شركة يملك عضو مجلس الإدارة أو زوجه أو أبناؤه أو أي من أقاربه حتى الدرجة الثانية أكثر من ٢٠٪ من رأس مالها.

Article 31

المادة ٣١

If a Director is absent for three (3) consecutive meetings or five (5) non-consecutive meetings, during the term of the Board of Directors, without any excuse acceptable to the Board of Directors, such Director shall be deemed to have resigned.

إذا تغيب أحد أعضاء مجلس الإدارة عن حضور ثلاث (٣) جلسات متتالية أو خمس (٥) جلسات متقطعة في مدة المجلس بدون عذر يقبله المجلس، اعتبر مستقيلاً.

Article 32

المادة ٣٢

32.1 A Director's position shall also be vacant in the event such Director:

a. Dies, suffers loss or impediment to legal capacity or is affected by a cause of disability preventing him from undertaking his/her duties as a Director of the Board; or

b. Is convicted of any dishonesty offence; or

c. Is declared bankrupt or has stopped paying his commercial debts, even if this is not linked to a bankruptcy declaration; or

d. Resigns from his/her position pursuant to a written notice sent to the Company to this effect; or

e. Is not re-elected after his/her term of membership elapses; or

f. Is dismissed by way of a resolution of the General Assembly.

٣٢,١ يشـغر منصـب عضـو مجلس الإدارة في إحدى الحالات التالية:

أ- إذا توفى أو أصيب بعارض من عوارض الأهلية أو أصبح عاجزاً بصورة أخرى عن النهوض بمهامه كعضو في مجلس الإدارة؛ أو

ب- أدين بأية جريمة مخلة بالشرف والأمانة؛ أو

ج- أعلن إفلاسه أو توقف عن دفع ديونه التجاريّة، حتى لو لم يقترن ذلك بإشهار إفلاسه؛ أو

د- استقال من منصبه بموجب إشعار خطي أرسله للشركة بهذا المعنى؛ أو

هـ- انتهت مدة عضويته ولم يعد انتخابه؛

و- صدر قرار من الجمعيّة العموميّة بعزله.

Article 33

المادة ٣٣

The Board of Directors may appoint one or more manager(s) or authorized attorneys, for the Company and determine their authorities, the conditions of their engagement, their salaries and remunerations. and the managing director of the Company is not allowed to

لمجلس الإدارة الحق في أن يعين مديراً للشركة أو عدة مديرين أو وكلاء مفوضين وأن يحدد صلاحياتهم، وشروط خدماتهم، ورواتبهم ومكافآتهم. ولا يجوز للعضو المنتدب للشركة أن يكون مديراً عاماً لشركة أخرى بالدولة.

be a general manager of another company in the State.

Article 34

Without prejudice to the provisions of Article 35 herein, the Directors shall not be personally liable or obligated for the liabilities of the Company as a result of their performance of their duties as Directors to the extent that they have not exceeded their authority.

The Company shall be bound by the acts of the Board of Directors within the limits of its powers. The Company shall also be liable for the damage due to unlawful acts of management by the Chairman and Directors.

Article 35

35.1 The Chairman and the Directors shall be held liable towards the Company, the shareholders and third parties for all acts of fraud, abuse of their delegated powers, and for any breach of the Law or these Articles, or an error in management (as defined in Clause 35.2). Any provision to the contrary shall be invalid.

35.2 Liability as provided for in Clause 35.1 of this Article shall apply to all the Directors if the error arises from a decision passed unanimously by them. However, in the event of a decision passed by the majority, the Directors who objected to such decision shall not be held liable provided they stated their objection

المادة ٣٤

مع مراعاة أحكام المادة ٣٥ من هذا النظام الأساسي، لا يكون أعضاء مجلس الإدارة مسؤولين مسؤولية شخصية فيما يتعلق بالتزامات الشركة الناتجة عن قيامهم بواجباتهم كأعضاء مجلس إدارة وذلك بالقدر الذي لا يتجاوزون فيه حدود سلطاتهم.

تلتزم الشركة بالأعمال التي يجريها مجلس الإدارة في حدود اختصاصه، كما تسأل عن تعويض ما ينشأ من الضرر عن الأفعال غير المشروعة التي تقع من رئيس وأعضاء المجلس في إدارة الشركة.

المادة ٣٥

٣٥,١ يكون رئيس وأعضـــــاء مجلس الإدارة مسؤولين تجاه الشركة والمساهمين والغير عن جميع أعمال الغش وإساءة استعمــال الســـلطـات الممنوحـة لهم، وعن كـل مخالفـــــة للقانون أو لهذا النظام، وعن الخطأ في الإدارة كما هو موضـــح في البند (٣٥,٢) ، ويبطـل كل شرط يقضيـــ بغير ذلك.

٣٥,٢ تقع المسـؤولية المنصـوص عليها في البند (٣٥,١) من هذه المادة على جميع أعضاء مجلس الإدارة إذا نشـــأ الخطـأ عن قرار صدر بإجماع الآراء، أما إذا كان القرار محل المسـاءلة صـادراً بالأغلبية فلا يسـأل عنه المعارضـون متى كانوا قد أثبتوا اعتراضـهم بمحضر الجلسة، فإذا تغيب أحد الأعضاء

in writing in the minutes of the meeting. Absence from a meeting at which the decision has been passed shall not be deemed a reason to be relieved from liability unless it is proven that the absent Director was not aware of the decision or could not object to it upon becoming aware thereof. The responsibility provided for in Clause 35.1 of this Article applies to the Executive Management if the error arises out of a decision issued by it.

عن الجلســـة التي صـــدر فيها القرار فلا تنتفي مســـؤوليته إلا إذا ثبت عدم علمه بالقرار أو علمه به مع عدم اســـتطاعته الاعتراض عليه، وتقع المســـؤولية المنصـــوص عليها في البند (٣٥,١) من هذه المادة على الإدارة التنفيذية إذا نشـــأ الخطأ بقرار صادر عنها.

Article 36

المادة ٣٦

36.1 Attendance allowance shall not be paid to the Board of Directors. The remuneration of the Director of the Board shall consist of a percentage of the net profits, provided that it does not exceed 10% of the net profits of the relevant financial year after deducting the depreciations and reserves. Furthermore, the Company may reimburse any Director or assign further remuneration or monthly salary in amounts to be determined by the Board if such Director is a member of a committee or makes extra efforts or performs additional work to serve the Company in addition to his duties as a Director.

٣٦,١ لا يجوز صرف بدل حضور لعضو مجلس الادارة عن اجتماعات المجلس وتتكون مكافأة أعضاء مجلس الإدارة من نسبة مئوية من الربح الصافي على ألا تتجاوز ١٠٪ من تلك الأرباح للسنة المالية بعد خصم كلاً من الاستهلاكات والاحتياطيات. كما يجوز أن تدفع الشركة مصاريفاً، أو أتعاباً أو مكافأة إضافية أو مرتباً شهرياً بالقدر الذي يقرره مجلس الإدارة لأيّ عضو من أعضائه إذا كان ذلك العضو يعمل في أي لجنة أو يبذل جهوداً خاصة أو يقوم بأعمال إضافية لخدمة الشركة فوق واجباته العادية كعضو في مجلس إدارة الشركة.

36.2 By way of exception of Clause 36.1 of these Articles and subject to the regulations that will be issued by the Authority in this regard, the Company may pay at the end of each financial year a fixed fee to each Director not exceeding AED 200,000 subject to the approval of

٣٦,٢ على سبيل الاستثناء من البند (٣٦,١) من هذه المادة، ومع مراعاة الضوابط التي تصدر عن الهيئة بهذا الشأن، يجوز للشركة أن تدفع في نهاية السنة المالية مبلغ مقطوع لكل عضو من أعضاء مجلس الإدارة لا يتجاوز (٢٠٠,٠٠٠) مِئتي ألف

the General Assembly in the following cases:

درهم بشرط موافقة الجمعية العمومية في الحالات التالية:

a. if the Company has not generated any profits; or

أ. عدم تحقيق الشركة أرباحاً؛ أو

b. if the Company generates profits but the share of each Director in such profits is less than AED 200,000. In which case, the fixed fee and the board remuneration may not be combined.

ب. إذا حققت الشركة أرباحاً وكان نصيب عضو مجلس الإدارة من تلك الأرباح أقل من (٢٠٠,٠٠٠) مِئتي ألف درهم، وفي هذه الحالة لا يجوز الجمع بين المكافأة والأتعاب.

Article 37

المادة ٣٧

The General Assembly may dismiss all or some of the elected Directors and open nomination to Board membership in accordance with the regulations issued by the Authority in this regard. The General Assembly may elect new Directors to replace the dismissed ones. A Director who was dismissed may not be re-nominated for membership of the Board of Directors except after the lapse of three (3) years from his dismissal.

يكون للجمعية العمومية حق عزل كل أو بعض أعضاء مجلس الإدارة المنتخبين وفتح باب الترشح وفق الضوابط الصادرة عن الهيئة بهذا الشأن وانتخاب أعضاء جدد بدلاً منهم. ولا يحق للعضو الذي تم عزله إعادة ترشحه لعضوية مجلس الادارة إلا بعد مضي ٣ سنوات من تاريخ العزل.

PART FIVE

الباب الخامس

THE GENERAL ASSEMBLY

في الجمعية العمومية

Article 38

المادة ٣٨

38.1 A duly convened General Assembly shall represent all the shareholders and will be convened in the Emirate of Dubai.

٣٨,١ الجمعية العمومية المنعقدة أصولاً تمثل جميع المساهمين ويتم انعقادها في إمارة دبي.

38.2 The provisions of the Law shall apply to the quorum required for convening the General Assembly

٣٨,٢ تسري أحكام القانون على النصاب الواجب توفره لصحة انعقاد الجمعيّة العموميّة

and to the required majority to adopt resolutions therein.

وعلى الأغلبية اللازمة لاتخاذ القرارات.

Article 39

المادة ٣٩

39.1 Each shareholder shall have the right to attend the General Assembly of the shareholders and shall have a number of votes equal to the number of his/her shares.

٣٩,١ لكل مساهم الحق في حضور اجتماعات الجمعية العمومية للمساهمين، ويكون له عدد من الأصوات يعادل عدد أسهمه.

39.2 A shareholder may appoint a proxy, who must not be a Director, to attend the General Assembly on his behalf by virtue of a written special power of attorney. Such proxy, to a number of shareholders, shall not, in such capacity, represent more than 5% five per cent of the share capital of the Company.

٣٩,٢ ويجوز للمساهم أن ينيب عنه غيره من غير أعضاء مجلس الإدارة في حضور الجمعية العمومية بمقتضى توكيل خاص ثابت بالكتابة. ويجب ألا يكون الوكيل لعدد من المساهمين حائزاً بهذه الصفة على أكثر من (٥٪) خمسة بالمائة من أسهم رأس مال الشركة.

39.3 Shareholders lacking legal capacity shall be represented by their legal representatives.

٣٩,٣ ويمثل ناقصي الأهلية وفاقديها النائبون عنهم قانوناً.

39.4 A corporate person may appoint one of its representatives or those in charge of its management under a resolution passed by its board of directors or any similar entity to represent it at any general assembly of the Company. The proxy shall have the powers defined in the proxy resolution.

٣٩,٤ للشخص الاعتباري أن يفوض أحد ممثليه أو القائمين على إدارته بموجب قرار من مجلس إدارته أو من يقوم مقامه، ليمثله في أية جمعية عمومية للشركة، ويكون للشخص المفوض الصلاحيات المقررة بموجب قرار التفويض.

Article 40

المادة ٤٠

40.1 Invitations to the shareholders to attend the General Assembly shall be by announcement in two (2) daily

٤٠,١ توجه الدعوة إلى المساهمين لحضور اجتماعات الجمعية العمومية بإعلان في صحيفتين يوميتين محليتين تصدران

local newspapers issued in Arabic and English, or by registered mail, email or sms (if available) at least (21) days before the date set for the meeting after obtaining the approval from the Authority. The invitation should contain the agenda of the General Assembly meeting. A copy of the invitation shall be sent to the Authority and the Competent Authority.

باللغة العربية والإنجليزية أو وبرسالة عبر البريد الإلكتروني أو برسالة نصية هاتفية قصيرة أو بكتب مسجلة، وذلك قبل الموعد المحدد للاجتماع بواحد وعشرون (٢١) يوماً على الأقل، وذلك بعد الحصول على موافقة الهيئة. ويجب أن تتضمن الدعوة جدول أعمال ذلك الاجتماع وترسل صورة من أوراق الدعوة إلى الهيئة والسلطة المختصة.

40.2 The meetings of the General Assembly and the shareholders' participation in their deliberations and voting on its decisions may be conducted by electronic means to attend virtually, in accordance with the regulations issued by the Authority in this regard.

٤٠,٢ يجوز عقد اجتماعات الجمعيات العمومية واشتراك المساهمين في مداولاتها والتصويت على قراراتها بواسطة وسائل التقنية الحديثة للحضور عن بعد، وفقاً للضوابط الصادرة عن الهيئة بهذا الشأن.

Article 41

المادة ٤١

A General Assembly shall be called by:

تنعقد الجمعية العمومية بدعوة من:

41.1 The Board of Directors at least once annually during the four (4) months following the end of the financial year ("**Annual General Assembly**").

٤١,١ مجلس الإدارة مرة على الأقل في السنة خلال الأشهر الأربعة التالية لنهاية السنة المالية ("**الاجتماع السنوي للجمعية العمومية**").

41.2 The Board of Directors, whenever it deems fit, or upon a request of the auditor or one or more shareholders holding not less than 10% of the share capital requesting a meeting, within five (5) days from the date of submitting the request.

٤١,٢ كلما رأى مجلس الإدارة وجهاً لذلك أو بناءً على طلب مدقق الحسابات أو طلب مساهم أو أكثر يملكون (١٠٪) من رأس المال كحد أدنى، وذلك خلال (٥) خمسة أيام من تاريخ تقديم الطلب.

41.3 The auditor, directly, if the Board of Directors omits to send an invitation to convene the General Assembly in

٤١,٣ مدقق الحسابات مباشرة إذا أغفل مجلس الإدارة توجيه الدعوة لعقد الجمعية

such events where the Law requires to be invited or within five (5) days from the date of the request for a meeting submitted by the auditor to the Board of Directors.

العمومية في الأحوال التي يوجب القانون فيها دعوتها أو خلال (٥) خمسة أيام من تاريخ تقديم مدقق الحسابات طلب توجيه الدعوة لمجلس الإدارة ولم يقم بذلك.

41.4 If the Chairman of the Company or his representative fails to invite the General Assembly to convene following the occurrence of any of the following events within five (5) days from the date of demand by the Authority, the Authority shall provide an invitation to convene the meeting at the expense of the Company:

- The lapse of thirty (30) days after the fixed date for the Annual General Assembly to be held (i.e. four months after the end of the financial year) without the Board of Directors sending an invitation;
- If the number of Board of Directors is less than the minimum required for its quorum;
- Discovery of any violation of the Law, these Articles or any defect in the management of the Company;
- If the Board of Directors fails to call for a meeting of the General Assembly despite the call from one or more shareholders representing 10% of the share capital of the Company.

٤١,٤ الهيئة، في الأحوال التالية، وبعد خمسة أيام من تاريخ طلبها من رئيس مجلس الإدارة أو من يقوم مقامه ولم يقم بالدعوة للجمعية العمومية للانعقاد وجب على الهيئة توجيه الدعوة للاجتماع على نفقة الشركة:

- إذا مضى ثلاثون يوماً على الموعد المحدد لانعقادها (وهو مضي أربعة أشهر على انتهاء السنة المالية) دون أن يقوم مجلس الإدارة بدعوتها للانعقاد؛
- إذا نقص عدد أعضاء مجلس الإدارة عن الحد الأدنى لصحة انعقاده؛
- إذا تبين لها في أي وقت وقوع مخالفات للقانون أو لنظام الشركة أو وقوع خلل في إدارتها؛
- إذا تقاعس مجلس الإدارة عن دعوتها للانعقاد رغم طلب مساهم أو أكثر يمثلون (١٠ %) من رأسمال الشركة.

Article 42

المادة ٤٢

The following matters shall be included on the agenda of the Annual General Assembly:

يدخل في جدول أعمال الجمعية العمومية في اجتماعها السنوي المسائل الآتية:

42.1 Reviewing and approving the report of the Board of Directors on the activity of the Company, its financial standing throughout the year and the report of the auditor;

٤٢,١ سماع تقرير مجلس الإدارة عن نشاط الشركة وعن مركزها المالي خلال السنة وتقرير مدقق الحسابات والتصديق عليهما؛

42.2 To consider and approve the balance sheet and the account of profits and losses;

٤٢,٢ مناقشة ميزانية الشركة وحساب الأرباح والخسائر والتصديق عليهما؛

42.3 To elect Directors, if necessary;

٤٢,٣ انتخاب أعضاء مجلس الإدارة عند الاقتضاء؛

42.4 To appoint and determine the remuneration of the auditors;

٤٢,٤ تعيين مدققي الحسابات وتحديد أتعابهم؛

42.5 To consider the proposals of the Board of Directors concerning the distribution of profits;

٤٢,٥ النظر في مقترحات مجلس الإدارة بشأن توزيع الأرباح؛

42.6 To consider the proposals of the Board of Directors concerning the remuneration of the Directors and to determine such remuneration;

٤٢,٦ النظر في مقترحات مجلس الإدارة بشأن مكافأة أعضاء مجلس الإدارة وتحديدها؛

42.7 To discharge the Directors, not discharge or to dismiss the Directors and to file any liability claim against them, as the case may be; and

٤٢,٧ ابراء ذمة أعضاء مجلس الإدارة أو عدم إبراء ذمتهم وعزلهم ورفع دعوى المسؤولية عليهم حسب الأحوال؛ و

42.8 To discharge or not to discharge the auditors or to dismiss the auditors and to file any liability claim against them, as the case may be.

٤٢,٨ ابراء ذمة مدققي الحسابات أو عدم إبراء ذمتهم وعزلهم ورفع دعوى المسؤولية عليهم حسب الأحوال.

Article 43

المادة ٤٣

43.1 Shareholders who wish to attend the General Assembly shall register their names in an electronic register made available by the management of the Company at the meeting place with ample time before the meeting. The register shall include the name of the shareholder, or his representative, the number of shares he holds or represents and the names of the represented shareholders and the appropriate proxies. The shareholder or the proxy shall be given a card to attend the meeting, which shall state the number of votes held or represented by him/her. An extract of this register showing the number of shares represented at the meeting and the percentage of attendance shall be printed and attached to the minutes of the General Assembly after being signed by the chairman of the meeting, the secretary and the auditor of the Company. A copy of such extract shall be delivered to the representative of the Authority.

٤٣,١ يسجل المساهمون الذين يرغبون في حضور الجمعية العمومية أسماءهم في السجل الإلكتروني الذي تعده إدارة الشركة لهذا الغرض في مكان الاجتماع قبل الوقت المحدد لانعقاد ذلك الاجتماع بوقت كاف. ويجب أن يتضمن السجل اسم المساهم أو من ينوب عنه وعدد الأسهم التي يملكها أو عدد الأسهم التي يمثلها وأسماء مالكيها مع تقديم سند الوكالة. ويعطى المساهم أو النائب بطاقة لحضور الاجتماع يذكر فيها عدد الأصوات التي يمثلها أصالة أو وكالة. يستخرج من سجل المساهمين خلاصة مطبوعة بعدد الأسهم التي مثلت في الاجتماع ونسبة الحضور ويتم توقيعها من قبل كل من مقرر الجلسة ورئيس الاجتماع ومدقق حسابات الشركة وتسلم نسخة منها للمراقب الممثل للهيئة ويتم إلحاق نسخة منها بمحضر اجتماع الجمعية العمومية.

43.2 Registration for attending the General Assembly shall close at the time when the Chairman announces whether or not the quorum for such meeting has been met. No registration of any shareholder or proxy shall be accepted thereafter and votes of those late shareholders or proxies would not count and their views would not be taken into account in that meeting.

٤٣,٢ يقفل باب التسجيل لحضور اجتماعات الجمعية العمومية عندما يعلن رئيس الاجتماع اكتمال النصاب المحدد لذلك الاجتماع أو عدم اكتماله، ولا يجوز بعد ذلك قبول تسجيل أي مساهم أو نائب عنه لحضور ذلك الاجتماع كما لا يجوز الاعتداد بصوته أو برأيه في المسائل التي تطرح في ذلك الاجتماع.

Article 44

المادة ٤٤

The register of the shareholders, that have the right to attend the General Assembly of the Company and to vote, shall be in accordance with the procedures for transacting, set-off, settlement, transfer of title, custody of securities and the relevant rules prevailing in the Market.

يكون سجل المساهمين في الشركة الذين لهم الحق في حضور اجتماعات الجمعية العمومية للشركة والتصويت على قراراتها طبقاً للنظام الخاص بالتداول والمقاصة والتسويات ونقل الملكية وحفظ الأوراق المالية والقواعد المعنية السائدة في السوق.

Article 45

المادة ٤٥

45.1. The quorum at a meeting of the General Assembly shall be satisfied if shareholders holding or representing by proxy at least 50% of the capital of the Company are present at the meeting. If a quorum is not present at the first meeting, the General Assembly shall be adjourned to another meeting to be held after five (5) days and not exceeding fifteen (15) days from the date of the first meeting and the postponed meeting shall be valid regardless of the percentage of attendance.

٤٥,١ يتحقق النصـــاب في اجتماع الجمعية العمومية بحضـور مسـاهمين يملكون أو يمثلون بالوكالة ما لا يقل عن ٥٠٪ من رأسـمال الشركة، فإذا لم يتوفر النصـاب القانوني في الاجتماع الأول، وجب دعوة الجمعية العمومية إلى اجتماع ثان يعقد بعـد مـدة لا تقـل عن خمســـة أيام ولا تجاوز خمســـة عشرـ يوماً من تاريخ الاجتماع الأول ويعتبر الاجتماع المؤجل صحيحاً أياً كان عدد الحاضرين.

45.2. Except for the decisions that will be taken by Special Resolution, the decisions of the General Assembly shall be passed by the majority of the shares represented at the meeting. The decisions passed by the General Assembly shall be binding on all the Shareholders, whether they were present or absent from the meeting at which the decisions have been passed and whether they agreed or objected to such decisions. A copy of such decisions shall be sent to the Authority and the Market where the

٤٥,٢ فيما عدا القرارات التي يتعين صـــدورها بقرار خاص، تصــــدر قرارات الجمعيـة العمومية للشركة بأغلبية الأسهم الممثلة في الاجتمـاع، وتكون قرارات الجمعيـة العمومية ملزمة لجميع المساهمين سواءً كانوا حاضرين في الاجتماع الذي صـدرت فيه هذه القرارات أو غائبين عنه وســـواءً كانوا موافقين عليها أو معارضـــين لها، ويتم إبلاغ صـــورة منها إلى كل من الهيئة والســـوق المالي المدرجة فيه أســـهم الشركة والســـلطة المختصـــة وفقاً للضـــوابط الصـــادرة عن الهيئة في هذا

shares of the Company are listed and to the competent Authority in accordance with such requirements imposed by the Authority in this respect.

الشأن.

Article 46

المادة ٤٦

46.1 The General Assembly shall be chaired by the Chairman of the Board of Directors. In the absence of the Chairman, the vice-chairman shall chair the meeting.

٤٦,١ يرأس الجمعية العمومية رئيس مجلس الإدارة، وعند غيابه، يرأسـها نائب رئيس مجلس الإدارة.

46.2 In the absence of the Chairman or vice-chairman, the General Assembly shall be chaired by any person elected by the Board, and in case there was no election by the Board, the person will be elected by the General Assembly. If the said individuals are not present, the General Assembly shall appoint one of the shareholders to chair the meeting and shall also appoint a secretary for the meeting.

٤٦,٢ وفي حال غياب الرئيس ونائب الرئيس يرأس الجمعية أي عضـو من أعضـاء مجلس الإدارة يختـاره مجلس الإدارة لـذلـك، وفي حـال عـدم اختيـار مجلس الإدارة للعضو يرأسها أي شخص تختاره الجمعيـة العموميـة. وفي حـالـة تخلف المذكورين عن حضـور الاجتماع، تعين الجمعية من بين المسـاهمين رئيسـاً للاجتمـاع كمـا تعين الجمعيـة مقرر للاجتماع.

46.3 The Chairman shall appoint a teller for the meeting provided that such appointment is approved by the General Assembly.

٤٦,٣ ويعين الرئيس جامعاً للأصـوات على أن تقر الجمعية العمومية تعيينه.

46.4 Minutes of the General Assembly shall be issued. The minutes shall include the names of the shareholders present in person or those represented, the number of the shares held by them in person or by proxy, the votes held by them, the decisions passed, the number of the votes for or against such decisions and an adequate summary of the

٤٦,٤ يحرر محضر اجتماع الجمعية العمومية ويتضمن أسماء المساهمين الحاضرين الممثلين وعدد الأسهم التي في حيازتهم بالأصالة أو بالوكالة وعدد الأصوات المقررة لهم والقرارات الصادرة وعدد الأصوات التي وافقت عليها أو عارضتها وخلاصة وافية للمناقشات التي دارت في الاجتماع.

discussions at the meeting.

46.5 The Company shall keep minutes of the meetings of the General Assembly and register attendance in special register to be kept for this purpose and signed by the Chairman of the relevant meeting, the secretary, the tellers and the auditors. The persons who sign the minutes of the meeting shall be held liable for the accuracy of information contained therein.

٤٦,٥ تدون الشركة محاضر اجتماعات الجمعية العمومية وإثبات الحضور في سجل خاص تحفظ لهذا الغرض وتوقع من قبل رئيس الاجتماع المعني ومقرر الجمعية وجامعي الأصوات ومدققي الحسابات ويكون الموقعون على محاضر الاجتماعات مسؤولين عن صحة البيانات الواردة فيها.

46.6 Each of the Chairman of the Board, the secretary of the Board of Directors and the Company's general counsel are each authorized by the Company individually to provide certified copies of extracts taken from the minutes of any General Assembly meeting, by signing such extracts, identifying that it is a certified true copy of the original and including the date that the certification is provided. Any party dealing with the Company may rely absolutely on such certified copy as being a true and accurate copy of the original document.

٤٦,٦ إن كل من رئيس مجلس الإدارة وأمين سر مجلس الإدارة والمستشار القانوني العام للشركة، مخولون بالانفراد من قبل الشركة بتقديم نسخ مصدق عليها لمستخرجات من محضر أي اجتماع للجمعية العمومية وذلك بتوقيع تلك المستخرجات وتحديد أنها نسخة طبق الأصل من المحضر الأصلي وتضمين تاريخ التصديق عليها. يجوز لأي طرف يتعامل مع الشركة التعويل بشكل مطلق على تلك النسخة المصدق عليها باعتبارها نسخة طبق الأصل ودقيقة من المستند الأصلي.

Article 47

المادة ٤٧

Voting at the General Assembly shall be in accordance with the procedure specified by the Chairman of the General Assembly unless the General Assembly specifies another voting procedure. If the subject of the vote relates to the appointment, dismissal or accountability of the Directors, voting should be by secret Cumulative Voting. Voting at the General Assembly may be conducted by

يكون التصويت في الجمعية العمومية بالطريقة التي يعينها رئيس الجمعية إلا إذا قررت الجمعية العمومية طريقة معينة للتصويت. وإذا تعلق الأمر بانتخاب أعضاء مجلس الإدارة أو بعزلهم أو بمساءلتهم، فإن ذلك يكون بالتصويت السري التراكمي، ويجوز التصويت في اجتماعات الجمعية العمومية باستخدام آلية التصويت الإلكتروني شريطة الالتزام بالضوابط والشروط الصادرة عن

electronic means in accordance with the regulations issued by the Authority in this regard.

الهيئة بهذا الشأن.

Article 48

المادة ٤٨

48.1 Subject to the provisions of Article 180 of the Law, the Directors may not participate in voting on the resolutions of the General Assembly for the discharge of the Directors from liability for their management or in connection with a special benefit of the Board of Directors, a Conflict of Interest or a dispute between the Board of Directors and the Company.

٤٨,١. مع مراعاة ما نصت عليه المادة ١٨٠ من القانون، لا يجوز لأعضاء مجلس الإدارة الاشتراك في التصويت على قرارات الجمعية العمومية الخاصة بإبراء ذمتهم من المسؤولية عن إدارتهم أو التي تتعلق بمنفعة خاصة لهم أو المتعلقة بتعارض المصالح أو بخلاف قائم بينهم وبين الشركة.

48.2 In the event that the Director is representing a corporate person, the shares of such corporate person shall be excluded.

٤٨,٢. في حال كون عضو مجلس الإدارة يمثل شخصاً اعتبارياً يستبعد أسهم ذلك الشخص الاعتباري.

48.3 A shareholder having the right to attend the General Assembly personally or by proxy may not participate in voting on matters related to a personal benefit or an existing dispute between such shareholder and the Company.

٤٨,٣. لا يجوز لمن له حق حضور اجتماعات الجمعية العمومية أن يشترك في التصويت عن نفسه أو عمن يمثله في المسائل التي تتعلق بمنفعة خاصة أو بخلاف قائم بينه وبين الشركة.

Article 49

المادة ٤٩

49. 1 The General Assembly shall, through a Special Resolution only, approve the following:

٤٩,١ يتعين على الجمعية العمومية إصدار قرار خاص في الحالات التالية:

a. Increase or reduce the share capital in any manner.

أ. زيادة رأس المال بأي طريقة أو تخفيضه.

b. Issuance of Bonds/Sukuk.

ب. إصدار السندات/الصكوك.

c. Dissolution of the Company or its merger with another company.	ج. حل الشركة أو إدماجها في شركة أخرى.
d. Sale or otherwise disposing of the business venture of the Company.	د. بيع المشروع الذي قامت به الشركة أو التصرف فيه بأي وجه آخر.
e. Sale of 51% or more of the Company's assets whether the sale will be implemented through one transaction or more and is within one year from the date of concluding the first sale deal or transaction.	هـ. بيع ما نسبته ٥١٪ أو أكثر من أصول الشركة سواءً كانت عملية البيع ستتم بصفقة واحدة أو من خلال عدة صفقات وذلك من خلال سنة من تاريخ عقد أول صفقة أو تعامل.
f. Extension of the term of the Company.	و. إطالة مدة الشركة.
g. Offering voluntary contributions for the purpose of community services.	ز. تقديم مساهمات طوعية لخدمة المجتمع.
h. Amendment to the Memorandum of Association or these Articles, subject to the following restrictions:	ح. تعديل عقد الشركة أو النظام الأساسي إلا ان حقها هذا ليس مطلقاً وإنما هو مقيد بالقيود التالية:
• The amendment should not increase the shareholders' obligations; and	• ألا يؤدي التعديل إلى زيادة أعباء المساهمين؛
• The amendment should not cause transfer of the head office out of the State.	• ألا يؤدي التعديل إلى نقل مركز الشركة الرئيسي إلى خارج الدولة.
i. Inclusion of a strategic partner;	ط. دخول شريك استراتيجي؛
j. Conversion of any cash debt into shares of the Company;	ي. تحويل الديون النقدية إلى أسهم في رأسمال الشركة؛

k. Issuing an employee stock ownership plan; or

ك. إصدار برنامج تحفيز موظفي الشركة بتملك أسهم فيها؛

l. In all cases where the Law requires the issuance of a Special Resolution.

ل. في جميع الحالات التي يتطلب فيها القانون إصدار قرار خاص.

In all cases and subject to the provisions of Article 139 of the Law, the approval of the Authority shall be required to issue the Special Resolution to amend the Memorandum of Association and Articles of Association of the Company and the competent Authority shall receive a copy of this Special Resolution.

في جميع الأحوال وفقاً للمادة ١٣٩ من القانون يتعين موافقة الهيئة على استصدار القرار الخاص بتعديل عقد التأسيس والنظام الأساسي للشركة. ويجب على الشركة تزويد السلطة المختصة بنسخة من هذا القرار الخاص.

Article 50

المادة ٥٠

The owners of shares registered on the working day preceding the holding of the General Assembly of the Company shall be deemed to be the holders of the right to vote in that General Assembly of the Company.

يكون مالك السهم المسجل في يوم العمل السابق لانعقاد الجمعية العمومية للشركة هو صاحب الحق في التصويت في تلك الجمعية العمومية للشركة.

Article 51

المادة ٥١

51.1. Subject to the provisions of the Law, the resolutions issued thereunder and the Articles of Association of the Company, the General Assembly shall have the responsibility to consider all the issues in connection with the Company. The General Assembly may not consider at any meeting any issues other than the issues listed in the agenda.

٥١,١ مع مراعاة أحكام القانون والقرارات الصادرة بموجبه والنظام الأساسي للشركة تختص الجمعية العمومية بالنظر في جميع المسائل المتعلقة بالشركة، ولا يجوز للجمعية العمومية في أي اجتماع من اجتماعاتها المداولة في غير المسائل المدرجة بجدول الأعمال.

51.2. Notwithstanding the above paragraph, and subject to the terms set out by the Authority in this

٥١,٢ استثناءً من البند (١) من هذه المادة ووفقاً للضوابط الصادرة عن الهيئة بهذا الشأن

respect, the General Assembly may:

يكون للجمعية العمومية الصلاحية فيما يلي:

a- consider any serious matters that have been revealed during the meeting; and

أ. حق المداولة في أي وقائع خطيرة تكتشف أثناء الاجتماع؛ و

b- in accordance with the terms set out by the Authority, consider an additional item on the agenda if the Authority or a number of shareholders holding at least 5% of the share capital of the company requested the same. The Chairman of the meeting shall add such item to the agenda before commencing the discussion of the agenda or submit such item to the General Assembly to resolve whether to add it or not to the agenda.

ب. إدراج بند إضافي في جدول أعمال الجمعية العمومية وفق الضوابط الصادرة عن الهيئة بهذا الشأن وذلك بناءً على طلب يقدم من الهيئة أو عدد من المساهمين يمثل (٥%) من رأس مال الشركة على الأقل، ويجب على رئيس اجتماع الجمعية العمومية إدراج البند الإضافي قبل البدء في مناقشة جدول الأعمال أو عرض الموضوع على الجمعية العمومية لتقرر إضافة البند إلى جدول الأعمال من عدمه.

PART SIX

الباب السادس

AUDITORS

مدقق الحسابات

Article 52

المادة ٥٢

52. 1 The Company shall have one or more auditor(s) appointed by the General Assembly whose fees shall be determined upon the recommendation of the Board of Directors. Such auditor is required to be registered with the Authority and be licensed to practice the profession.

٥٢,١. يكون للشركة مدقق حسابات أو أكثر تعينه وتحدد أتعابه الجمعية العمومية بناءً على توصية من مجلس الإدارة، ويشترط في مدقق الحسابات أن يكون مقيداً لدى الهيئة ومرخص له بمزاولة المهنة.

52. 2 The auditor shall be appointed for a term of one renewable year and

٥٢,٢ يُعيين مدقق حسابات لمدة سنة قابلة للتجديد ولا يجوز تفويض مجلس إدارة

the Board of Directors may not be authorized for this purpose. The auditing firm shall not undertake the audit of the Company for more than six (6) consecutive financial years from the date on which it was appointed. Any partner acting on behalf of the audit shall be changed at the expiry of three (3) financial years. Any auditing firm may be reappointed after the lapse of at least two (2) two financial years from the date of expiry of this term of appointment. The Founder of the Company may, upon its conversion appoint one or more auditing firms approved by the Authority and such auditing firm shall undertake its duties until the end of the general assembly for the first financial year.

الشركة في هذا الشأن، على ألا تتولى شركة التدقيق عملية التدقيق بالشركة مدة تزيد عن (٦) ستة سنوات مالية متتالية من تاريخ توليها مهام التدقيق بالشركة ويتعين في هذه الحالة تغيير الشريك المسؤول عن أعمال التدقيق للشركة بعد انتهاء (٣) ثلاث سنوات مالية ويجوز إعادة تعيين تلك الشركة لتدقيق حسابات الشركة بعد مرور (٢) سنتين ماليتين على الأقل من تاريخ انتهاء مدة تعيينها. ويجوز لمؤسس الشركة عند التحول تعيين شركة تدقيق حسابات أو أكثر توافق عليها الهيئة بحيث تتولى مهامها لحين انتهاء أعمال الجمعية العمومية للسنة المالية الأولى.

52. 3 The auditor shall assume its duties from the end of the meeting of the General Assembly up to the end of the following Annual General Assembly.

٥٢,٣ يتولى مدقق الحسابات مهامه من نهاية اجتماع تلك الجمعية إلى نهاية اجتماع الجمعية العمومية السنوية التالية.

Article 53

المادة ٥٣

53. 1 The auditor shall comply with the provisions of the Law and the regulations, resolutions and circulars implementing it;

٥٣,١ يتعين على مدقق الحسابات الالتزام بالأحكام المنصوص عليها في القانون والأنظمة والقرارات والتعاميم المنفذة له؛

53. 2 The auditor shall be independent from the Company and its Board of Directors;

٥٣,٢ يجب أن يكون مستقلاً عن الشركة ومجلس إدارتها؛

53. 3 The auditor shall not combine the profession of auditor and the capacity of a shareholder in the Company;

٥٣,٣ لا يجوز للمدقق أن يجمع بين مهنة مدقق الحسابات وصفة الشريك في الشركة؛

53. 4 The auditor shall not occupy the office of Director or any technical, administrative or executive office therein; and

٥٣,٤ لا يجوز للمدقق أن يشغل منصب عضو مجلس إدارة، أو أي منصب فني، أو إداري، أو تنفيذي فيها؛ و

53. 5 The auditor shall not be a partner or agent of the Founder of the Company or any of its Directors or a relative of any of them up to the second grade.

٥٣,٥ لا يجوز للمدقق أن يكون شريكاً أو وكيلاً لمؤسس الشركة أو أي من أعضاء مجلس إدارتها أو قريباً لأي منهم حتى الدرجة الثانية.

53. 6 The Company must take reasonable steps to verify the independence of the external auditor and that its function excludes any Conflict of Interest.

٥٣,٦ على الشركة أن تتخذ خطوات معقولة للتأكد من استقلالية مدقق الحسابات الخارجي، وأن كافة الأعمال التي يقوم بها تخلو من أي تضارب للمصالح.

Article 54

المادة ٥٤

54.1 The auditor shall have the authorities and the obligations provided for in the Law. The auditor shall particularly have the right to access, at all times, all the Company's books, records, documentation, and other documents and papers; and may request clarifications as he deems necessary for the performance of his task. The auditor may also verify the Company's assets and liabilities. If the auditor cannot use such authorities it shall record this in writing in a report to the Board of Directors; and if the Board fails to enable the auditor to perform its task, the auditor shall send a copy of the report to the Authority and the Competent Authority and shall present the same to the General Assembly.

٥٤,١.يكون لمدقق الحسابات الصلاحيات وعليه التقيد بالالتزامات المنصوص عليها في القانون. وله بوجه خاص الحق في الاطلاع في كل وقت على جميع دفاتر الشركة وسجلاتها ومستنداتها وغير ذلك من وثائق وله أن يطلب الإيضاحات التي يراها لازمة لأداء مهمته وله كذلك أن يتحقق من موجودات الشركة والتزاماتها. وإذا لم يتمكن مدقق الحسابات من استعمال هذه الصلاحيات، التزم بإثبات ذلك كتابةً في تقرير يقدم إلى مجلس الإدارة. فإذا لم يقم مجلس الإدارة بتمكين المدقق من أداء مهمته، وجب على المدقق أن يرسل صورة من التقرير إلى الهيئة والسلطة المختصة وأن يعرضه على الجمعية العمومية.

54.2. The auditor shall audit the Company's accounts and examine the balance sheet, and the profit and loss account. It shall review the Company's Transactions with Related Parties and observe the application of the provisions of the Law on these Articles of Association. The auditor must submit a report on the outcome of such examination to the General Assembly and shall send a copy to the Authority and Competent Authority. In preparing its report, the auditor must ensure the following:

٥٤,٢. يتولى مدقق الحسابات تدقيق حسابات الشركة وفحص الميزانية وحساب الأرباح والخسائر ومراجعة صفقات الشركة مع الأطراف ذات العلاقة وملاحظة تطبيق أحكام القانون وهذا النظام، وعلى تقديم تقرير بنتيجة هذا الفحص إلى الجمعية العمومية ويرسل صورة منه إلى الهيئة والسلطة المختصة، ويجب على مدقق الحسابات عند إعداد تقريره، التأكد مما يأتي:

a. Correctness of the accounting records maintained by the Company; and

أ. مدى صحة السجلات المحاسبية التي تحتفظ بها الشركة؛ و

b. Conformity of the extent of Company’s account records with accounting records.

ب. مدى تطابق حسابات الشركة مع السجلات المحاسبية.

54.3. If no facilities are provided to the auditor to carry out its duties, it must record this in a report to be submitted to the Board; and if the Board of Directors fails to facilitate the auditor’s role, the auditor shall send a copy of the report to the Authority.

٥٤,٣. إذا لم يتم تقديم تسهيلات إلى مدقق الحسابات لتنفيذ مهامه، التزم بإثبات ذلك في تقرير يقدمه إلى مجلس الإدارة وإذا قصّر مجلس الإدارة في تسهيل مهمة مدقق الحسابات، تعيّن عليه إرسال نسخة من التقرير إلى الهيئة.

54.4. A Subsidiary Company and its auditor shall provide the information and clarifications requested by the auditor of the holding company or the Parent Company for audit purposes.

٥٤,٤. تلتزم الشركة التابعة ومدقق حساباتها بتقديم المعلومات والتوضيحات التي يطلبها مدقق حسابات الشركة القابضة أو الشركة الأم لأغراض التدقيق.

Article 55

55. 1 The auditor shall submit to the General Assembly a report including the data and information set forth in the Law, and shall mention in its report, as well as on the balance sheet of the Company, all voluntary contributions made by the Company during the fiscal year for the purposes of serving the community, if any, and shall identify the beneficiary of such voluntary contributions.

55. 2 The auditor must attend the general meeting and shall read its report in the General Assembly, explaining any obstacles or interferences by the Board the auditor has encountered while carrying out its work. The auditor's report must be independent and impartial. The auditor must cast its opinion at the meeting on all matters relating to its work, particularly the Company's balance sheet, and the auditor's notes on the Company's accounts and financial position and any Irregularities in this respect. The auditor shall be responsible for the correctness of the data contained in the report. Each shareholder may discuss the auditor's report and ask for clarifications from the auditor on the report contents.

المادة ٥٥

٥٥,١. يقدم مدقق الحسابات إلى الجمعية العمومية تقريراً يشتمل على البيانات والمعلومات المنصوص عليها في القانون، وأن يذكر في تقريره وكذلك في الميزانية العمومية للشركة المساهمات الطوعية التي قامت بها الشركة خلال السنة المالية لأغراض خدمة المجتمع " إن وجدت" وأن يحدد الجهة المستفيدة من هذه المساهمات الطوعية.

٥٥,٢. يجب على مدقق الحسابات أن يحضر اجتماع الجمعية العمومية ليتلو تقريره على المساهمين موضحاً أية معوقات أو تدخلات من مجلس الإدارة واجهته أثناء تأدية أعماله، وأن يتسم تقرير مدقق الحسابات بالاستقلالية والحيادية وأن يدلي في الاجتماع برأيه في كل ما يتعلق بعمله وبوجه خاص في ميزانية الشركة وملاحظاته على حسابات الشركة ومركزها المالي وأية مخالفات بها. ويكون مدقق الحسابات مسؤولاً عن صحة البيانات الواردة في تقريره، ولكل مساهم أثناء عقد الجمعية أن يناقش تقرير مدقق الحسابات وأن يستوضحه عما ورد فيه.

PART SEVEN

THE FINANCE OF THE COMPANY

Article 56

56.1. The Board of Directors shall maintain duly organized financial statements which reflect an accurate and fair picture of the Company's financial status in accordance with generally acceptable accounting principles internationally applied. No shareholder will be entitled to inspect those financial statements unless a specific authorization to this effect is obtained from the Board of Directors.

56.2. The financial year of the Company shall start on the first day of January and shall end on the last day of December of every year, with the exception of the first fiscal year which began from the date of the Company's registration in the Commercial Registry and ended in the following year.

Article 57

The Board of Directors must prepare an audited balance sheet and profit and loss account for each financial year at least one month before the Annual General Assembly. The Board of Directors must also prepare a report on the Company's activities during the financial year, its financial position at the end of the same year, the recommendations on distribution of the net profits and send a copy of the annual financial statements and the profit and loss account with a

الباب السابع

مالية الشركة

المادة ٥٦

٥٦,١. على مجلس الإدارة أن يحتفظ بدفاتر حسابات منتظمة حسب الأصول والتي تعكس الصورة الفعلية والعادلة عن وضع الشركة المالي وفقاً لمبادئ ومعايير المحاسبة المعمول بها دولياً. ولا يحق لأي مساهم في الشركة فحص على تلك الدفاتر إلا بموجب تفويض بهذا الشأن صادر عن مجلس الإدارة.

٥٦,٢. تبدأ السنة المالية للشركة في أول يوم من شهر يناير وتنتهي في آخر يوم من شهر ديسمبر من كل سنة. فيما عدا السنة المالية الأولى التي بدأت من تاريخ قيد الشركة بالسجل التجاري وانتهت في السنة التالية.

المادة ٥٧

على مجلس الإدارة أن يعد عن كل سنة مالية قبل الاجتماع السنوي للجمعيّة العموميّة بشهر على الأقل ميزانية مدققة للشركة وحساب الأرباح والخسائر. وعلى مجلس الإدارة أيضاً أن يعد تقريراً عن نشاط الشركة خلال السنة المالية وعن مركزها المالي في ختام السنة ذاتها والطريقة التي يقترحها لتوزيع الأرباح الصافية. ترسل صورة من الميزانية وحساب الأرباح والخسائر وتقرير مدقق الحسابات وتقرير مجلس الإدارة وتقرير الحوكمة

copy of the report of the auditor, the Board of Directors report, and the governance report to the Authority, along with a draft of the Annual General Assembly invitation to the shareholders of the Company to approve the publication of the invitation twenty-one (21) days before the date set for the Annual General Assembly meeting. The annual financial statements of the Company shall be published pursuant to the regulations issued by the Authority. A copy of such shall be provided to the Authority and the Competent Authority.

إلى الهيئة كما ترسل دعوة الجمعية العمومية السنوية لمساهمي الشركة للموافقة على نشر الدعوة قبل موعد انعقاد اجتماع الجمعية العمومية السنوية بواحد وعشرون يوماً. ويجب نشر الميزانية السنوية للشركة وفقاً للضوابط التي تحددها الهيئة وتودع نسخة منها لدى الهيئة والسلطة المختصة.

Article 58

المادة ٥٨

The Board of Directors shall deduct a percentage of the annual gross profits for the depreciation of the Company's assets or for compensation for the depletion in their value. These amounts shall be utilized upon the decision of the Board of Directors and should not be distributed to the shareholders.

لمجلس الإدارة أن يقتطع من الأرباح السنوية غير الصافية نسبة يحددها لاستهلاك موجودات الشركة أو التعويض عن انخفاض قيمتها، ويتم التصرف في هذه الأموال بناءً على قرار من مجلس الإدارة ولا يجوز توزيعها على المساهمين.

Article 59

المادة ٥٩

The annual net profits of the Company shall only be distributed after deducting all general expenses and other costs as follows:

توزّع الأرباح السنوية الصافية للشركة فقط بعد خصم جميع المصروفات العمومية والتكاليف الأخرى وفقاً لما يلي:

59.1 (10%) of the net profits shall be deducted and allocated as the statutory reserve. Such deduction shall cease to occur when the total amount of the statutory reserve is equal to at least 50% of the capital of the Company. If the statutory reserve falls below this threshold, deduction shall be resumed.

٥٩,١ يتم اقتطاع نسبة (١٠٪) عشرة بالمائة من صافي الأرباح تخصص لحساب الاحتياطي القانوني. ويوقف هذا الاقتطاع متى بلغ إجمالي قيمة الاحتياطي القانوني ما يساوي (٥٠٪) خمسين بالمائة كحد أدنى من رأس مال الشركة المدفوع. وفي حالة انخفاض هذا الاحتياطي إلى ما هو أقل من الحد

الأدنى، تعين العودة إلى الاقتطاع.

59.2 The remaining amounts of the net profits may be distributed among the shareholders or moved to the subsequent year, or installments allocated to form an additional reserve, in each case with the approval of the General Assembly upon the recommendation of the Board.

٥٩,٢ يوزع المتبقي من صافي الأرباح على المساهمين أو يتم ترحيله إلى السنة المقبلة أو تخصيصه لإنشاء احتياطي إضافي، وفي كل الأحوال يشترط الحصول على موافقة الجمعية العمومية في ضوء توصيات مجلس الإدارة.

59.3 Without prejudice to Article 36 of these Articles, the compensation of the Board of Directors shall be determined by the General Assembly and shall not exceed 10% of the net profit after deducting the depreciations, reserves and profit distribution to the shareholders equivalent to at least of 5% of the share capital. The Board proposes the remuneration, which shall be presented to the General Assembly for its consideration. Fines that may have been imposed on the Company by the Authority or the Competent Authority due to violations by the Board of Directors of the Law or the Articles of Association during the ended fiscal year shall be deducted from the remuneration. The General Assembly may decide not to deduct such fines or some of them if it deems that such fines were not the result of default or error of the Board of Directors.

٥٩,٣ دون الإخلال بالمادة ٣٦ من هذا النظام، تحدد الجمعية العمومية مكافأة أعضاء مجلس الإدارة، ويجب ألا تزيد مكافأة مجلس الإدارة على ١٠٪ من الربح الصافي بعد خصم الاستهلاكات والاحتياطي وتوزيع ربح لا يقل عن ٥٪ من رأس المال على المساهمين. ويقترح المجلس المكافأة وتعرض على الجمعية العمومية للنظر فيها، وتخصم من تلك المكافأة الغرامات التي تكون قد وُقعت على الشركة من الهيئة أو السلطة المختصة بسبب مخالفات مجلس الإدارة للقانون أو للنظام الأساسي خلال السنة المالية المنتهية، وللجمعية العمومية عدم خصم تلك الغرامات أو بعضها إذا تبين لها أن تلك الغرامات ليست ناتجة عن تقصير أو خطأ من مجلس الإدارة.

Article 60

المادة ٦٠

The voluntary reserve (if any) shall be

يتم التصرف في الاحتياطي الاختياري (إن وجد)

disposed of pursuant to a resolution from the General Assembly based on a recommendation from the Board of Directors in the aspects that achieve the interests of the Company. The voluntary reserve (if any) may not be distributed among the shareholders. However, any amount in excess of fifty percent (50%) of the paid-up capital can be used to distribute dividends among the shareholders during years when the Company does not realize sufficient distributable net profit.

بناءً على قرار من الجمعية العمومية بعد صدور توصية من مجلس الإدارة في الأوجه التي تحقق مصالح الشركة. لا يجوز توزيع الاحتياطي الاختياري (إن وجد) على المساهمين، وإنما يجوز استعمال ما زاد منه على نصف رأس المال المدفوع لتأمين توزيع أرباح على المساهمين في السنوات التي لا تحقق الشركة فيها أرباحاً صافية كافية للتوزيع عليهم.

PART EIGHT

الباب الثامن

DISPUTES

المنازعات

Article 61

المادة ٦١

Any resolution passed by the General Assembly to release the Board of Directors from liability shall not result in the waiver of the civil liability against the Directors due to the errors committed by them during the performance of their duties. If the action giving rise to the liability was presented to the General Assembly in a report by the Board of Directors or by its auditor and was ratified by the general assembly, civil claims shall be time barred by the expiry of one year from the date of convening that General Assembly. However, if the alleged action constitutes a criminal offence, the proceedings for liability shall not be time barred except by the lapse of the public case.

لا يترتب على أي قرار يصدر عن الجمعية العمومية بإبراء ذمة مجلس الإدارة سقوط دعوى المسؤولية المدنية ضد أعضاء مجلس الإدارة بسبب الأخطاء التي تقع منهم في تنفيذ مهمتهم. وإذا كان الفعل الموجب للمسؤولية قد عرض على الجمعية العمومية بتقرير من مجلس الإدارة أو مدقق الحسابات وصادقت عليه، فإن دعوى المسؤولية تسقط بمضي سنة من تاريخ انعقاد الجمعية. ومع ذلك، إذا كان الفعل المنسوب إلى أعضاء مجلس الإدارة يكون جريمة جنائية، فلا تسقط دعوى المسؤولية إلا بسقوط الدعوى العمومية.

PART NINE

الباب التاسع

DISSOLUTION OF THE COMPANY

في حل الشركة وتصفيتها

Article 62

المادة ٦٢

The Company shall be dissolved for any of the following reasons:

تُحَل الشركة لأحد الأسباب التالية:

62.1 Expiry of the Company's term unless it is renewed in accordance with the provisions of these Articles.

٦٢,١ انتهاء المدة المحددة للشركة ما لم يتم تجديدها وفقاً للأحكام الواردة بهذا النظام الأساسي.

62.2 Fulfillment of the objectives for which the Company was established.

٦٢,٢ انتهاء الأغراض التي تأسست الشركة من أجلها.

62.3 A Special Resolution to terminate the term of the Company.

٦٢,٣ صدور قرار خاص من الجمعية العمومية بإنهاء مدة الشركة.

62.4 Merging the Company with another company in accordance with the provisions Law.

٦٢,٤ اندماج الشركة في شركة أخرى وفقاً لأحكام القانون.

62.5 The issuance of a judgement to dissolve the Company.

٦٢,٥ صدور حكم قضائي بحل الشركة.

62.6 The depletion of all or most of the Company's assets, making it impossible to beneficially invest the remainder.

٦٢,٦ هلاك جميع أموال الشركة أو معظمها بحيث يتعذر استثمار الباقي استثماراً مجدياً.

Article 63

المادة ٦٣

If the losses of the Company reach half of its issued share capital, the Board of Directors shall within 30 (thirty) days from the date of disclosure to the Authority of the periodic or annual financial statements invite the General Assembly to take a Special Resolution to dissolve the Company prior to the expiry of its term or to continue to carry out the operations

إذا بلغت خسائر الشركة نصف رأس مالها المصدر وجب على مجلس الإدارة خلال (٣٠) ثلاثين يوماً من تاريخ الإفصاح للهيئة عن القوائم المالية الدورية أو السنوية دعوة الجمعية العمومية للانعقاد لاتخاذ قرار خاص بحل الشركة قبل الأجل المحدد لها أو استمرارها في مباشرة نشاطها.

of the Company.

Article 64

At the end of the term of the Company or in case of its dissolution before the expiry of such term, the General Assembly shall, upon recommendation by the Board of Directors, determine the method of liquidation, appoint one or more liquidators and shall specify their duties. The authorities of the Board of Directors shall terminate with the appointment of the liquidator(s). The authorities of the General Assembly shall remain in force for the duration of the liquidation process and shall last until the liquidators are absolved of their obligations.

المادة ٦٤

عند انتهاء مدة الشركة أو حلها قبل الأجل المحدد، تعين الجمعية العمومية، بناءً على توصية من مجلس الإدارة، طريقة التصفية وتعين مصفياً أو أكثر وتحدد سلطتهم. وتنتهي وكالة مجلس الإدارة بتعيين المصفين وتبقى سلطة الجمعية العمومية قائمة طوال مدة التصفية إلى أن يتم إخلاء عهدة المصفين.

PART TEN

FINAL PROVISIONS

الباب العاشر

الأحكام الختامية

Article 65

In the event of contradiction between the provisions of these Articles and the commanding provisions of the Law or resolutions and circulars issued in application thereof, the latter should prevail.

المادة ٦٥

في حال التعارض بين النصوص الواردة بهذا النظام مع أياً من الأحكام الآمرة الواردة في القانون أو الأنظمة والقرارات والتعاميم المنفذة له فإن تلك الأحكام هي التي تكون واجبة التطبيق.

Article 66

Subject to the Authority’s approval, the Company may pass a Special Resolution to allocate a percentage of the Company’s retained profits to social responsibility. The Company shall disclose on its website whether or not the Company has participated in the social

المادة ٦٦

يجوز للشركة بعد الحصول على موافقة الهيئة أن تقوم بموجب قرار خاص بتخصيص نسبة من أرباحها المحتجزة للمسؤولية المجتمعية. يجب على الشركة الإفصاح على موقعها الإلكتروني عما إذا كانت الشركة قد شاركت في المسؤولية

responsibility. The auditor's report and the annual financial statements shall include the beneficials of the Company's contribution in the social responsibility.

المجتمعية أم لا. يجب أن يتضمن تقرير المدقق والبيانات المالية السنوية فوائد مساهمة الشركة في المسؤولية المجتمعية.

Article 67

المادة ٦٧

The Company shall be subject to the resolution concerning Governance Code and implementing decisions for the provisions of the Law. The resolution shall be considered as an integral part and supplementary to the Company's Articles of Association.

يسري على الشركة قواعد الحوكمة والقرارات المنفذة لأحكام القانون، ويعتبر جزءاً لا يتجزأ من النظام الأساسي للشركة ومكملاً له.

Article 68

المادة ٦٨

In accordance with the provisions of the Law and its implementing regulations, the Board of Directors, the chief executive officer, the managers and auditors of the Company shall facilitate the periodical inspection carried out by the Authority through its assigned inspectors and provide the required statements and information to them as they deem necessary, and allow them to view the records, documents, business and papers of the Company held by branches and subsidiaries within and outside the State or by the auditors.

مع مراعاة أحكام القانون والقرارات المنفذة له، على مجلس إدارة الشركة والرئيس التنفيذي والمديرين بالشركة ومدققي حساباتها تسهيل أعمال التفتيش الدوري الذي تقوم به الهيئة من خلال المفتشين المكلفين من قبلها وتقديم ما يطلبه المفتشين من بيانات أو معلومات، وكذلك الاطلاع على أعمال الشركة ودفاترها أو أية أوراق أو سجلات لدى فروعها وشركاتها التابعة داخل الدولة وخارجها أو لدى مدقق حساباتها.

Article 69

المادة ٦٩

In case there is any contradiction between the provisions of these Articles in the Arabic and English texts, the Arabic text shall prevail.

عند وجود تعارض بين نصوص المواد باللغتين العربية والإنجليزية، يغلب جانب النص باللغة العربية.

Article 70

المادة ٧٠

يودع هذا النظام الأساسي وينشر طبقاً للقانون.

These Articles of Association shall be deposited and published in accordance with the Law.

Annex (3) – Receiving Banks' Branches

Emirates NBD PJSC Participating Branches

EMIRATES	BRANCH	Location	Working Hours	IPO Working Hours	Contact
Dubai	Jumeirah Branch	Emirates NBD Building, Al Wasl Rd Intersection, Umm Suqueim 3, Jumeirah, Dubai	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(8:00 AM - 12:00 PM)	(8:00 AM - 11:00 AM)	
			Saturday	Saturday	
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
Dubai	Al Qusais Branch	Damascus St, Near Dubai Grand Hotel, Al Qusais, Dubai	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(8:00 AM – 3:00 PM)	(8:00 AM - 11:00 AM)	
			Saturday	Saturday	
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
Abu Dhabi	Khalifa Branch	Ground Floor, Al Neem Building, Shaikh Khalifa Street, Abu Dhabi	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)
			(8:00 AM - 3:00 PM)	(8:00 AM - 2:00 PM)	
			Friday	Friday	
			(8:00 AM - 3:00 PM)	(8:00 AM - 12:00 PM)	
Abu Dhabi	Al Muroor Branch	New Airport Road, Muroor, Abu Dhabi	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)

EMIRATES	BRANCH	Location	Working Hours	IPO Working Hours	Contact
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(8:00 AM - 12:00 PM)	(8:00 AM - 11:00 AM)	
			Saturday	Saturday	
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
Al Ain	Al Ain Khalifa Street Branch	Sheikh Khalifa Bin Zayed St, (in front of Burjeel Hospital), Al Ain	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(8:00 AM - 12:00 PM)	(8:00 AM - 11:00 AM)	
			Saturday	Saturday	
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
Ajman	Ajman Branch	Emirates NBD Building, Sheikh Rashid Bin Humaid St, Al Sawan, Ajman	Monday to Thursday	Monday to Thursday	800 ENBD IPO (800 3623 476)
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	
			Friday	Friday	
			(8:00 AM - 12:00 PM)	(8:00 AM - 11:00 AM)	
			Saturday	Saturday	
			(8:00 AM - 3:00 PM)	(8:00 AM - 1:00 PM)	

Abu Dhabi Commercial Bank PJSC Participating Branches

#	Branch name	Area	Branch Timing	Subscription Timing	Branch Location
1	Hazza Bin Zayed Stadium Branch	Abu Dhabi, Al Ain	08:00 AM - 07:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Hazza Bin Zayed Stadium, Al Ain
2	Zayed Town Branch	Abu Dhabi, Al Dhafra Region	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Zayed Town Main Street, Near Zayed Town Court P.O.Box: 50013 Zayed Town
3	Al Riggah Branch	Dubai	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Al Riggah Road, Near Al Riggah Metro-Station P.O.Box: 5550 Dubai
4	Business Bay Branch	Dubai	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Business Bay, Al Khaleej Al Tejari, Dubai, Nearest Landmark-Business bay metro station
5	Ajman Branch	Ajman	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Al Ittihad Street, Near Lulu centre P.O.Box: 1843 Ajman
6	Ras Al Khaimah Branch	RAK	08:00 AM - 07:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Al Naeem Mall, New central business district P.O.Box: 1633 Ras Al Khaimah
7	Fujairah Branch	Fujairah	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Hamed Bin Abdulla Street, Near ADNOC P.O.Box: 770 Fujairah
8	Ruwais Branch	Al Dhafrah Region	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 PM on Friday Closed on Sunday	08:00 AM - 03:00 PM Monday to Thursday & Saturday 08:00 AM - 12:00 AM On Friday Closed on Sunday	Ruwais Housing Complex Sh. Zayed Road, Near Etisalat Office P.O.Box: 11851 Ruwais

9	Al Zahiya City Centre Branch	Sharjah	10:00 AM - 09:00 PM Monday to Thursday & Saturday 03:00 PM - 09:00 PM on Friday Closed on Sunday	10:00 AM - 03:00 PM Monday to Thursday & Saturday No IPO Subscription on Friday Closed on Sunday	Sheikh Mohammed Bin Zayed Street, Al Zahia City Centre, Ground level, near Entrance A, P.O.Box: 23657
10	Reem Mall Branch	Abu Dhabi	10:00 AM - 09:00 PM Monday to Thursday & Saturday 03:00 PM - 09:00 PM on Friday Closed on Sunday	10:00 AM - 03:00 PM Monday to Thursday & Saturday No IPO Subscription on Friday Closed on Sunday	Ground level, Al Reem Island, Abu Dhabi. P.O.Box: 939 Abu Dhabi

Abu Dhabi Islamic Bank PJSC Participating Branches

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Customer Timing (Monday -Saturday)	Customer Timing (Friday)	Branch Address
1	Sheikh Zayed Main Branch	Normal Branch	403	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	Sheikh Rashid Bin Saeed St(Old Airport Road) opposite Hilton Capital Grand Hotel
2	Nation Towers Branch	Mall Branch	71	Abu Dhabi	1	10:00 AM to 10:00 pm	04:00 PM to 10:00 PM	Nation Towers Galleria – Corniche Road, First Floor
3	Khalifa A City Branch	Normal Branch	94	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	Khalifa A city, street # 16/21 south west.
4	Madinat Zayed Branch	Normal Branch	7	Abu Dhabi West (Gharbiya)	5	08:00 am to 02:00 pm	8:00 AM to 12:00 PM	Madinat Zayed City - Western Region
5	Oud Al Toba Branch	Normal Branch	54	Al Ain	2	08:00 am to 08:00 pm	8:00 AM to 12:00 PM	Oud Al Toba St., No.133
6	Al Qusais Branch	Normal Branch	51	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Al Qusais Area -Al Wasl Building
7	Sheikh Zayed Road Branch	Normal Branch	14	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Emarat Atrium Building, Sheikh Zayed Road
8	Second of December Branch	Normal Branch	86	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Jumeirah beach street, Dubai
9	Fujairah Branch	Normal Branch	6	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Shaikh Hamad Bin Abdulla Street
10	Ras Al Khaimah Branch	Normal Branch	11	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	Opposite Al Manar Mall, Al Muntasir Road
11	Umm Al Quwain Branch	Normal Branch	29	Sharjah North East Area	4	08: am to 02:00 pm	8:00 AM to 12:00 PM	Umm Al Quwain Union Coop
12	Sharjah Main Branch	Normal Branch	5	Sharjah North East Area	4	08: am to 02:00 pm	8:00 AM to 12:00 PM	Al Mussala Area opposite Etisalat building

Commercial Bank of Dubai PJSC Participating Branches

#	Branch name	Area	Branch Timing	Subscription Timing	Branch Location
1	Main Branch	Deira, Dubai	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	Al Ittihad Road, Port Saeed Area, Dubai
			07:30 AM - 12:30 PM (Friday)	08:00 AM - 11:00 AM (Friday)	
2	Jumeirah Branch	Jumeirah	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	Jumeirah Road, Dubai
			07:30 AM - 12:30 PM (Friday)	08:00 AM - 11:00 AM (Friday)	
3	Sheikh Zayed Road Branch	Sh. Zayed Rd., Dubai	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	Sheikh Zayed Road, Dubai
			07:30 AM - 12:30 PM (Friday)	08:00 AM - 11:00 AM (Friday)	
4	Zayed the First branch	Abu Dhabi	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	Zayed The First Road, Abu Dhabi
			07:30 AM - 12:30 PM (Friday)	08:00 AM - 11:00 AM (Friday)	
5	Sharjah Branch	Sharjah	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday)	King Abdulaziz Road, Sharjah
			07:30 AM - 12:30 PM (Friday)	08:00 AM - 11:00 AM (Friday)	

Dubai Islamic Bank PJSC Participating Branches

S. No.	Branch Name	Branch Location - Area	Customer Timing	IPO Subs Timings	Branch Address	Contact No.
1	Abu Dhabi Main Br.	Abu Dhabi	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:00 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:00 PM	Airport Road, Opposite Etisalat Bldg, Abu Dhabi	04 - 6092222
2	Al Ain Main Br	Al Ain	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:00 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:00 PM	Khalifa Street, DIB Bldg., Al Ain	04 - 6092222
3	Dubai Main Br.	Dubai	Monday to Thursday & Saturday 08:00 AM - 2:00 PM Friday 7:15 AM to 12:00 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:00 PM	DIB Head Office building, Al Maktoum Road , Near Clock Tower. Port Saeed , Dubai	04 - 6092222
4	Sheikh Zayed Road Br.	Dubai	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:00 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:00 PM	Grosvenor House Commercial Tower, Sheikh Zayed Road, Near Fairmont Hotel, Dubai	04 - 6092222
5	Umm Suqeim Br.	Dubai	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:00 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:00 PM	Abdalla Bin Fahd Villa, Jumeirah Street, Umm Suqeim 1, Dubai	04 - 6092222
6	Ras Al Khaimah Main Br.	RAK	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:00 PM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 12:00 PM	Al Nakeel Area - Al Muntasir Str - Dubai Islamic Bank Bldg.	04 - 6092222

S. No.	Branch Name	Branch Location - Area	Customer Timing	IPO Subs Timings	Branch Address	Contact No.
7	Sharjah Main Br	Sharjah	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 11:30 AM	Monday to Thursday & Saturday 08:00 AM - 02:00 PM Friday 7:15 AM to 11:30 AM	King Abdul Aziz st. - Al Qasimia / Al Nud - Sharjah	04 - 6092222

Emirates Islamic Bank PJSC Participating Branches

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
1	Healthcare City Branch	Dubai	Monday to Thursday (8am - 4pm) Friday (8 - 12.30pm & 2pm - 4pm)	Monday to Thursday (8am - 1pm) Friday (8am - 11.30am)	Building 16, Dubai Health Care City
2	Nad Al Hamar	Deira	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Bel Remaitha Club Building,Show Rooms # S-8 & S-9,Nad Al Hamar Area, Al Rubat street
3	Halwan Branch	Sharjah & NE Region	Monday to Saturday (8am - 8pm) Friday (8am - 11.30am	Monday to Saturday (8am - 1pm) Friday (8am - 10.30am)	Sheikh Isam Building,Wasit Street, Industrial Area, Halwaan, Sharjah
4	Ajman Kalifa Bin Zayed	Ajman	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Sara Plaza 2, Al Jurf 2 area - Shaikh Khalifa Bin Zayed St - Ajman
5	Ras Al Khaimah Branch	Ras Al Khaimah	Monday to Saturday (8am - 8pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Emirates Islamic Tower, Ground Floor, Al Muntaser Road - Al Nakheel Area
6	Fujairah Branch	Fujairah	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Near Choithram Supermarket, Sheikh Hamad Bin Abdulla Street

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
7	Main Branch Abu Dhabi	Abu Dhabi	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Khalidiyah Corniche Area, Wave Tower
8	Al Ain Main Branch	Al Ain	Monday to Saturday (8am - 2pm) Friday (8am - 12.30pm)	Monday to Saturday (8am - 1pm) Friday (8am - 11.30am)	Al Ain, Al Murabaa Area, Othman Bin Affan Street, opposite to Al Ain Mall

First Abu Dhabi Bank PJSC Participating Branches

#	Branch name	Branch Type	Customer Timing (Monday -Saturday)	IPO Subscription Timings (Monday - Saturday)	Branch Address
S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
1	FAB One Tower, Abu Dhabi	Abu Dhabi	08: am to 02:00 pm (Monday-Thursday);	8 am to 1 pm - Mon - Thurs.	Intersection of Shaikh Khalifa street and Baniyas street,PO BOX:2993
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
2	Salam Street	Abu Dhabi	08: am to 02:00 pm (Monday-Thursday);	8 am to 1 pm - Mon - Thurs.	Salam Street, Abu Dhabi
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
3	Al Ain New	Al Ain - Abu Dhabi	08: am to 02:00 pm (Monday-Thursday);	8 am to 1 pm - Mon - Thurs.	Al Ain New PO BOX: 17822
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
4	Sheikh Zayed Rd.	Dubai	08: am to 02:00 pm (Monday-Thursday);	8 am to 1 pm - Mon - Thurs.	ALQUZE NEXT TO GOLDEN DAIMOND ;PO BOX:52053
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
5	Deira Branch (ABS)	Dubai	08: am to 02:00 pm (Monday-Thursday);	8 am to 1 pm - Mon - Thurs.	Abu Baker Al Siddique Rd, Deira
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
6	Sharjah	Sharjah	08: am to 02:00 pm (Monday-Thursday);	8 am to 1 pm - Mon - Thurs.	Al Reem Plaza, Ground floor Buheira Corniche, Sharjah;PO BOX:1109
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
7	RAK (LNBAD)	Ras Al Khaimah	08: am to 02:00 pm (Monday-Thursday);	8 am to 1 pm - Mon - Thurs.	

			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	FAB RAK (LNBAD) , Corniche Al Qawasim Road , Near to NMC Royal Medical Center , RAK
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	

Al Maryah Community Bank Participating Branches

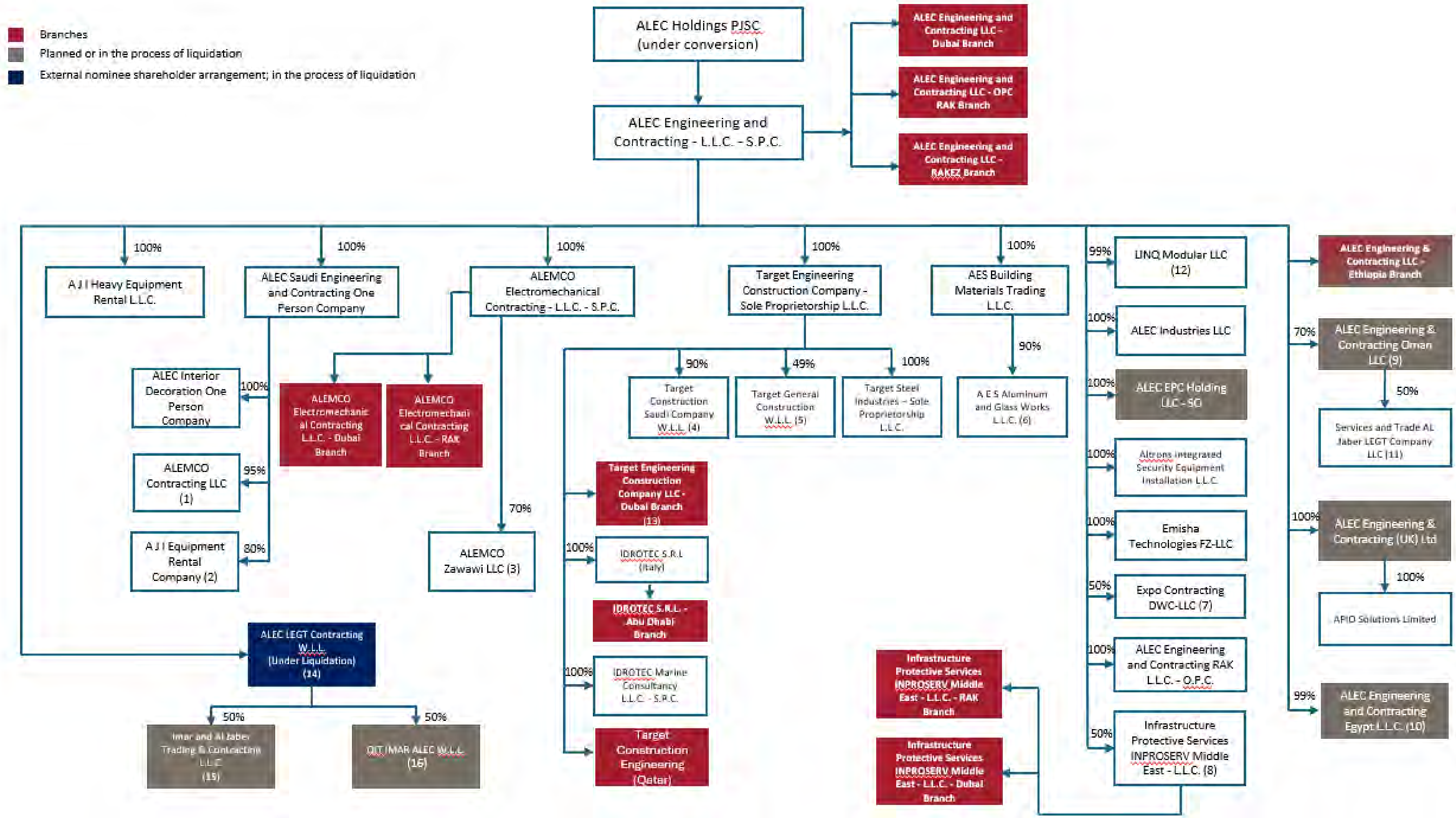
S.No	Branch name	Branch Location-Area	Customer Timing (Monday -Saturday)	IPO Subscription Timings (Monday - Saturday)	Branch Address
1	Al Maryah Community Bank, Innovation Hub	Abu Dhabi	8AM to 4PM (Monday -Thursday)	8AM to 4PM and 24x7 through Mbank app (Monday -Thursday)	Al Maryah Community Bank, Innovation Hub, 454 Shakbout Bin Sultan Street, Abu Dhabi, UAE
			8AM to 12PM (Friday)	8AM to 12PM and 24x7 through Mbank app (Friday)	
			8AM to 4PM (Saturday)	8AM to 4PM and 24x7 through Mbank app (Saturday)	
2	Al Maryah Community Bank, Mall of the Emirates	Dubai	10AM to 10PM (Monday -Thursday)	10AM to 10PM and 24x7 through Mbank app (Monday -Thursday)	Al Maryah Community Bank, Level 1, Ski Dubai Entrance, Mall of the Emirates, Dubai, UAE
			10AM to 10PM (Friday)	10AM to 10PM and 24x7 through Mbank app (Friday)	
			10AM to 10PM (Saturday)	10AM to 10PM and 24x7 through Mbank app (Saturday)	
3	Al Maryah Community Bank, Capital Mall	Abu Dhabi	10AM to 10PM (Monday -Thursday)	10AM to 10PM and 24x7 through Mbank app (Monday -Thursday)	Al Maryah Community Bank, Mohammed Bin Zayed City, Mussaffah - Abu Dhabi, UAE
			10AM to 10PM (Friday)	10AM to 10PM and 24x7 through Mbank app (Friday)	
			10AM to 10PM (Saturday)	10AM to 10PM and 24x7 through Mbank app (Saturday)	

Annex (4) – Details of the Company's Investments in its Subsidiaries

No.	Entity Name
1.	ALEC Engineering and Contracting LLC - OPC RAK Branch
2.	ALEC Engineering and Contracting LLC - RAKEZ Branch
3.	AJ I Heavy Equipment Rental L.L.C.
4.	ALEC Interior Decoration One Person Company
5.	ALEMCO Contracting LLC
6.	AJ I Equipment Rental Company
7.	ALEC Saudi Engineering and Contracting One Person Company
8.	ALEMCO Electromechanical Contracting L.L.C. - Dubai Branch
9.	ALEMCO Electromechanical Contracting L.L.C. - RAK Branch
10.	ALEMCO Zawawi LLC
11.	ALEC LEGT Contracting W.L.L. (Under Liquidation)
12.	Imar and Al Jaber Trading & Contracting L.L.C. (Under Liquidation)
13.	QIT IMAR ALEC W.L.L. (Under Liquidation)
14.	ALEMCO Electromechanical Contracting - L.L.C. - S.P.C.
15.	Target Engineering Construction Company - Sole Proprietorship L.L.C.
16.	Target Construction Saudi Company W.L.L.
17.	Target General Construction W.L.L.
18.	Target Steel Industries - Sole Proprietorship L.L.C.
19.	IDROTEC S.R.L (Italy)
20.	IDROTEC S.R.L - Abu Dhabi Branch
21.	IDROTEC Marine Consultancy L.L.C. - S.P.C.

22.	Target Construction Engineering (Qatar)
23.	AES Building Materials Trading L.L.C.
24.	AES Aluminium and Glass Works L.L.C.
25.	Infrastructure Protective Services INPROSERV Middle East - L.L.C. - RAK Branch
26.	Infrastructure Protective Services INPROSERV Middle East - L.L.C. - Dubai Branch
27.	LINQ Modular LLC
28.	ALEC Industries LLC
29.	ALEC EPC Holding LLC - SO
30.	Altrons Integrated Security Equipment Installation L.L.C.
31.	Emisha Technologies FZ-LLC
32.	Expo Contracting DWC-LLC
33.	ALEC Engineering and Contracting RAK L.L.C. - O.P.C.
34.	Infrastructure Protective Services INPROSERV Middle East - L.L.C.
35.	ALEC Engineering & Contracting LLC - Ethiopia Branch (Under Liquidation)
36.	ALEC Engineering & Contracting Oman LLC
37.	Services and Trade AL Jaber LEGT Company LLC
38.	ALEC Engineering & Contracting (UK) Ltd
39.	APIO Solutions Limited
40.	ALEC Engineering and Contracting Egypt LLC
41.	ALEC Engineering and Contracting - L.L.C. - S.P.C.
42.	ALEC Engineering and Contracting LLC - Dubai Branch

Annex (5) – Group Structure Chart



*1 – 5 % is owned by ALEMCO Electromechanical Contracting LLC.
*2 – 20% is owned by AJI Heavy Equipment Rentals LLC.
*3 – 30% is owned by Alawi Enterprise LLC.
*4 – 10% is owned by Middle East Petroleum Company.
*5 – 51% is owned by Phoenix Project Development WLL.
*6 – 10% is owned by ALEC Engineering and Contracting - LLC - SPC.
*7 – 50% is owned by LEGT Construction Contracting Limited ("**LEGT Construction**"), a Jersey company owned in equal shares by Messrs. John Deeb, Kobus Dreyer, Barry Lewis, Kieron Taylor, and Adam Viljoen.
*8 – 38% is owned by Schalk Engelbrecht and 12 % owned by Dean Jones.
*9 – 30% is owned by Prestigious Coast LLC.
*10 – 1% is owned by ALEC Industries LLC.
*11 – 50% is owned by Services and Trade Company LLC.
*12 – 1% is owned by ALEMCO Electromechanical Contracting LLC.
*13 – Target Engineering Construction Co. Sole Proprietorship LLC has three Abu Dhabi location branches for stores under the following numbers: CN-5821922, CN-5821930, and CN-5822057.
*14 – ALEC LEGT Contracting WLL ("**ALEC LEGT**") is owned by nominal shareholders on behalf of ALEC Engineering and Contracting LLC. 51% of shares is owned by International Company for Project Development WLL ("**ICPD**") and 49% of shares is owned by LEGT Construction. ICPD is a nominal shareholder holding 51% of shares on behalf of LEGT Construction. Pursuant to the Shareholders Agreement dated 2 August 2018, LEGT Construction receives 99% of profit distributions and ICPD receives 1% of profit distributions. Pursuant to the Memorandum of Association dated 23 January 2018, should Qatari law permit a higher percentage of non-Qatari participation in ALEC LEGT Contracting WLL, ICPD shall immediately transfer all of its shares (or the maximum permitted number of shares) to LEGT Construction.
LEGT Construction is a nominal shareholder holding its shares on behalf of ALEC Engineering and Contracting LLC. Pursuant to the Deed made on 28 November 2017 by LEGT Construction Contracting Limited, LEGT Construction unconditionally and irrevocably declared that (i) it held its shares in ALEC LEGT as nominee of, and on trust for, ALEC Engineering and Contracting LLC and (ii) had no beneficial interest in the shares.
*15 – 50% is owned by Imar Trading and Contracting Company WLL.
*16 – 50% is owned by the consortium of Qatar International Trading Company and Imar Trading and Contracting Co. WLL.