



الفالـح
التعليمية القابضة
AL FALEH
EDUCATIONAL HOLDING

Annual Report

2024 - 2025

www.alfaleh.edu.qa



HIS HIGHNESS SHEIKH TAMIM BIN HAMAD BIN KHALIFA AL THANI

AMIR OF THE STATE OF QATAR

CONTENTS

- Chairperson's Statement	4
- Board of Directors	5
- CEO's Statement	6
- Executive Management	7
- Mission, Vision	8
- Strategic Objectives	9
- Company Overview	10
- Overview on Company Activities	12
- Doha Academy Schools	12
- AFG College with the University of Aberdeen	14
- Business Development Activities and Future Outlook	16
- Environmental, Social and Governance Report	18
- Environmental Report	19
- Social Report	19
- Corporate Governance Report	20
- Management Report on Internal Control Over Financial Reporting	44
- Independent Assurance Report on Internal Control Over Financial Reporting	48
- Independent Assurance Report on Compliance with QFMA Regulations	54
- Financial Report	58

CHAIRPERSON'S STATEMENT



Esteemed shareholders,

The year 2025 marked a pivotal milestone in the journey of Al Faleh Educational Holding Q.P.S.C, as we continued to strengthen our presence on the Main Market of the Qatar Stock Exchange. This period reaffirmed our unwavering commitment to excellence in education and reflected exceptional performance across all our institutions.

Our 2025 financial results reaffirm Al Faleh's strong position within Qatar's educational sector, with the Group achieving a net profit of QAR 14 million and recording a growth of 13.1% compared to the previous year. This performance reflects the effectiveness of our strategic direction, operational discipline, and continued commitment to sustainable value creation for our shareholders. The Board remains confident in the Group's ability to build on this momentum and pursue sustainable growth in the years ahead.

In parallel, we advanced several growth initiatives aimed at accelerating the Group's educational development and expanding our academic footprint. Among the key achievements was the launch of new higher-education programmes designed to strengthen our portfolio and respond to evolving market and workforce needs.

Bachelor's Degrees with Honours

- LLB International Law and Comparative Law
- MA Real Estate
- MEng Computing Science (Cybersecurity)
- MEng Computing Science (Artificial Intelligence)

Postgraduate Degrees

- MSc Real Estate
- LLM Energy Transition Law
- MSc Sustainability Transitions
- MSc International Relations
- MSc Global Energy Enterprise Management
- MSc Artificial Intelligence

These programmes equip our students with the knowledge and skills required to excel in a competitive global environment, enriched by practical learning experiences that enhance both professional readiness and lifelong competencies.

As a reflection of our financial strength and confidence in future growth, the Board of Directors has proposed a cash dividend of QAR 0.0125 per share.

Finally, I wish to express my deepest appreciation to our valued shareholders for their continued trust in our vision, to the Board of Directors for their wise guidance, and to every member of the Al Faleh community whose dedication and hard work drive our success.

Thank you all.

With my highest regards and appreciation,

DR. SHEIKHA AISHA BINT FALEH AL THANI
FOUNDER & CHAIRPERSON
AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

BOARD OF DIRECTORS



Dr. Sheikha Aisha Bint Faleh Al Thani
Founder & Chairperson



Sheikh Khalid Bin Nawaf Al Thani
Board Member



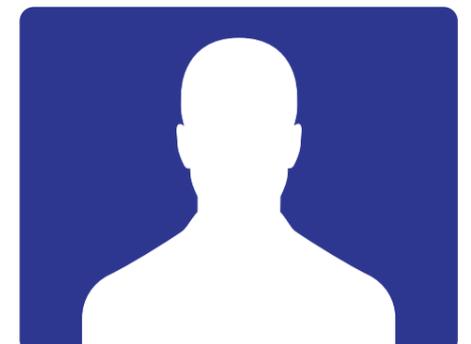
Sheikh Mohammad Bin Nawaf Al Thani
Board Member



Hussein Abdullah Ahmad Al Siddiqi
Board Member



Rajesh Menon
Board Member



Aisha Mohammed Al-Nasr
Board Member

CEO'S STATEMENT

For over 20 years, Al Faleh Educational Holding maintained its position as a leading provider for independent education in Qatar. Guided by the Qatar National Vision 2030, our mission continues to center on nurturing critical thinkers, innovators, and future leaders, capable of making meaningful contributions to their communities and beyond.

We believe that the learning journey is imprinted in the minds of students both during and long after the completion of their studies. Given that our students are our top priority, we ensure that our academic team motivates them to reach best learning outcomes. This is attainable through ongoing professional development plans that continuously enhance the pedagogical skills of our academic team and correspond with the overall performance of the students.

At Al Faleh, we encourage discourse, foster open-mindedness, critical analysis, creativity, and a strong sense of social responsibility diverse pedagogical approaches designed to support meaningful student learning. We strive to motivate our students to practice active pragmatism to effectuate local and global change in the future.

Our campuses, technologies and teaching methods: We appreciate the importance that our student bodies attach to their learning environment, which is why this year, we have further enhanced our campus facilities and digital learning technologies reflective of the facilities we believe are conducive to a setting that allows our community to thrive. Operating with a comprehensive framework, our schools and university continue to evolve as dynamic learning communities, integrating innovation methodologies and pedagogical approaches, acknowledging the significance of adjusting our community's learning and development in accordance with the evolution of the academic landscape. We take pride in creating environments that encourage collaboration and creativity while maintaining the highest standards of safety and well-being.

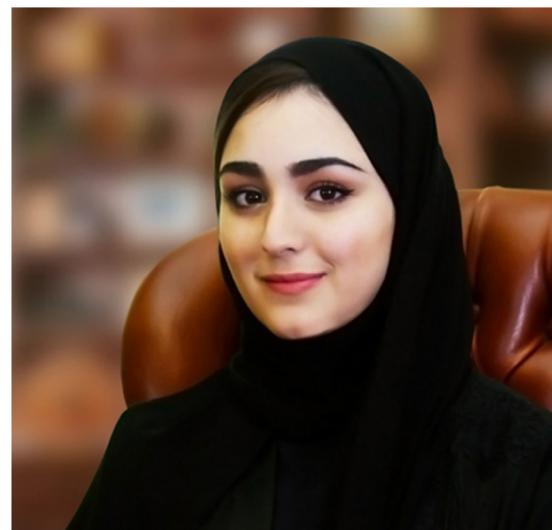
Our achievements and the learning results of our students: In the past year, Al Faleh Educational Holding registered over 2500 students across the schools and the university, demonstrating our overall stability and position as a leading educational group. In addition, Doha Academy Al Waab, Doha Academy Salwa, and Doha International Kindergarten, all retained their international accreditation, awarded by the New England Association of Schools and Colleges (NEASC) following a successful ACE Preparatory visit in January 2025. To add to its success, Doha Academy Al Waab has been awarded 3 years accreditation under the National Identity Reinforcement Evaluation which reflects the school's strong commitment in promoting Qatar's national identity, culture and values.

Over the course of the last eight years, the portfolio of programmes offered at AFG College with the University of Aberdeen has continuously broadened to include a range of undergraduate and postgraduate courses across many schools and disciplines. Given the local demand for first rate UK higher education, we have been able to offer our community the opportunity to pursue unique interdisciplinary courses such as BSc Computing Science, BA Politics and International Relations., LLB Commercial and International Law, Master of Public Health, Global Business Communication, Artificial Intelligence, and Cybersecurity.

In our continuous pursuit to align our institutional operation to high quality education standards, AFG College with the University of Aberdeen is currently seeking accreditation under Qatar's National Qualifications Framework, overseen by the National Committee for Qualifications and Academic Accreditation (NCQAA).

Our students and graduates are exposed to vast opportunities which are highlighted by our existing and new partnerships in various sector. We plan to extend our collaboration with our partner, the University of Aberdeen, in order to provide top-tier UK higher education with an emphasis on employability and global career prospects.

I would like to take this opportunity to congratulate our professional teams for their hard work and thank the parents and students for their trust. We look forward to another successful year.



SHEIKHA ANWAR BINT NAWAF AL THANI, MBA
CHIEF EXECUTIVE OFFICER

EXECUTIVE MANAGEMENT



Sheikha Anwar Bint Nawaf Al Thani
Chief Executive Officer



Tallal Al-Khalifa
Chief Financial Officer



Edward Myler-Crook
Director of Academic Affairs -
Primary and Secondary Education



Dr Julie Cross
Director of Academic Affairs -
Higher Education

MISSION

Through human development and guided by the Qatar National Vision 2030, the Holding strives to offer innovative educational solutions of the highest quality to educate and support future leaders preparing them to best serve their communities.

INVEST IN EDUCATION
INVEST IN THE FUTURE



STRATEGIC OBJECTIVES

- To be the first education hub attracting learners of all ages in the region.
- Appoint the best leaders, teachers and support staff who receive on-going professional development and trainings.
- Provide a broad and balanced educational experience at our state of the art facilities.
- Increase high quality and innovative educational solutions that are continuously updated based on market demands and international standards.
- Contribute to the realization of a knowledge-based economy in line with the Qatar National Vision 2030.

COMPANY OVERVIEW

Company Overview

Al Faleh Educational Holding Q.P.S.C is a leading group that provides highly reputable products and services within the education and higher education sector in Qatar. The Holding encompasses three schools, Doha Academy Al Waab, Doha Academy Salwa and Doha International Kindergarten, all of which carry the hallmark of teaching excellence. In addition, the Holding includes a top-ranked university that is also the first UK University to operate on a dedicated campus in Qatar, AFG College with the University of Aberdeen.

Al Faleh is the first woman-led Qatari company to go public and it is also the first Qatari educational institution to list on the stock market, both major milestones reached under the stewardship of H.E. Dr. Sheikha Aisha bint Faleh Al Thani.

Al Faleh Educational Holding's listing was transferred to the main market of Qatar Exchange on January 28, 2024.

Al Faleh Educational Holding was proudly founded and is led by H.E. Dr. Sheikha Aisha bint Faleh Al Thani whose vision is to contribute to the education and development of Qatar's future leaders in line with Qatar National Vision 2030.

Business Unit	Established	Location	Curriculum	Year Groups / Programmes
DA Al Waab	Sep 2000	Al Waab	National Curriculum of England & Wales (British Curriculum)	KG - Year 13
DIKG	Sep 2007	Abu Hamour	National Curriculum of England & Wales (British Curriculum)	KG - Reception
DA Salwa	Sep 2008	Al Mamoura	National Curriculum of England & Wales (British Curriculum)	Year 1 - 9
AFG College	Sep 2017	New Salata	University of Aberdeen Programmes	Undergraduate and Postgraduate Programmes

Today, the Company is going through one of the most pivotal periods in its history, as it has crossed the starting point to a new phase according to principles and controls, which in turn ensures that the Company adopts the best standards to preserve its shareholders rights and equity.

Doha Academy

Our Network

Doha Academy was founded in the year 2000 in the Mamoura district of Doha, Qatar, with the aim of providing an outstanding, accessible, and all-inclusive education to KG – Year 12 students rooted in the teaching and principles of Islam. Since that time, Doha Academy has expanded to a physical network of three co-educational schools: Doha Academy Al Waab branch, Doha Academy Salwa branch, and Doha International Kindergarten (“DIKg”). The three schools, located in Al Waab, Mamoura and Abu Hamour respectively, employed over 335 staff during the 2024/25 academic year, including over 240 academic staff. Approximately 1800 students were enrolled across the three schools.

Doha Academy provides a British-based curriculum, in addition to the Qatar Ministry of Education and Higher Education (MoEHE) subjects – Arabic, Islamic Studies and Qatar History. Children progress to International General Certificate of Secondary Education (IGCSE) and Advanced Level (AS / AL) courses in Years 10 -12 at Doha Academy Al Waab.

Whilst part of the Doha Academy family, each school is separately licensed and externally evaluated, and each has a distinctive character. Doha Academy Al Waab resides on a land area of 12,847 square meters and a building area of 19,180 square meters; Doha Academy Salwa resides on a land area of 5,813 square meters and a building area of 4,514 square meters; DIKg resides on a land area of 1,169 square meters and a building area of 1,084 square meters. Doha Academy Al Waab provides an all-through education to KG – Year 12 students, with the majority of students finishing in Year 12 as per Ministry of Education graduation requirements and a few finishing in Year 11 as per their country requirements. Doha Academy Salwa offers a Year 1 – 9 provision, and DIKg is a KG1 and Reception setting. The schools are truly international in make-up, with some 55 nationalities represented among the student body in 2024/25. Of these almost 48% were Qatari, 10% were Egyptian, and 7.5% Syrian. Most Doha Academy students learn English as a second or third language.

Our Faculty

Doha Academy employs a large team of passionate, well-qualified and experienced teachers, cognisant always of its ‘core business’ to improve children’s outcomes and essential to this the calibre of the academic staff. In accordance with international standards of best practice, Doha Academy ensures a robust recruitment process for all staff – academic and non-academic – requiring all academic candidates to possess a recognised teacher-training qualification and subject-related Bachelor’s degree as a minimum. Via Doha Academy’s “Safer Recruitment” and “Child Protection and Safeguarding” policies, international standards of recruitment and safeguarding practices are adhered to. The academic team in 2024/25 comprised some 39 nationalities adding to the Academy’s international flavour. Of this, the highest percentage of academic staff were British (15%).

Doha Academy enacts a formal, documented appraisal process for all its staff, providing regular feedback on their performance to enable professional growth supported by ongoing training in face-to-face or online workshops. The schools aim to retain their best staff through providing leadership opportunities and salary increments based upon the level of staff performance above shared expectations. Doha Academy is regularly inspected and audited to ensure the schools are in full compliance with the requirements of the MoEHE as well as international benchmarks.



Opened its 1st branch

2000

1900
STUDENTS

317
STAFF

QNSA
ACCREDITED

National Accreditation

Building on the prior success of Doha Academy Al Waab very successfully hosted its Qatar National Identity (QNI) in February 2025 and was awarded three years’ full accreditation. Salwa will receive their Accreditation visit during October 2025. QNI inspections primarily examine the academic quality of the institution’s instructional programs, and the award of accreditation is viewed as confirmation that the institution meets the high standards set by the private affairs department of the MoEHE.

International Accreditation

DIKg, like Doha Academy Al Waab and Salwa before it, successfully passed its “Foundation Standards” inspection by the New England Association of Schools and Colleges (NEASC) in November 2023. DIKg was deemed ready to join its sister schools on NEASC’s highest accreditation pathway known as “ACE Learning”, which is a transformative approach to school improvement. From January 2025, all three schools were able to commence a combined, cross-group effort to further raise standards ahead of the follow-up NEASC inspections anticipated in February 2027. NEASC is one of four international school accrediting bodies approved in Qatar. The process of self-evaluation and external review has already significantly raised the bar for the Doha Academy group ensuring it is in line with international quality benchmarks used to evaluate thousands of international schools worldwide.

External Examination Results

Doha Academy Al Waab is a registered Cambridge International Examinations and Pearson-Edexcel examination centre, enabling students in Years 10 – 12 to register for a range of subjects, which are all assessed in the United Kingdom.

Doha Academy registered students for 27 different IGCSE subjects in 2024/25. The October, January and Summer exam series were conducted as per school policy to maximise the opportunities for our students to spread the examination load. We are delighted that our Cambridge International A* to B/9 to 7 grades increased by 45%, our A*-C /9 to 4 grades increased by 24% and our overall Thanaweya increased by 13%. Our Pearson Edexcel A* to B/9-5 grades increased by 19%. 78% of subjects exceeded the results from 2023/24. Highlights were:

- Computer Science +35%
- Environmental Management +29%
- Travel and Tourism +19%

The school’s Advanced Subsidiary (AS) offerings were 14 subjects with the aim of maximising opportunities for the 4 MoE Thanaweya Pathways. Our A-B grades increased by 33% and our 3-year trend of results has increased by 14%.
• 75% of all subjects improved their pass rate figures from 2023/24 to 2024/25
• Arabic was our highest achieving subject at AS with 50% getting an A grade and a 100% pass rate.

Doha Academy was also the recipient of multiple Pearson Edexcel International awards from the academic year of 2023/24. These include the highest grades globally for English as a First Language at IGCSE level and Biology, Chemistry, and Physics at AS level. Regional Director Ameena Souza presented the awards at school.

AFG College with the University of Aberdeen

This reporting period marks our 9th successful year in partnership with the University of Aberdeen—a globally ranked, research-led university with five hundred and thirty years of history and heritage. The University is now ranked 31st in the UK*.

2024/2025 has witnessed many successes for our institution. We attracted a large cohort of new students within this academic year, increasing our student body to over 600 registered students during this reporting period. We have introduced a new academic programme, a landmark Masters degree in association with Al Jazeera Media Institute. To coincide of the launch of the programme, we held a successful conference which highlighted the importance of effective communications in a global business context.

Since welcoming our first cohort of students in 2017, we have now successfully graduated over 1,400 undergraduate and postgraduate students. Our students are studying degrees across 14 academic disciplines drawn from 7 of the University's 12 Schools.

As highlighted within our 2023/2024 Annual Report, we continue to forge ahead with our Strategic Development Plan, with a specific focus on three partnership themes—Growth; Academic Outcomes and Shared Commitments. Each of these strategic themes is informed through our joint Vision, Mission and Core Values, which in turn will underpin our future regional and international expansion.

As our University partnership enters its 9th year, we are mindful of the opportunities that lay ahead. The introduction of International Student Visas implemented under the guidance of the Qatar Ministry of Education and Higher Education (MoE&HE) presents a significant opportunity for our College to extend its international reach and further diversify our student body.

The next stage of our degree portfolio development will include research degrees to support the Qatar National Vision through providing greater opportunities for prospective graduates to further enhance their academic and professional aspirations.

As we mature as an institution the partnership has taken steps to fully align with the regulatory requirements that have recently been announced by the Ministry of Education & Higher Education – The National Committee for Qualifications and Academic Accreditation (NCQAA). We have entered the process for our awards to be aligned with the national qualifications framework in Qatar. This process will involve detailed review of quality and standards of our awards.

Looking forward to 2025/2026 and beyond, we will seek to expand our academic offerings, student body, and research activities with a view to position ourselves as one of the leading independent higher education partnerships.

AFG
AFG COLLEGE
with the University of Aberdeen
founded
2017

1495
UNIVERSITY OF
ABERDEEN
founded
1495

Table 1.1: Programmes

Undergraduate Programmes	Year Introduced
MA (Hons) Business Management	2017
MA (Hons) Accountancy & Finance	2017
BSc (Hons) Business Management and Information Systems	2020
MA (Hons) Business Management and International Relations	2020
MA (Hons) Business Management and Legal Studies	2022
BSc (Hons) Computing Science	2023
MA (Hons) Politics and International Relations	2023
MA (Hons) Real Estate	2025
LLB International and Comparative Law	2025
MEng Computing Science (Cybersecurity)	2025
Postgraduate Programmes	Year Introduced
MSc International Business Management	2018
MBA Master of Business Administration	2018
LLM International Commercial Law	2020
MSc International Human Resource Management	2021
MSc Global Business Communication	2023
MPH Master of Public Health	2023
MSc Artificial Intelligence	2025
MSc International Relations	2025

*QS World Rankings

BUSINESS DEVELOPMENT AND FUTURE OUTLOOK

During the financial year 2025, Al Faleh Educational Holding Q.P.S.C. (“the Company”) continued to demonstrate steady growth and strengthen its position within Qatar’s education sector. The Company advanced its long-term strategic development plan while enhancing the quality, diversity, and impact of its educational offerings. All initiatives remain fully aligned with the Qatar National Vision 2030 (QNV 2030), reaffirming our commitment to advancing human capital and contributing to the nation’s social and economic development. Our portfolio of educational institutions continues to offer competitive, high-quality learning experiences designed to nurture lifelong achievement among students and graduates.

K-12 Sector

The Company’s K-12 schools have maintained their strong track record of academic quality and accreditation achievements. Doha Academy’s Al Waab and Salwa branches, which received full five-year international accreditation from the New England Association of Schools & Colleges (NEASC) in 2022, retained their accredited status and are preparing for follow-up evaluations in early 2026.

Al Faleh remains steadfast in its commitment to integrating Qatari heritage, culture, and values across its educational framework. Achieving both national and international standards underscores our dedication to providing exceptional, value-based K-12 education of the highest quality.

Looking ahead, the Company is expanding its K-12 footprint through a landmark development. Al Faleh has officially signed a land lease agreement with Qatari Diar Real Estate Investment Company for a ~21,000 m² site in Lusail City, where it will establish a state-of-the-art international school in partnership with Wellington College — one of the United Kingdom’s most prestigious independent schools. The new Wellington College Qatar campus, planned to open in August 2027, will offer an exceptional learning environment integrating British educational excellence with local cultural values. This partnership represents a major milestone in the Company’s growth strategy and aligns with Qatar’s ambition to attract world-class institutions to its education landscape. Both Al Faleh and Qatari Diar share a common vision for creating an innovative educational hub that will nurture the next generation of global leaders.

Higher Education Sector

In the higher education segment, AFG College with the University of Aberdeen sustained its growth momentum and reinforced its position as a leading provider of British higher education in Qatar. To meet evolving market and student demands, the College expanded its academic portfolio with several new programmes for the 2025/26 academic year.

Building upon last year’s successful additions—such as Computing Science, Politics & International Relations, and Global Business Communication — the College got approvals to run new undergraduate and postgraduate programmes in Law, International Relations, Real Estate, Computer Science & Artificial Intelligence, and Cybersecurity, among others, bringing the total programme count to 22.

Programme development was informed by extensive stakeholder consultations to ensure alignment with emerging industry trends and Qatar’s future skills requirements. Of particular significance is the planned launch of a PhD programme in collaboration with the University of Aberdeen, which will expand the institution’s research capacity and academic reputation regionally.

Complementing this academic growth, AFG College expanded its physical infrastructure with the opening of a new, modern campus at the NBK1 Tower in Msheireb, Downtown Doha—an iconic location that also houses the Mercedes-Benz showroom. Inaugurated in 2025, the NBK1 campus features advanced lecture theatres, technology-enabled classrooms, collaborative learning hubs, and dedicated laboratories for Artificial Intelligence (AI) and Cybersecurity instruction. This expansion enhances both capacity and learning experience, enabling the College to accommodate a growing student population and deliver innovative, technology-driven education.

Initial enrollment indicators are highly positive, with strong demand across new disciplines. Moving forward, the College aims to further expand its student body, academic programmes, and research activities, strengthening its role as a premier independent higher education institution in Qatar and the wider region. These initiatives reaffirm AFG College’s commitment to Qatar’s national priorities of human development and a knowledge-based economy.

New Opportunities and Building Capacity

As part of its strategic growth agenda, Al Faleh Educational Holding has continued to identify and invest in projects that broaden its educational impact. The Wellington College Qatar development in Lusail stands as a flagship initiative, reflecting the Board’s vision to deliver internationally benchmarked education while fostering local identity. The collaboration with Qatari Diar and a globally recognized academic partner demonstrates Al Faleh’s capability to execute transformative projects that elevate educational standards in the region.

Simultaneously, the opening of the AFG College Msheireb campus has expanded the Company’s higher education capacity, enabling delivery of specialized programmes in rapidly growing fields such as AI and Cybersecurity. These expansions collectively enhance Al Faleh’s reach, enabling the Company to serve a larger and more diverse student community while addressing national workforce priorities.

Conclusion

The achievements of 2025—from securing key accreditations in our K-12 schools to launching new academic programmes and campuses—have significantly strengthened Al Faleh Educational Holding’s foundation for sustained growth. The Company remains committed to providing accessible, high-quality education across all stages of learning, supported by strategic investments and global partnerships.

As we look to 2026 and beyond, Al Faleh will continue to build on these milestones, expand its academic and physical capacity, and further its contribution to the realization of Qatar National Vision 2030. Through innovation, partnership, and quality, Al Faleh Educational Holding stands poised to remain a leader in education both within Qatar and internationally.

SUSTAINABILITY REPORT

We remain steadfast in our commitment to advancing education while upholding principles of environmental stewardship, social responsibility, and ethical governance. This is embedded in our core business practices, our purpose, and our corporate strategy. Integrating sustainability into our business helps us deliver on our vision of enabling society and economy to thrive in the State of Qatar and beyond.

Environmental

During the 2024/2025 reporting period, Al Faleh continued to strengthen environmental initiatives across Doha Academy Schools and AFG College with the University of Aberdeen. We further advanced our efforts toward sustainable waste management by expanding the implementation of recycling and waste segregation systems throughout its campuses.

In addition to waste management, Al Faleh pursued a series of initiatives focused on reducing energy consumption and enhancing environmental awareness among its community. Efficiency improvements in building operations, responsible energy use practices, and ongoing awareness campaigns have collectively contributed to reducing the environmental footprint of Al Faleh's operations.

Creating a More Sustainable Al Faleh in 2025/2026

Looking ahead, Al Faleh remains committed to embedding sustainability at every level of its operations. We will continue implementing low-energy lighting systems, optimized power consumption patterns, and management solutions aimed at conserving energy. In parallel, Al Faleh is intensifying initiatives to lower emissions and promote the use of cleaner and more efficient energy sources, particularly in transportation and facility management.

Through collaboration with stakeholders, partners, suppliers, and the wider community, Al Faleh will continue to advocate for the use of sustainable materials and responsible waste practices—building on its vision of a cleaner, more sustainable educational environment for the future.

Social

Workforce Empowerment

At Al Faleh, our people remain at the heart of our success. One of our continuing priorities is to foster a workplace where every employee feels valued, supported, and empowered to achieve their full potential. Guided by our Code of Ethics and Organizational Values, we remain committed to ensuring that all decisions, actions, and practices reflect integrity, fairness and respect.

Talent and Learning

Al Faleh ensures that its workforce is well-equipped to respond to the evolving global educational landscape by promoting lifelong learning and continued professional growth. To that end, our academic and administrative staff received targeted skill training programs and professional development that collectively contributes to the realization of our strategic objectives.

Supporting our Community

Throughout this reporting period we have strengthened our community engagement initiatives, running a number of on-campus events, industry-focused workshops, and professional development session opened to the wider community.

Our community and industry specific workshops, have included thematic insights into the subject matter of international commercial law; strategic communication; public health policy; strategic issues for human resource partners; artificial intelligence; and financial literacy.

Supporting the Local Suppliers Throughout 2024/2025

We maintained our social impact partnership with the local suppliers, which aims to involve the broader suppliers in the community. In 2024/2025, 86% of our suppliers were locally sourced, and we aim in 2025/2026 to increase our local supplier initiatives.

Sustainability KPIs	2025	2024
Sustainable governance		
Non-Executive Board members	%100	%100
Independent Directors	%50	%50
Female representation at Board level	%33	%33
Incidents of corruption	Zero	Zero
Securing data		
Complaints on breaches of customer privacy	Zero	Zero
Leaks, thefts or losses of customer data	Zero	Zero
Keeping our people safe		
Employee turnover rate (%)	%15	%15
Total number of injuries and fatal accidents (contractors)	Nil	Nil
Total number of injuries and fatal accidents (employees)	Nil	Nil
Total workforce (FTE)	373	318
Women in the workforce (%)	%63	%67

CORPORATE GOVERNANCE REPORT

Table of Contents

Basis of Governance Report Preparation for 2025	22
Compliance with Governance Principles	22
Major Changes	22
Board of Directors	23
Composition of Board of Directors	23
Membership Conditions	23
Board Members	23
Classification of Board Members	25
Duties and Responsibilities of Board Members	26
Board Meetings and Participation of Board Members in Meetings	28
Responsibilities of Board Members	28
Chairperson's Duties	29
Obligations of the Board Members	29
Board of Directors Committees	30
First: Audit & Risk Committee	30
Second: Nomination and Remuneration Committee	33
Performance Evaluation of Board of Directors, Committees and Senior Executive Management	34
Remuneration of Board Members, Committees and Executive Management	35
Secretary	36
Senior Executive Management	37
Internal Control	38
Internal Audit Unit	38
Internal Audit Report	38
External Auditor	39
Disclosure and Transparency	39
Transparency and Upholding the Company's Interest	39
Related Parties and Conflict of Interest	39
Lawsuits and Penalties	39
Shareholder's Rights	40
Stakeholders' Rights	42
Social Responsibility	43

Basis of Governance Report Preparation for 2023

Compliance with Governance Principles

In furtherance of the relationship of Al Faleh Educational Holding Q.P.S.C. (“the Company” or “Al Faleh”) with its shareholders, investors and stakeholders and to preserve their rights, and believing in the significance of corporate governance aimed at protecting shareholders' rights and enhancing internal control by fostering the role of the Board of Directors and its Committees and adhering to transparency and disclosure principle, the Board of Directors disclose the Corporate Governance Report for the year 2024/2025 in accordance with the Governance Code for Companies and Legal Entities Listed on the Main Market (Corporate Governance Code).

Major Changes

During the year 2024/2025, the Company made many important achievements, the most prominent of which are:

Date	Description
October 01, 2024	Al Faleh Educational Holding joins the All Shares Index and the Consumer Goods and Services Index of the Qatar Stock Exchange
September 29, 2024	The company opens the nomination window to elect two independent board members
October 10, 2024	The company closes the nomination window to elect two independent board members
October 15, 2024	The Company disclosed its annual financial statements for the period ended 31 August 2024
November 11, 2024	The Company announced the results of the Ordinary General Assembly Meeting held on November 10, 2024. Two independent board members, Mr. Rajesh Menon and Ms. Aisha Al Nasr are re-elected to the board of directors.
December 16, 2024	The Company announced its quarterly financial statements for the period ended November 30, 2024
February 06, 2025	Al Faleh Educational Holding signs a land lease agreement with Qatari Diar to launch a world-class international school in Lusail City
April 13, 2025	The Company announced its semi-annual financial statements for the period ended February 28, 2025
June 26, 2025	The Company announced its quarterly financial statements for the period ended May 31, 2025
July 01, 2025	AFG College, in collaboration with the University of Aberdeen and affiliated with Al Faleh Educational Holding, announces the launch of new academic programs starting from September 2025

Board of Directors

Composition of Board of Directors

The Board of Directors comprises of six (6) members, and it is considered as the highest authoritative body in the Company, responsible to shareholders for managing the Company and is appointed by the General Assembly to represent and protect the Company's interests for five (5) years as the first Board of Directors. In addition, three (3) members of the Board are independent members in accordance with provisions of the Corporate Governance Code, and all Board members are non-executive.

The Board of Directors are responsible for leading and controlling the Company and discharges this responsibility by approving the implementation of strategies and objectives. The Board empowers the management of the Company to run the business within defined parameters and monitors the performance of the Company. While the Board of Directors delegates authority to the Company's management, under the direction of the CEO, to attend to the routine running of the business, the Board retains the ultimate fiduciary responsibility to shareholders to ensure the proper operation of the Company. The Board is appointed by the shareholders, with the primary responsibility for operating the Company for their long-term best interests. The Board also has the responsibility to provide clear directions and boundaries for the Company's Senior Executive Management to operate within. This involves setting out a clear vision and strategy for the Company and defining the delegations that will be assigned to the management and the policies and boundaries within which they are permitted to operate.

Membership Conditions

All Board Members of the Company fulfilled their membership conditions and requirements in accordance with requirements of the relevant regulatory bodies, and submitted a written acknowledgement that they have not been sentenced to criminal penalty, or a crime against honor or integrity, or any of the crimes against honesty, or any of the crimes stipulated in Article (40) of Law No. (8) of 2012 concerning Qatar Financial Markets Authority and Articles (334) and (335) of Commercial Companies Law No. (11) of 2015 as well as its amended articles by Law No. (8) of 2021.

All Board Members have provided written acknowledgment confirming that they did not undertake any legally prohibited job position that should not be combined with the Board Membership. The current Board Members are highly experienced and qualified, having the necessary knowledge to perform administrative affairs and the experience to perform their responsibilities effectively.

Board Members

H.E. Dr. Sheikha Aisha bint Faleh Nasser Al Thani Founder & Chairperson

Dr. Sheikha Aisha bint Faleh Nasser Al Thani is the Chairperson and Founder of the Company. She is also a founding member of the Board of patrons of the World Congress of Muslim Philanthropists.

Dr. Sheikha Aisha served as a member of the Qatar Supreme Education Council, appointed in 2006 and served for two terms until 2014. She also served as a Board Member of Reach Out to Asia Organization, which is a charitable initiative that provides support to schools in Asian countries.

Dr. Sheikha Aisha holds a Bachelor's degree in Education and English Literature (with Distinction) from Qatar University. She also holds a Master degree in Business Administration from the University of Hull in the United Kingdom. After that, she received her PhD from Cass Business School in the United Kingdom in the field of Corporate Governance.

Sheikh Khalid bin Nawaf Nasser Al Thani
Vice-Chairperson and Board Member

Sheikh Khalid bin Nawaf Nasser Al Thani has vast experience in the financial and administrative fields and the study and analysis of companies. He held a number of managerial and leadership positions and is the Vice Chairperson of the Board of Directors of the Company.

Sheikh Khalid holds a Bachelor's degree in Business Administration from Middlesex University in the United Kingdom and an MBA from the University of Hull in the United Kingdom. Moreover, he is a Certified Investment Manager (IMC).

Sheikh Mohamed bin Nawaf Nasser Al Thani
Board Member

Sheikh Mohamed bin Nawaf Nasser Al Thani has a broad of thriving experience in corporate management, and strong network of business relationships in the State of Qatar. He has proven experience in making the strategic decisions and developing growth plans, and has professional wisdom and skill in planning, implementation and supervision. Sheikh Mohamed is currently the Chairperson of Mekdam Holding Group and he graduated from Britannia Royal Naval College (BRNC), United Kingdom.

Hussein Ahmed Abdullah Al Siddiqi
Board Member

Mr. Hussein Ahmed Abdullah Al Siddiqi had been the Chief Operations Officer of Nasser Bin Khalid Al-Thani Holding Company since 2005. Mr. Siddiqi has been with Nasser Bin Khaled Group companies for over nineteen years, initially appointed as Group Administration Manager.

He has been directly involved, and plays a major role, in optimizing the operations of Nasser Bin Khaled Group. Mr. Siddiqi received his Master's degree from the University of Washington in the United States.

Mr. Rajesh Menon
Board Member

Mr. Rajesh Menon has over 20 years of experience in management and is currently an independent Board Member at Mekdam Holding Group as well as the Managing Director of Baker Tilly Consulting. Mr. Menon began his career at KPMG in Bahrain and Qatar as a Business Advisory Partner, specializing in crisis and debt management and restructure, where he gained profound experience and skills. Mr. Rajesh holds a Bachelor of Commerce and is a chartered accountant in the Institute of Chartered Accountants of India. He had also completed the Strategy and Leadership Programme in INSEAD, France

Aisha Mohammed Hamad Al Nasr **
Board Member

Ms. Aisha Al Nasr has a broad experience over 12 years in the education and marketing sectors as she has been a prominent Senior executive, who served in various positions in marketing management. Currently, she is the Executive Director of Marketing and Events at Qatar Education Foundation.

Ms. Aisha led several social and educational initiatives, to foster development of children with disabilities in an open and integrated society, which led her to establish the Leo Kanner Center for Educational Therapy in 2019, as well as she establishing an agency that provides nursing services to clinics, nurseries and home care.

Ms. Aisha Al Nasr holds a Bachelor's degree in Fine Arts from Virginia Commonwealth University, as well as a Master's degree in Education from the University of Exeter in the United Kingdom.

Classification of Board Members

The following table provided details on the Board of Directors and positions held by its members:

Member's Name	Member's Title	Membership Type
H.E. Dr Sheikha Aisha bint Faleh Nasser Al Thani	Founder & Chairperson	Non-Independent & Non-Executive
Sheikh Khalid bin Nawaf Nasser Al Thani	Vice Chairperson	Non-Independent & Non-Executive
Sheikh Mohamed bin Nawaf Nasser Al Thani	Board Member	Non-Independent & Non-Executive
Mr. Hussein Ahmed Abdullah Al Siddiqi	Board Member	Independent & Non-Executive
Mr. Rajesh Menon	Board Member	Independent & Non-Executive
Ms. Aisha Mohammed Hamad Al Nasr	Board Member	Independent & Non-Executive

The Chairperson of the Board of Directors periodically informs the non-executive and independent Board Members, of the suggestions of the shareholders and observations on the performance of the Company, through periodic meetings and reports.

Duties and Responsibilities of Board Members

The Board of Directors prepared its Charter whereby tasks, rights, duties and responsibilities of the Chairperson and members are defined in accordance with provisions of Corporate Governance Code and it was published on the Company's website.

The Board of Directors' Charter includes the main tasks and functions of the Board, which are at least the following:

1. Approving the strategic plan and the main objectives of the Group and supervising their implementation, including:
 - A. Setting a comprehensive strategy of the Company, and key business plans and risk management policy, reviewing and directing them.
 - B. Determining the optimal capital structure of the Company, its strategies and financial objectives and approving annual budgets.
 - C. Supervising the main capital expenditures of the Company, and acquisition of assets.
 - D. Setting the performance objectives and monitoring the implementation thereof and the overall performance of the Company.
 - E. Reviewing and approving the organizational structures of the Company on periodic basis to ensure distinct distribution of functions, tasks and responsibilities at the Company and the Internal Control Units.
 - F. Approving the procedures manual needed to implement the strategy and objectives of the Company, prepared by the Senior Executive Management. The manual shall include determining ways and means of the quick contact with Qatar Financial Markets Authority and other regulatory authorities as well as all parties concerned to governance, including the appointment of a communication officer.
 - G. Approving the annual plan for training and education in the Company, that includes programs introducing the Company, its activities and governance, according to the Corporate Governance Code.
2. Setting the rules and procedures for Internal Control and supervising them, that includes:
 - A. Developing a written policy that would regulate conflict of interests and remedy any possible cases of conflicts of interest by Board Members, Senior Executive Management, and shareholders. This includes misuse of the Company's assets and facilities and mismanagement resulting from transactions with related parties.
 - B. Developing a full disclosure system in a manner that achieves justice and transparency to prevent conflicts of interest and exploiting insider information. Provided that such system shall include procedures followed when dealing in securities by insiders and identify prohibited periods of their trading in securities of the Company or any company of its group, as well as preparing and updating a list of insiders, and to provide the Qatar Financial Markets Authority and the Qatar Stock Exchange with a copy thereof immediately after approval or update of the same.
 - C. Ensuring the integrity of the financial and accounting rules, including those related to preparation of financial reports.
 - D. Ensuring the implementation of control systems appropriate for risk management by generally forecasting the risks that the Company may be encounter and disclosing them transparently.
 - E. Reviewing the effectiveness of the Company's Internal Control procedures annually.
3. Drafting a Governance code for the Company that does not contradict the provisions of the Corporate Governance Code, supervising and monitoring in general its effectiveness and amending it when needed.
4. Setting forth specific and explicit policies, standards and procedures for the Board membership and implementing them after the General Assembly approval.

5. Developing a written policy that regulates the relationship between stakeholders to safeguard them and respective rights. This policy shall cover the following:
 - A. Indemnifying mechanism of stakeholders in case contravening their rights established by regulations and protected by contracts.
 - B. Mechanism for settling complaints or disputes that may arise between the Company and stakeholders.
 - C. Suitable mechanism to establishing good ties with customers and suppliers and safeguarding the confidentiality of information related to them.
 - D. Implementing a code of conduct for the Company's Senior Executive Management and employees, compatible with the proper professional and ethical standards and regulate their relationships with stakeholders, as well as mechanisms for supervising the Corporate Governance Code and ensuring compliance there with.
 - E. Social contributions of the Company.
6. Setting policies and procedures to ensure the Company's compliance with the laws and regulations, and the Company's obligation to disclose material information to shareholders, creditors, and other stakeholders.
7. Inviting all shareholders to attend the General Assembly Meeting as stipulated in Commercial Companies Law No. (11) of 2015 as amended by Law No. (8) of 2021. Such invitation and announcement shall include a detailed summary of the General Assembly's agenda including the item for discussing and approving the Governance Report.
8. Approving the nominations for appointment in functions of Senior Executive Management and succession planning for the management.
9. Developing a mechanism to deal and coordinate with financial services, financial analysis and credit-rating providers and other service providers, as well as the entities that identify standards and indices of financial markets, in order to provide their services for all shareholders in a quick manner with integrity and transparency.
10. Developing awareness programs necessary for spreading the culture of self-control and risk management in the Company.
11. Setting a clear and written policy that defines basis and methods of granting remuneration to the Board Members, as well as incentives and rewards of the Senior Executive Management and employees of the Company in accordance with principles of the Corporate Governance Code and without any discrimination based on race, gender or religion. Such policy shall be submitted to the General Assembly annually for approval.
12. Developing an explicit policy for contracting with the related parties and presenting it to the General Assembly for approval.
13. Setting foundations and standards for evaluating the performance of the Board of Directors and Senior Executive Management.

Board Meetings and Participation of Board Members in Meetings

The Board of Directors have convened six (6) meetings during the year, and three (3) months have not elapsed between meetings.

The following table indicates the number of meetings held by the Board of Directors during the year:

Member's Name	Meeting Number & Date						Attendance Percentage
	1st	2nd	3rd	4th	5th	6th	
	15/10/2024	16/11/2024	13/2/2025	13/4/2025	25/6/2025	20/8/2025	
H.E. Dr Sheikha Aisha Faleh Nasser Al Thani	✓	✓	✓	✓	✓	✓	100%
Sheikh Khalid bin Nawaf Nasser Al Thani	✓	✓	✓	✓	✓	✓	100%
Sheikh Mohamed bin Nawaf Nasser Al Thani	✓	✓	✓	✓	✓	✓	100%
Mr. Hussein Ahmed Abdullah Al Siddiqi	✓	✓	✓	✓	✓	✓	100%
Mr. Rajesh Menon	✓	✓	✓	✓	✓	✓	100%
Ms. Aisha Mohamed Hamad Al Nasr	✓	✓	✓	✓	✓	✓	100%

Meetings were attended by majority of the members, none of whom was absent for three (3) consecutive meetings without an excuse acceptable by the Board.

All Board meetings were held upon the Chairperson's invitation and meetings' agendas were attached with the invitation addresses to all attendees at least one week before the scheduled dates.

The Board's decisions were passed by majority of the votes of attendants and representatives and minutes of meetings were prepared for each Board meeting, names of attendees and absentees were recorded. The Chairperson and Secretary have signed the minutes of meetings.

Responsibilities of Board Members

The Board of Directors represents all shareholders and has confirmed that it is exerting due diligence to manage the Company effectively and productively in a manner that serves interests of the Company, partners and stakeholders as well as the public interest while encouraging investment in Qatar.

Responsibilities and duties of the Board shall also include:

- i. Define and develop the Company's vision and objectives, which are the basis for all actions and decisions taken by the Board and the management.

- ii. Specify and define duties and powers of the CEO, evaluate their performance, also determine their remuneration, and nominate the Board Members and Senior Executive Management of the Company.
- iii. Review and approve reports and accounts and monitor the financial position.
- iv. Prepare and adopt rules of corporate governance in the Company.
- v. Supervise shareholder's reports and communication methods.
- vi. Approve the annual plan for training and education in the Company, which includes induction programs of the Company, its activities and governance.
- vii. Establish procedures to guide new Board Members regarding the Company's business, especially in financial and legal aspects, in addition to training them as needed.

Chairperson's Duties

The Chairperson is the President of the Company who represents thereof before third parties and the judiciary and is responsible for ensuring proper management of the Company in an effective and productive manner that serves interests of the Company, partners, shareholders and other stakeholders. Moreover, the Chairperson is responsible for executing the Board's decisions and adhering to its recommendations and may also delegate some of its powers to the Board Members or Senior Executive Management, the authorization must be specific in time and subject. The Vice-Chairperson shall replace the Chairperson during his/her absence. Furthermore, the Chairperson is not a member of any of the Board Committees.

The Board of Directors prepared a charter under which tasks, rights, duties and responsibilities of the Chairperson and members were determined in accordance with the Corporate Governance Code and was published on the Company's website.

In addition to the Board Charter, the Chairperson is responsible for the following:

1. Ensure that the Board discusses all key issues effectively and in a timely manner.
2. Approval of the Board meeting agenda, considering any matter raised by any of the Board Members.
3. Encourage the Board Members to jointly and effectively participate in handling the Board affairs, to ensure that the Board is working with its responsibilities to achieve the Company's best interest.
4. Make all data, information, documents and records of the Company, available to the Board members and its committees.
5. Create effective communication channels with shareholders and deliver their points of view to the Board.
6. Allow effective participation of the Non-Executive Board Members to promote constructive relations between the Executive and Non-Executive Board Members.
7. Keep Board Members constantly informed on the implementation of the Corporate Governance Code provisions. The Chairperson may authorize the Audit and Risk Committee to carry out this duty.

Obligations of the Board Members

- i. The Company's Articles of Association clearly defines roles of the Board of Directors. In interpreting these functions, the Board Members shall follow a clear direction in the way in which the Board exercises its main functions, and delegates details or other functions to the management.
- ii. Board Members shall generally comply and adhere to requirements of the Board meeting and its Committees.
- iii. The Senior Executive Management submitted a quarterly report to the Board on the status of the achievement of goals and objectives for 2024-2025.
- iv. Board Members utilized their diverse and competent skills to manage the Company by providing opinions and guidance that played a vital role in the critical decisions and ultimate fundamentals throughout the year.

- v. Board Members actively participated in the Company's General Assembly for 2024-2025.
- vi. Refrain from giving any statements, data or information without prior written permission from the Chairperson or her Authorized Representative. The Board shall nominate the official spokesperson of the Company.
- vii. During the year 2024-2025, the Company committed to the timely disclosure of financial and business relationships, including lawsuits that may have financial impact on the Company's shares.
- viii. All Board Members signed a written acknowledgement to disclose all the relevant financial and commercial relationships and disputes including judicial ones that may jeopardize execution of tasks and functions assigned thereto.

Board of Directors Committees

In accordance with Articles of Association of the Company and Corporate Governance Code issued by Qatar Financial Markets Authority, the following Committees were formed:

First: Audit & Risk Committee

Formation of the Committee

Audit and Risk Committee was formed by the Board of Directors for the current term.

The Audit and Risk Committee comprise of three members and the following criteria were considered while selecting the Committee Members:

- The Committee is chaired by an independent Board member and membership of at least two.
- The majority of the Committee members are independent.
- Elements of the Committee conform to Corporate Governance Code (Article. 18.3)
- None of the Committee members have directly or indirectly audited the Company's accounts during the two years preceding the candidacy for membership of the Committee.
- The Chairperson of the Committee does not chair any of the other committees of the Board.
- Committee members have the necessary experience to perform the Committee's duties.

The current Committee Members are as follows:

Name	Capacity
Mr. Rajesh Menon	Committee Chairperson - Independent & Non-Executive
Sheikh Khalid bin Nawaf Nasser Al Thani	Member - Non-Independent & Non-Executive
Mr. Hussein Ahmed Abdullah Al Siddiqi	Member - Independent & Non-Executive

Authorities, Duties and Responsibilities of the Committee

The Audit and Risk Committee is responsible for monitoring the Company's business and verifying soundness and integrity of the financial reports and internal control systems. The Audit and Risk Committee prepared a Charter whereby tasks, rights, duties and responsibilities of the members are defined in accordance with provisions of Corporate Governance Code that was approved by the Board of Directors and published on the Company's website.

Tasks, responsibilities, and authorities of the Committee shall include, at least, the following:

- i. Reviewing and approving the Company's financial statements.
- ii. Preparing a proposal for the internal control system of the Company immediately after the formation of the Committee and present thereof to the Board, and carrying out periodic reviews whenever necessary.
- iii. Establishing the foundations for contracting with and nominating external auditors, and ensuring their independence in performing their work.
- iv. Overseeing the Company's Internal Controls, following up on the External Auditor's work, and coordinating with them, ensuring their compliance with the implementation of the best International Standards on Auditing and preparing the financial reporting in accordance with the International Accounting and Auditing Standards (IFRS/IAS) and (ISA) and their requirements, verifying that the External Auditor's report include an explicit indication of obtaining the necessary information, and the Company's compliance with international standards (IFRS/IAS), and whether the audit was conducted in accordance with the International Standards on Auditing (ISA) or not.
- v. Overseeing and reviewing the accuracy and validity of the financial statements and annual, semi-annual and quarterly reports.
- vi. Considering, reviewing and following up on the External Auditor's reports and notes on the Company's financial statements.
- vii. Ensuring accuracy about and reviewing the disclosed of numbers, data and financial statements and whatever submitted to the General Assembly.
- viii. Coordinating between the Board, Senior Executive Management and the Company's Internal Control Unit.
- ix. Reviewing the financial and internal control and risk management systems.
- x. Conducting investigation of the financial control matters requested by the Board.
- xi. Coordinating between the Company's Internal Audit Unit and the External Auditor.
- xii. Reviewing the Company's financial and accounting policies and procedures and expressing an opinion and recommendation thereon to the Board.
- xiii. Reviewing the Company's dealings with the related parties and their compliance with relevant controls.
- xiv. Developing and regularly reviewing the Company's Risk Management Policy considering the Company's business, market variables, investment trends and the Company's expansion plans.
- xv. Supervising the training programs on risk management prepared by the Company and nomination thereto.
- xvi. Preparing and submitting periodic reports on the Company's risk and their management, and submit thereof to the Board -as scheduled, including recommendation and preparing reports on specific risks as instructed by the Board or its Chairperson.
- xvii. Implementing the Board instructions on the Company's internal control.
- xviii. Conducting discussions with the External Auditor and Senior Executive Management regarding auditing risks, especially the appropriateness of accounting decisions and estimations, and presenting thereof to the Board for inclusion in the annual report.

Committee Members Meeting for 2024-2025

Throughout the year 2024/2025, the Audit and Risk Committee held six (6) meetings, where the Committee Chairperson along with the members attended all meetings. Minutes of all meetings were recorded, and the Committee prepared an annual report that includes their work during the year. The meetings of the Committee and record of the attendees are presented in the below table:

Member's Name	Meeting Number & Date						Total Attendees
	1st 13/10/2024	2nd 12/11/2024	3rd 12/2/2025	4th 10/4/2025	5th 24/6/2025	6th 18/8/2025	
Mr. Rajesh Menon	✓	✓	✓	✓	✓	✓	100%
Sheikh Khalid bin Nawaf Nasser Al Thani	✓	✓	✓	✓	✓	✓	100%
Mr. Hussein Ahmed Abdullah Al Siddiqi	✓	✓	✓	✓	✓	✓	100%

Key Decisions and Recommendations

- i. Supervise the work of the external auditors and meet with them periodically.
- ii. Review and recommend to the Company's Board of Directors the approval of the preliminary quarterly results, semi-annual and year-end consolidated financial statements, on the reliability of the information disclosed therein, changes in accounting policies, significant and unusual events, reasonableness of accounting estimates for significant issues, as well as compliance with accounting standards and other legal requirements.
- iii. Review and approve the internal audit plan and verify the availability of the necessary resources to ensure its continued effectiveness.
- iv. Supervise the internal audit work and follow up the implementation of its plan, including employing a mechanism for continuous review using modern technologies.
- v. Discuss Internal Audit Unit reports issued during the year 2024/2025, the observations contained therein, the corrective plans for them, and the progress of work in implementing the recommendations by the competent departments in the Company.
- vi. Discuss topics that will affect the Company's business that have been submitted to the Committee by the Senior Executive Management or referred to the Committee for discussion by the Board of Directors.
- vii. Inform the Board of Directors periodically about the activities of the Committee, by submitting the minutes of its meetings, in addition to providing an update to the Board during its meetings on the work of the Committee.

The Audit and Risk Committee has not issued any recommendations that contradict decisions of the Board of Directors, nor has the Board rejected any recommendations made by the Committee.

Outcomes of the annual review of the effectiveness of internal control procedures for the year 2024/2025

The Board of Directors has reviewed Audit and Risk Committee report pertaining to review results of the year 2024/2025, which indicates that the Committee has found no material weakness in the Internal Control Systems, that they were sound and correct during the year, and that the Board has reviewed the corrective actions taken to address the notes contained in the internal audit reports.

Second: Nomination and Remuneration Committee

Formation of the Committee

The Nomination and Remuneration Committee was formed by the Board of Directors of the current term.

The Nomination and Remuneration Committee comprises of three members. The Board took into account the experience necessary for the members to exercise the Committee's functions, and the formation of the Committee was made in accordance with the Corporate Governance Code, Article s(18.1 and 18.2).

The current Committee members are as follows:

Name	Capacity
Mr. Hussein Ahmed Abdullah Al-Siddiqi	Chairperson of the Committee - Independent and Non-Executive
Sheikh. Mohammed bin Nawaf Nasser Al Thani	Committee Member - Non-Independent and Non-Executive
Ms. Aisha Mohammad Hamad Al-Nasr	Committee Member - Independent and Non-Executive

Committee Terms of Reference, Duties and Responsibilities

The Nomination and Remuneration Committee prepared a Charter through which the members' tasks, rights, duties and responsibilities are defined in accordance with the Corporate Governance Code. The charter was approved by the Board of Directors and published on the Company's website.

The Committee Charter shall include, but not limited to:

- i. Developing general principles and criteria to be used by the General Assembly to elect the most suitable candidates for Board membership.
- ii. Nominating whoever it deems appropriate for the Board membership in case of vacant seats.
- iii. Developing a succession plan to ensure the timely appointment of the appropriate alternative to fill the vacant positions in the Company.
- iv. Nominating whoever it deems appropriate to occupy any position at Senior Executive Management level.
- v. Receiving candidacy requests for the Board membership.
- vi. Submitting the list of Board membership candidates to the Board, including its recommendations in this regard, provided that a copy of which shall be sent to the Qatar Financial Markets Authority.
- vii. Submitting an annual report to the Board, including a comprehensive analysis of the Board performance, identifying strengths and weaknesses and their suggestions in this regard.
- viii. Determining the general policy for granting remuneration in the Company annually, including remuneration determination method of the Chairperson and members of the Board, provided that the Board annual remuneration shall not exceed 5% of the Company's net profit after deducting reserves and legal deductions and distributing of the dividend (in cash and in-kind) to shareholders.
- ix. Setting foundations for granting Company allowances and incentives, including issuance of incentive shares for its employees.

Committee Members' Meetings during 2024/2025

During the year 2024/2025, the Nomination and Remuneration Committee held two (2) meetings. The Chairperson and members attended all meetings. Minutes of meetings of the Committee were recorded and the Committee prepared an annual report on their work during the year. The Committee meetings and members attendance are presented in the below table:

Member's Name	Meeting Number & Date		Attendance Percentage
	1st	2nd	
	14/10/2024	15/12/2024	
Mr. Hussein Ahmed Abdullah Al-Siddiqi	✓	✓	100%
Sheikh Mohammed Bin Nawaf Al Thani	✓	✓	100%
Ms. Aisha Mohammad Hamad Al-Nasr	✓	✓	100%

Key Decisions and Recommendations

1. The Committee managed the process of re-electing two independent board members to complete the term of the current board of directors; opening and closing of the nomination window, reviewing the submitted applications and preparing the final list of accepted applications.
2. The Board of Directors approved recommendations of the Nomination and Remuneration Committee on the remuneration of the Board members, Committees and Senior Executive Management.
3. Submit an annual report to the Board containing an analysis of the Board performance.
4. Develop induction program for new members of the Board of Directors.
5. Provide continuous educational and training programs and providing access to developments in the education and higher education industry for all members of the Board of Directors.
6. Verify the independence of the independent Board members, and the absence of any conflict of interest if the member is a Board member of another company.

The Nomination and Remuneration Committee did not issue any recommendations that contradict with Board of Directors decisions, and the Board has not rejected any recommendations submitted by the Committee.

Performance Evaluation of Board of Directors, Committees and Senior Executive Management

The Board and Committees self assessment policy aims to define the work rules and controls concerned with Board and its Committees performance evaluation for the purpose of following up and developing performance, meeting regulatory requirements, implementing the best governance practices, enhancing the effectiveness of the Board, and the importance of conducting the evaluation process in accordance with the rules and regulations.

Self-Assessment Process

- ▼ The format of the self-assessment was agreed by the Nomination and Remuneration Committee.
- ▼ The scope of the review was finalized by the Nomination and Remuneration Committee with support from the of the Board Secretary.
- ▼ Feedback have been collected from the Board members and Committees via questionnaire.
- ▼ Self-assessment outputs have been recorded in a report submitted to the Board of Directors and the points raised by members have been discussed.

Key findings included:

- Interaction between board members is appropriate and work is done as a team.
- Board members have relevant skills and experience.
- Members emphasized the need for a continuous focus on succession planning and talent management, both Senior Executive Management and at scale, to ensure that the Company has the right skill set to execute its strategy.

The Board assessed the performance of the Senior Executive Management, and their performance was distinctive in 2024/2025.

Remuneration of Board Members, Committees and Executive Management

General Remuneration Standards

The Nomination and Remuneration Committee responsibilities include recommending to the Board the remuneration of the Board, committees, and the Senior Executive Management, in accordance with the approved criteria and pursuant to provisions of paragraph 11 of Article 8 of the Corporate Governance Code, as follows:

- a. The remuneration to be proportionate to the Company's activities and required skills for its management.
- b. The variable part of the remuneration shall be linked to the long-term performance.
- c. Remuneration shall be consistent with the strategy, objectives, the magnitude, nature and level of risks faced by the Company.
- d. Benchmarking shall be used to take into consideration the remuneration practices of other companies. The disadvantages of such comparisons that might lead to unjustifiable increases in remunerations and compensations shall be avoided.
- e. Remuneration shall be based on job level, duties and responsibilities, educational qualifications, practical experience, skills, and level of performance.
- f. Remuneration shall be fair and proportionate to the Board and Committee members' activities carried out and responsibilities borne by the Board or Committee members, along with the objectives set out by the Board to be achieved during the fiscal year.
- g. Take into consideration the sector in which the Company operates, its size and experience of its Board members.
- h. Remuneration shall be reasonably sufficient to attract and retain highly qualified and experienced Board members.
- i. Remunerations of different Board members may vary depending on the Board members' experience, expertise, duties tasks entrusted to him/her, and independence and number of Board meetings he/she attends in addition to other considerations.
- j. Remuneration shall be suspended if it has been determined that such remuneration was based on inaccurate information provided by a Board member or the Senior Executive Management; this is to prevent the career situation from being exploited to obtain undeserved Remuneration.

Board Members and Senior Executive Management Remuneration

The Board recommended to distribute the following remuneration to the Board members and Senior Executive Management, to be presented to the General Assembly for ratification for the year 2024/2025:

	Amount in Qatari Riyal
Board of Directors	300,000 QAR split among the members
Senior Executive Management	-

Secretary

Mr. Jamal Al Sharif was appointed as the Board and Committees Secretary. He is a legal advisor with extensive experience spanning more than 30 years, and has held several positions, including Director of Legal Affairs for Nasser Bin Khaled Al Thani and Sons Group of Companies, Secretary of the Board of Directors of Nasser Bin Khaled Al Thani and Sons, and Partners Secretary of Usool Al Waab Company and pleaded several cases before Qatari courts.

Mr. Jamal holds a BA in Law – Public Law from Mohammed bin Abdullah University, Kingdom of Morocco.

The Company Secretary shall be responsible for:

- Recording the minutes of the Board meetings, specifying names of present and absent members, and recording the meeting discussions, and members' objections to any decision issued by the Board.
- Recording the Board decisions in the register prepared for this purpose, according to the date of their issuance.
- Recording the meetings held by the Board in a serial numbered the register prepared for this purpose, arranged as per the holding date setting out names of the attending and absent members, the meeting discussions and the member's objections, if any.
- Safekeeping the Board meetings' minutes, decisions, reports, all Board records and correspondence, and its writings in paper and electronic records.
- Sending to the Board members and participants (if any) the meeting invitations accompanied with the agenda at least one week prior to the date specified for the meeting, and receiving members' requests to add an item or more to the agenda with submission date.
- Full coordination between the Chairperson of the members, among members themselves, as well as between the Board and the related parties and stakeholders in the Company, including shareholders, management and employees.
- Enabling the Chairperson and members to have timely access to all Company information, documents, and data.
- Safekeep the Board members' acknowledgments of not combining prohibited positions pursuant to the Commercial Companies Law and provisions of the Corporate Governance Code issued by Qatar Financial Markets Authority.

Senior Executive Management

The Board authorized the Senior Executive Management, headed by the CEO, to manage the day-to-day operations, which requires planning various development procedures in accordance with the Company principles and practices. In addition, the Senior Executive Management is responsible for monitoring the evolution of the financial performance and development of the Company business plans. The Company's CEO shall be responsible for the Executive Management team, while the Company's Board of Directors monitors their performance.

Sheikha Anwar Bint Nawaf Nasser Al-Thani Chief Executive Officer

Sheikha Anwar Bint Nawaf Al-Thani has extensive experience in the education sector and has a distinguished career in leadership, strategic planning, and corporate management. In 2016, Sheikha Anwar founded Little Panda's Kindergarten, a learning institution offering early years foundation stage for students in Doha.

Sheikha Anwar holds a Bachelor's degree in Business Management, with honors, from the University of Minnesota, USA, and a Master degree in Business Administration from AFG College with the University of Aberdeen.

Mr. Tallal Al-Khalifa Chief Financial Officer

Mr. Tallal Al-Khalifa has been appointed as Chief Financial Officer at Al Faleh Education since 30th January 2024.

Mr. Tallal has over 20 years of extensive experience in financial management, investment, business planning, performance measurement, capital market transactions, growth strategies and innovation, risk management, resource management, corporate governance, and operation efficiency management. Prior to joining Al Faleh Educational Holding, Mr. Tallal occupied managerial positions in large organizations, including Doha Bank (Q.P.S.C.), Integral Group Holding (IGH), and Al Jaber & Partners Group.

Mr. Tallal received his Bachelor's degree in Economics and Administrative Sciences from Zarqa University and his Master of Business Administration (MBA) from AFG College with the University of Aberdeen. His credentials also include certifications such as CPA, CAA, and active membership in the CFA Institute, underscoring his commitment to professional excellence.

Dr. Julie Cross Director of Academic Affairs Department - Higher Education

Dr. Julie Cross is an accomplished higher education leader with over twenty-five years of experience within the sector, including six years within the Middle East.

Earlier she worked as an Academic at the University of Central Lancashire, between 2010 and 2020 and at the University of Salford holding positions of Associate Dean (International) and latterly Dean. Dr Julie was also instrumental in forging the University of Salford partnership with the British University of Bahrain and within the partnership held positions of VP Academic, Vice President and President. She received her MRes and PhD from the University of Salford and her Bachelors Degree from the University of Central Lancashire.

Mr. Edward Myler-Crook Director of Academic Affairs Department – Primary and Secondary

Edward has extensive experience in school leadership and governance. Throughout his career, he has devoted himself to advancing educational innovation within the schools he has led. Edward takes pride not only in leading schools but also in engaging the entire school community—both internal and external stakeholders.

Having spent over 15 years of experience in senior leadership roles across the Middle East, Edward has demonstrated a deep dedication and passion for holistic education and for developing schools of excellence within the region.

He is highly motivated to expand access to educational innovation and lifelong learning for all staff and students under his leadership.

Edward holds an MPhil in Education from the University of Cambridge and a Master's degree in Comparative Politics from the London School of Economics.

Internal Control

The Board of Directors approves the Company's internal control system for the purpose of evaluating policies and procedures related to risk management, implementing the provisions of the Company's corporate governance system and complying with relevant laws and regulations. This system shall ensure compliance with clear standards of accountability at all executive levels of the Company, and that related party transactions are executed in accordance with the relevant provisions and controls.

Based on the decision of the Audit and Risk Committee, the Company has adopted and implemented the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control framework as a basis for managing the Company's internal controls.

Internal Audit Unit

The Internal Audit Unit is responsible for evaluating and monitoring the implementation of internal control system and ensuring that the Company and its employees comply with the applicable laws, regulations and instructions and the Company's policies and procedures. During the year 2024/2025, the Audit and Risk Committee outsourced the Internal Audit Unit to PKF. The formation and operation of the Internal Audit Unit shall take into consideration the following:

- Employees must be competent, independent and adequately trained, and shall not be entrusted with any functions other than internal audit duties and internal control systems.
- Internal Audit Unit shall report to Audit and Risk Committee and shall be subordinate and accountable to it.
- Remuneration of Internal Audit Unit shall be determined by recommendation of Audit and Risk Committee and in accordance with the Company policies.
- The Internal Audit Unit shall have access to the information and documents it needs, so that it can be obtained without any restrictions.

Internal Audit Unit shall operate pursuant to a comprehensive audit plan approved by Audit and Risk Committee. The plan shall be updated annually, while key activities and operations shall be reviewed at least annually, including risk management and compliance management activities.

Internal Audit Report

The Internal Audit Unit shall prepare and submit, at least quarterly, a written report on its activities to the Board and Audit and Risk Committee. Such report shall include an assessment of the Company's internal control system, and the final opinion and recommendations of the Internal Audit Unit. In addition, the report shall outline the actions taken by each department to address the findings and recommendations of the previous audit and any remarks thereon, failure to respond promptly to address such findings and recommendations and the reasons for such failure.

The Internal Audit Unit shall prepare a general written report to be submitted to the Board of Directors and Audit and Risk Committee on their audit activities carried out during the fiscal year, compared to the approved audit plan. The report shall explain reasons for any deviation from the plan, if any, during the quarter following the end of the relevant fiscal year.

Audit and Risk Committee directly supervises the Internal Audit, while Internal Audit Unit continuously examines the efficiency and effectiveness of the Company's internal control systems. Accordingly, the Board of Directors, based on the reports and recommendations of the Audit and Risk Committee and in line with its business plan, confirms the following points for the year 2024/2025:

- No matters were brought to the Board's attention, that would lead the Board to believe that there was a fundamental lack of integrity in the financial and accounting systems such that it would require disclosure.
- Control systems work effectively functioning and facilitating the mitigation of potential risks that may be faced by Al Faleh and its subsidiaries. No matters pertaining to internal controls were brought to the Board's attention that were material and would require disclosure.
- All corrective arrangements and actions have been taken for all concerns and recommendations raised by the Internal Audit Unit to the Audit and Risk Committee.

External Auditor

Based on the results of the General Assembly meeting held on 10/11/2024, Russell Bedford was appointed among the candidates based on recommendation of the Audit and Risk Committee to examine, review, and audit the financial statements. Their fees were determined. The Company did not hire any of the External Auditor's employees during the years 2024 and 2025.

The Company asserts that the financial statements were prepared during the fiscal year 2025 in accordance with the International Financial Reporting Standards. During the fiscal year, the External Auditor did not issue management report to report gaps or failures in internal control.

The External Auditor provided all disclosure notes in the financial statements. These notes include acknowledgment that the Company applies the best International Financial Reporting Standards and International Accounting Standards and adhere to International Standards on Auditing (IFRS/IAS) and (ISA) and requirements thereof, along with the Company's ability to continue its practical activities.

Disclosure and Transparency

Throughout 2024/2025, the Company complied with the disclosure requirements set out in the rules and regulations of Qatar Financial Markets Authority and Qatar Stock Exchange. In addition, the Company complied with all disclosure requirements stipulated in Article 25 of the Corporate Governance Code issued by Qatar Financial Markets Authority.

The Company is keen to present all relevant financial results, presentations, official announcements and press releases on the Company's website on the day of publication.

As a general principle, the Company does not comment, whether positively or negatively, on rumors. In the event that undisclosed information is leaked to public that may affect the trading activity on the Company's shares, or in the event that Qatar Financial Markets Authority or Qatar Stock Exchange requests the Company to issue a statement in response to a market rumor that causes unusual activity on the shares, the authorized spokespersons will consider the matter and determine whether a notice/press release shall be issued to disclose relevant material information or to confirm that no material information have not been undisclosed. There were no rumors circulating during the fiscal year ending in August 31, 2025.

Transparency and Upholding the Company's Interest

The Company has established regulations and controls to ensure that, when considering the transaction, no related party, attends the Board meeting or the tender committee during the discussion of the transaction or relationship. The related transactions are submitted to the General Assembly. To ensure compliance with transparency standards, the Board of Directors approved the related party policy to regulate these transactions and uphold transparency. The Company will always ensure strict compliance with requirements of the related member's non-attendance when the Board discusses such information.

During the year 2024/2025, the Company did not record any case of violation of the Company's directives regarding the Securities Trading Policy by the members of the Board of Directors and the Senior Executive Management, and the Board of Directors applied the provisions and directives of the Qatar Financial Markets Authority regarding the blackout periods.

Related Parties and Conflict of Interest

The Company has robust controls and inherent systems governing its entry into deals and relationships with related parties. Moreover, the Company policy prohibits the Chairperson, Board members and Senior Executive Directors from making any deals for selling or buying the Company's shares during the period specified by Qatar Stock Exchange until the public announcement of the financial statements. It is confirmed that none of the parties concerned made any deals during the black-out periods during the year 2024/2025.

There were no significant transactions with related parties in the Company's register that required shareholders' approval as of August 31, 2025.

For more details, readers can refer to the audited and consolidated financial statements of the fiscal year ended August 31, 2025, which is presented at the end of the Annual Report.

Lawsuits and Penalties

As the Company is a pioneer in the field of education, the Board of Directors and Senior Executive Management are keen to implement all the laws and provisions stipulated in the Companies Governance Law and Commercial Companies Law No. (11) of 2015 as amended by Law No. (8) of 2021.

The financial year ended 31 August 2025 was free of any material lawsuits or legal matters that had a financial impact.

Shareholder's Rights

The Company discloses information of interest to shareholders, investors and stakeholders, as required by the relevant regulations and good international practices adopted by the Company in the field of governance and transparency, as follows:

Shareholders' Rights and Communication Mechanisms

Based on the Company's keenness and care for the rights of its shareholders and in light of the applicable regulations, Al-Faleh has included the rights of shareholders in the Articles of Association, which can be viewed through the company's website.

Enables Shareholders to Obtain Information

The Company guarantees to all shareholders the right to access all relevant information and disclosures by publishing them on the website and annual reports that are available to all shareholders, in addition to enabling them to obtain all information related to the Board of Directors members and their qualifications, their shares in the Company, their chairmanship or membership in the Boards of Directors of other companies, as well as information related to the Company's executives. All stakeholders have access to all relevant information.

In the event that newspapers or social media circulate rumors about the Company, the Company has a policy for disclosures which also includes a policy for dealing with rumors (if any).

Shareholders can also communicate with the Company and get their inquiries answered through Investor Relations Department email address "ir@alfaleh.edu.qa".

Shareholder Register

Subject to provision of Article (10) of the Company's Articles of Association, Article (159) of Commercial Companies Law No. (11) of 2015 and its amendments by Law No. (8) of 2021, and Article (30) of the Corporate Governance Code, and directives of Qatar Stock Exchange, the Company maintains true, accurate and up-to-date registers of the Company's shareholders, as the Company requests the shareholders' register on a monthly basis from the Qatar Central Securities Depository Company. Any Shareholder or any related parties may access the Shareholder Register and obtain all relevant information.

The following are three tables, the first indicates shares of the Company's shareholders (owning more than 3% in the Company), the second indicates shares of Board members, and the third indicates shares of Senior Executive Management:

Shares of Company's Major Shareholders

Name	Country/State	Number of Shares	Percentage
Sheikha Aisha Faleh Nasser Ahmed Al Thani	Qatar	118,275,000	49.28%

Shares of Board Members

Name	Country/State	Number of Shares	Percentage
Sheikha Aisha Faleh Nasser Ahmed Al Thani	Qatar	118,275,000	49.28%
Sheikh Khalid Bin Nawaf Nasser Al Thani	Qatar	1,200,000	0.50%
Sheikh Mohammed Bin Nawaf Nasser Al Thani	Qatar	1,200,000	0.50%

Shares of Senior Executive Management

Name	Country/State	Number of Shares	Percentage
Sheikha Anwar Nawaf Nasser Al Thani	Qatar	4,800,000	2.00%
Sheikha Maryam Nawaf Nasser Al Thani	Qatar	2,500,000	1.04%

Shareholders' Rights related to the General Assembly and Voting

According to the provisions of Article (21) of the Company's Articles of Association, which states that "every share shall give its holder equal proprietary rights as other shareholders, without any discrimination, in the Company's assets and equal rights to receive divided as herein-after provided"

According to the provisions of Article (53) of the Company's Articles of Association, and Article (33) of the Corporate Governance Code, shareholders have the right to request the inclusion of certain issues on the agenda of the General Assembly and to discuss these issued in the meeting if the Board does not include them and the Assembly decides to do so. In addition, the Company is keen on selecting the most suitable places and dates for holding the General Assembly, and is committed to use modern technology to communicate with shareholders in order to facilitate the effective participation of the greatest possible number of them in the General Assembly meeting.

In accordance with provisions of Article (44) and Article (45) of the Company Articles of Association, the Company guarantees to inform shareholders of the topics included in the General Assembly and provides adequate information through announcements in the newspapers, Qatar Stock Exchange, and the Company's website to enable shareholders to make their own decisions.

After the General Assembly, the Company discloses the results of the meeting in a press release. Shareholders can view the minutes of the General Assembly meeting upon their request. Each shareholder has the right to attend the General Assembly, personally or by proxy.

Shareholder rights pertaining to election of Board Members

The Company shall disclose the details of candidates for Board membership, including all information pertaining to all candidates along with their academic and professional experience from their curricula vitae prior to the date set for the General Assembly as well. Board Members shall be elected by the General Assembly by secret ballot and in accordance with the cumulative voting method.

Shareholder rights related to dividend distribution

Pursuant to provisions of Article (78) of the Company's Articles of Association, the Company annual net profits shall be distributed as follows:

1. Ten percent of the net pre-tax profits shall be deducted every year and credited to the legal reserve fund. Such deduction shall remain compulsory until the total of the legal reserve fund amounts to fifty percent of the paid-up share capital. Should this total thereafter drop below the amount for any reason whatsoever, the noted deduction shall be resumed until the time the required legal reserve is reached. The legal reserve may not be distributed to the Shareholders, but the exceeding amount may be added to the paid-up share capital and distributed to the Shareholders by five percent during the years where the Company does not make sufficient net profits to distribute such percentage.
2. A portion of the profits, specified by the General Assembly, shall be deducted to meet the obligations imposed upon the Company by virtue of the labour law.
3. The General Assembly may, upon the proposal of the Board of Directors, annually resolve to deduct a portion of the net profits for an optional reserve account which shall be used in the manner specified by the General Assembly.
4. The necessary amount for the distribution of the first Share of profits (5%) (at least) to the Shareholders, shall be deducted from the paid amount of the Shares' value, provided that if the profits of one year do not allow the distribution of this profit, no claim can be made for it from the profits of the following years.
5. The rest of the remaining net profits (not more than 5%) after deduction of the depreciation, the reserves and the distributed profit according to the previous article, shall be dedicated to reward the Members.
6. The remainder of the profits shall then be distributed to the Shareholders as an additional Share of profit; it can also be retained for the following year upon suggestion from the Board, or it can be dedicated to creating an additional reserve or a contingent consumption reserve.

Shareholder Equity Related to Major Deals

The Company's Articles of Association include a specific mechanism to preserve the shareholders' rights in general and the minority, in the event the Company concludes major transaction that may harm their interests or prejudice the ownership of the Company's capital. The Company did not engage in any major transactions in the fiscal year ended August 31, 2025.

Stakeholders' Rights

The Company's employees and stakeholders shall submit any communications or disclosures through the designated channels in the event of suspicions or knowledge about any violations of the Code of Ethics referred to as "integrity-related communications" through approved channels such as the Direct Manager, other managers, human resources department or Legal Department or through the mail designated to receive communications: whistleblowing@alfaleh.edu.qa, which is treated with complete confidentiality and without the need to disclose the name or personal information. The Company confirms its full keenness to deal with the submitted communications with care and professionalism.

Social Responsibility

Maximizing economic value and supporting social development remains at the core of the Company's approach to sustainability. The Company aligns its business practices with the objectives of Qatar National Vision 2030, contributing to the country's human, social, and environmental development. The steps taken this year continue to reinforce our role in advancing education, inclusivity, health, and environmental stewardship, with the Board of Directors defining the general framework for social development as an integral part of decision-making. Educating employees about their responsibility and supporting them in recognizing the collective impact of individual contributions are key pillars in promoting positive change.

In line with Law No. 13 of 2008, as amended by Law No. 8 of 2011, the Company remains committed to the Social and Sports Activities Support Fund, and the total amounts paid and payable are disclosed in the audited financial statements.

Among the social investments that the Company has made are:

- Organizing autism awareness sessions in partnership with healthcare professionals, and holding campaigns on road safety and cyber safety for students and parents.
- Promoting health and wellness through Breast Cancer Awareness (Pink Day), mental health initiatives such as reflective discussion sessions, and active participation in Qatar Sports Day, beach bootcamps, and fitness programs. Celebrating International Women's Day with conferences and workshops on empowerment and leadership, alongside cultural events such as Heritage Week, Global Village Day, Ramadan gatherings, and storytelling evenings. Hosting alumni engagement activities including gala dinners, sohoor gatherings, and talk series, reinforcing the Company's commitment to community and lifelong connection with graduates. Supporting environmental awareness through initiatives during Qatar Sustainability Week, Earth Day, and environmental clean-ups, including tree planting, recycling campaigns, and beach cleaning in cooperation with national authorities.
- Continuing to foster faith and values by organizing the annual Sheikh Faleh bin Nasser Al Thani Quran Memorization Competition, Hadith reflection sessions, and Ramadan activities that strengthen cultural and spiritual identity.
- Engaging families and the community through Parents in the Classroom, Family Reading Week, and graduation celebrations, recognizing achievements and strengthening bonds across generations.

MANAGEMENT REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To the shareholders of Al Faleh Educational Holding Q.P.S.C ("The Company")
03 November 2025

Management Assessment of Internal Control over Financial Reporting

General

The Board of Directors of Al Faleh Educational Holding Q.P.S.C the Company, and its consolidated subsidiaries (together "the Group") is responsible for establishing and maintaining adequate internal control over financial reporting ("ICOFR") as required by Qatar Financial Markets Authority ("QFMA"). Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Group's consolidated financial statements for external reporting purposes in accordance with International Financial Reporting Standards (IFRS). ICOFR also includes our disclosure controls and procedures designed to prevent material misstatements.

Risks in Financial Reporting

The main risks in financial reporting are that either the consolidated financial statements are not presented fairly due to inadvertent or intentional errors or the publication of consolidated financial statements is not done on a timely basis. A lack of fair presentation arises when one or more financial statement accounts or disclosures contain misstatements (or omissions) that are material. Misstatements are deemed material if they could, individually or collectively, influence economic decisions that users make on the basis of the consolidated financial statements.

To confine those risks of financial reporting, the Group has established ICOFR with the aim of providing reasonable but not absolute assurance against material misstatements. We have also assessed the design, implementation, and test of operating effectiveness of the controls of the Group's ICOFR based on the criteria established in Internal Control Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). COSO recommends the establishment of specific objectives to facilitate the design and evaluate the adequacy of a control system. As a result, in establishing ICOFR, management has adopted the following financial statement objectives:

- Existence / Occurrence - assets and liabilities exist and transactions have occurred.
- Completeness - all transactions are recorded; account balances are included in the consolidated financial statements.
- Valuation / Measurement - assets, liabilities and transactions are recorded in the financial reports at the appropriate amounts.
- Rights and Obligations and ownership - rights and obligations are appropriately recorded as assets and liabilities; and
- Presentation and disclosures - classification, disclosure and presentation of financial reporting is appropriate.

However, any internal control system, including ICOFR, no matter how well designed, can provide only reasonable, but not absolute assurance that the objectives of that control system are met. As such, disclosure controls and procedures or systems for ICOFR may not prevent all errors and fraud. Furthermore, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs.

Organization of the Internal Control System

Functions Involved in the System of Internal Control over Financial Reporting

Controls within the system of ICOFR are performed by all business and support functions with an involvement in reviewing the reliability of the books and records that underlie the consolidated financial statements. As a result, the operation of ICOFR involves staff based in various functions across the organization.

Controls to Minimize the Risk of Material Financial Reporting Misstatement

The system of ICOFR consists of a large number of internal controls and procedures aimed at minimizing the risk of material misstatement of the consolidated financial statements. Such controls are integrated into the operating process and include those which:

- are ongoing or permanent in nature such as supervision within written policies and procedures or segregation of duties.
- operate on a periodic basis such as those which are performed as part of the annual consolidated financial statement preparation process.
- are preventative or detective in nature.
- have a direct or indirect impact on the consolidated financial statements themselves. Controls which have an indirect effect on the consolidated financial statements include entity level controls and Information Technology general controls such as system access and deployment controls whereas a control with a direct impact could be, for example, a reconciliation which directly supports a balance sheet line item; and
- feature automated and/or manual components. Automated controls are control functions embedded within system processes such as application enforced segregation of duty controls and interface checks over the completeness and accuracy of inputs. Manual internal controls are those operated by an individual or group of individuals such as authorization of transactions.

Measuring Design, Implementation and Test of Operating Effectiveness of Internal Control

For the financial year 2024/25, the has undertaken a formal evaluation of the adequacy of the design, implementation, and test of operating effectiveness of the system of ICOFR considering:

- the risk of material misstatement of the consolidated financial statement line items, considering such factors as materiality and the susceptibility of the financial statement item to material misstatement; and
- the susceptibility of identified controls to failure, considering such factors as the degree of automation, complexity, and risk of management override, competence of personnel and the level of judgment required.

These factors, in aggregate, determine the nature, timing and extent of evidence that management requires in order to assess whether the design, implementation and test of operating effectiveness of the system of ICOFR is effective. The evidence itself is generated from procedures integrated within the daily responsibilities of staff or from procedures implemented specifically for purposes of the ICOFR evaluation. Information from other sources also form an important component of the evaluation since such evidence may either bring additional control issues to the attention of management or may corroborate findings.

The evaluation has included an assessment of the design, implementation, and test of operating effectiveness of controls within various processes including Revenue, Receivable and Receipts, Procurement to Pay, Treasury, Inventories, Investments, Human Resources and Payroll, Property and Equipment, General ledger and Financial Reporting, Entity Level Controls, Information Technology General Controls, Disclosure Controls. The evaluation also included an assessment of the design, implementation, and test of operating effectiveness of Entity Level Controls, Information Technology General Controls, and Disclosure Controls. As a result of the assessment of the design, implementation, and test of operating effectiveness, of ICOFR, management concluded that except for the weaknesses identified in the appendix, the ICOFR is appropriately designed, implemented, and operating effectively as of 31 August 2025.



Sheikha Anwar Nawaf Nawaf Al-Thani
Chief Executive Officer



Tallal AL-Khalifa
Chief Financial Officer

INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

INDEPENDENT AUDITOR'S REASONABLE ASSURANCE REPORT

To the Shareholders of
Al Faleh Educational Holding – Q.P.S.C.
Doha – State of Qatar

Report on the Directors' assessment of the suitability of the design, implementation and operating effectiveness of internal controls over financial reporting of significant processes as of August 31, 2025 of Al Faleh Educational Holding – Q.P.S.C., hereinafter referred to as the "Company" and its subsidiaries together referred as the "Group" in connection with the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority's (QFMA's) Board pursuant to Decision No. (5) of 2025.

In accordance with the requirements of Article 7 and "Ninth" subsection of Article 11 of the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority (QFMA) Board pursuant to Decision No. (5) of 2025, we have carried out a reasonable assurance engagement over the Management's Internal Control Statement on assessment of suitability of the design, implementation and operating effectiveness of the Group's internal controls over financial reporting (Management Internal Control Statement) as of August 31, 2025, based on the framework issued by the Committee of Sponsoring Organisations of the Treadway Commission "COSO framework".

Responsibilities of the directors and those charged with governance

The Board of Directors are responsible for implementing and maintaining effective internal control over financial reporting. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate policies, and making accounting estimates and judgements that are reasonable in the circumstances.

The Group's assessment of its internal control system is presented by the Management to the Board of Directors in the form of the Management's Internal Control Statement contained in the Annual Report, which includes:

- The management's assessment of the suitability of design, implementation and operating effectiveness of internal control framework over financial reporting;
- The description of the process and internal controls over financial reporting for the Significant Process of (entity level controls, procurement to payment, revenues, receivables, inventory management, payroll, contract revenue recognition, borrowings, investment management, goodwill Impairment, legal contingencies and commitments, financial reporting and periodic closing of the financial records);
- The control objectives; including identifying the risks that threaten the achievement of the control objectives;
- Designing and implementing controls to achieve the stated control objectives; and
- Identification of control gaps and failures; how they are remediated; and procedures set to prevent such failures or to close control gaps.

The Group has assessed the design, implementation and operating effectiveness of its internal control system as at August 31, 2025, based on the criteria established in the Internal Control- Integrated Framework 2013 issued by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO framework"). These responsibilities include the design adequate internal financial controls that would ensure the orderly and efficient conduct of its business, including:

- Adherence to the Group's policies;

INDEPENDENT AUDITOR'S REASONABLE ASSURANCE REPORT (CONTINUED)

Responsibilities of the directors and those charged with governance (Continued)

- The safeguarding of its assets;
- The prevention and detection of frauds and errors;
- The accuracy and completeness of the accounting records;
- The timely preparation of reliable financial information; and
- Compliance with applicable laws and regulations, including the QFMA's law and relevant legislations and the Governance Code for Companies & Legal Entities Listed on the Main Market issued by the QFMA's Board pursuant to Decision No. (5) of 2025.

Responsibilities of the Assurance Practitioner

Express a reasonable assurance opinion on the fairness of the presentation of Management's Internal Control Statement, based on the criteria established in COSO Framework, including its conclusion on the effectiveness of design, implementation and operating effectiveness of the Group's internal controls over financial reporting of "Significant Processes" presented in the Annual Report to achieve the related control objectives stated in that description based on our assurance procedures.

Reporting on internal controls over financial reporting

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('IAASB'). This standard requires that we plan and perform our procedures to obtain reasonable assurance on the Management's Internal Control assessment of suitability of the design, implementation and operating effectiveness of the Group's internal controls over financial reporting of significant processes in all material respects, to achieve the related control objectives stated in the description of the relevant processes by management, based on the COSO framework. A process is considered significant if a misstatement due to fraud or error in the stream of transactions or financial statement amount would reasonably be expected to impact the decisions of the users of financial statements.

For the purpose of this engagement, the processes that were determined as significant are: (entity level controls, procurement to payment, revenues, receivables, inventory management, payroll, contract revenue recognition, borrowings, investment management, goodwill impairment, legal contingencies and commitments, financial reporting and periodic closing of the financial records). An assurance engagement of this type also includes evaluating Board of Directors' assessment of the suitability of the design, implementation and operating effectiveness of the controls in an organization involves performing procedures to obtain evidence about the suitability of design and operating effectiveness of the controls. Our procedures on internal controls over financial reporting included:

- Obtaining an understanding of internal controls over financial reporting for significant processes;
- Assessing the risk that a material weakness exists; and
- Testing and evaluating the design, implementation and operating effectiveness of internal control based on the assessed risk.

In carrying out our engagement, we obtained understanding of the following components of the control system:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring

The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the suitability of design and operating effectiveness, whether due to fraud or error. Our procedures also included assessing the risks that the controls were not suitably designed or operating effectively to achieve the related control objectives stated in the Corporate Governance Report.

INDEPENDENT AUDITOR'S REASONABLE ASSURANCE REPORT (CONTINUED)

Reporting on internal controls over financial reporting (Continued)

Our procedures included testing the operating effectiveness of those controls that we consider necessary to provide reasonable assurance that the related control objectives in the Annual Report were achieved. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion on the Management's Internal Control Statement over their assessment of the suitability of design and operating effectiveness of the Group's internal controls over financial reporting.

Our independence and quality control

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the ethical requirements that are relevant in Qatar. We have fulfilled our other ethical responsibilities in accordance with these requirements and the (IESBA) Code.

Our firm applies International Standard on Quality Management 1 ("ISQM 1") and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Meaning of internal controls over financial reporting

An entity's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards. An entity's internal control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the International Financial Reporting Standards, and that receipts and expenditures of the entity are being made only in accordance with authorizations of the management of the entity; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements

Inherent limitations

Because of the inherent limitations of internal financial controls over financial reporting and compliance with relevant laws and regulations, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Therefore, internal controls over financial reporting may not prevent or detect all errors or omissions in processing or reporting transactions and consequently cannot provide absolute assurance that the control objectives will be met. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Furthermore, the controls activities designed, implemented and operated as of August 31, 2025 covered by our assurance report will not have retrospectively remedied any weaknesses or deficiencies that existed in relation to the internal controls over the financial reporting and compliance with applicable laws and regulations prior to the date those controls were placed in operation.

Other information

The Board of Directors are responsible for the other information. The other information comprises the Corporate Governance Report but, does not include Management's Internal Control Statement. Our conclusion on the Management's Internal Control Statement does not cover the other information and we do not, and will not express any form of assurance conclusion thereon.

If, based on the work we have performed, on the other information that we obtained prior to the date of this 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. When we read the complete Corporate Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the QFMA.

INDEPENDENT AUDITOR'S REASONABLE ASSURANCE REPORT (CONTINUED)

Opinion

In our opinion, the Management's Internal Control Statement set out in the Corporate Governance Report, is fairly stated, in all material respects, based on the criteria established in the COSO Framework, including its conclusion on the effectiveness of design, implementation and operating effectiveness of the Group's Internal Controls over Financial Reporting as at August 31, 2025.

**For Russell Bedford & Partners
Certified Public Accountants**



Hani Mukhaimer
License No. (275)
QFMA License No. (1202013)



**Doha – Qatar
November 11, 2025**

INDEPENDENT ASSURANCE REPORT ON COMPLIANCE WITH QFMA REGULATIONS

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT

To the Shareholders
Al Faleh Educational Holding – Q.P.S.C.
Doha – Qatar

Report on compliance with the Qatar Financial Markets Authority's law and regulations and Other Relevant Legislations including the Corporate Governance Code for Companies and Legal Entities Listed on the Main Market.

In accordance with the requirements of "Ninth" subsection of Article 11 of the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority (QFMA) Board pursuant to Decision No. (5) of 2025, we have carried out a limited assurance engagement over Board of Directors' assessment of compliance of Al Faleh Educational Holding – Q.P.S.C. referred as the "Company" with the QFMA's law and relevant legislations, including the Governance Code for Companies and Legal Entities Listed on the Main Market (the "Code") as of August 31, 2025 as noted in the Board of Director's Corporate Governance Report (Corporate Governance Report), excluding provisions listed under Other information section of this report.

Responsibilities of the directors and those charged with governance

The Board of Directors of the Company are responsible for preparing the accompanying Corporate Governance Report that covers at a minimum the requirements of Article 11 of the Code.

The Board of Directors are also responsible for ensuring the Company's compliance with the QFMA's law and relevant legislations and the Governance Code for Companies & Legal Entities Listed on the Main Market issued by the QFMA's Board pursuant to Decision No. (5) of 2025 and preparing the, 'Report on compliance with the QFMA's law and relevant legislations, including the Code', as set out in the Annual Report (Corporate Governance Report) excluding disclosure on Corporate Social Responsibility mentioned within the disclosures of the Corporate Governance Report.

Responsibilities of the Assurance Practitioner

Our responsibilities are to issue a limited assurance conclusion on whether anything has come to our attention that causes us to believe that the "Board of Directors' Governance Report on compliance with the QFMA's law and relevant legislations, including the Code" presented disclosures in the Annual Report (Corporate Governance Report) excluding disclosure on Corporate Social Responsibility do not present fairly, in all material respects, the Company's compliance with the QFMA's law and relevant legislations, including the Code, based on our limited assurance procedures.

Reporting on compliance with QFMA's law and relevant legislations, including the Code

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('IAASB'). This standard requires that we plan and perform our procedures to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Board of Directors' statement of compliance with the QFMA's law and relevant legislations, including the Code, taken as a whole, is not prepared in all material respects, in accordance with the QFMA's law and relevant legislations, including the Code.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We did not perform procedures to identify additional procedures that would have been performed if this were a reasonable assurance engagement.

A limited assurance engagement involves assessing the risks of material misstatement of the Board of Directors' statement of compliance with the QFMA's law and relevant legislations, including the Code, whether due to fraud or error and responding to the assessed risks as necessary in the circumstances. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Reporting on compliance with QFMA's law and relevant legislations, including the Code (Continued)

Accordingly, we do not express a reasonable assurance opinion about whether the Board of Directors' statement of compliance with the QFMA's law and relevant legislations, including the Code, taken as a whole has been prepared, in all material respects, in accordance with the 's law and relevant legislations, including the Code.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of reporting policies of the Company, and agreeing with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Made inquiries of management to obtain an understanding of the processes followed to identify the requirements of the QFMA law and relevant legislations, including the Code (the 'Requirements'); the procedures adopted by management to comply with these Requirements and the methodology adopted by management to assess compliance with these Requirements. This included analyzing the key processes and controls for reporting compliance with the Requirements;
- Considered the disclosures by comparing the contents of the Corporate Governance Report against the requirements of Article 11 of the Code;
- Agreed the relevant contents of the Corporate Governance Report to the underlying records maintained by the legal and compliance department of the Company;
- Performed limited substantive testing on a selective basis, when deemed necessary, to assess compliance with the Requirements, and observed evidences gathered by the Company's management and assessed whether violations of the Requirements, if any, have been disclosed by the Board of Directors, in all material respects.

Our limited assurance procedures do not involve assessing the qualitative aspects or effectiveness of the procedures adopted by management to comply with the Requirements. Therefore, we do not provide any assurance as to whether the procedures adopted by management were functioning effectively to achieve the objectives of the QFMA's law and relevant legislations, including the Code.

Our independence and quality control:

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the ethical requirements that are relevant in Qatar. We have fulfilled our other ethical responsibilities in accordance with these requirements and the (IESBA) Code.

Our firm applies International Standard on Quality Management 1 ("ISQM 1") and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Inherent limitations

Many of the procedures followed by entities to adopt governance and legal requirements depend on the personnel applying the procedure, their interpretation of the objective of such procedure, their assessment of whether the compliance procedure was implemented effectively, and in certain cases would not maintain audit trail. It is also noticeable that the design of compliance procedures would follow best practices that vary from one entity to another and from one country to another, which do not form a clear set of criteria to compare with.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the Governance Report and the methods used for determining such information.

Other information

The Board of Directors are responsible for the other information. The other information comprises the Corporate Governance Report (but does not include the Directors' Report on compliance with QFMA's law and relevant legislations including the Code' presented in the Annual Report (Corporate Governance Report) the ("Directors' Statement") which we obtained prior to the date of this assurance report.

Our conclusion on the Board of Director's Corporate Governance Report on compliance with applicable QFMA laws and relevant legislations including the Code does not cover the other information and we do not, and will not express any form of assurance conclusion thereon.

Other information (Continued)

In connection with our assurance engagement on the applicable sections of the Corporate Governance Report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Corporate Governance report or our knowledge obtained in the engagement, or otherwise appears to be materially misstated. If, based on the work we have performed, on the other information that we obtained prior to the date of this 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. When we read, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the QFMA.

If, based on the work we have performed, on the other information that we obtained prior to the date of this 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.

When we read the complete Corporate Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the QFMA.

Conclusion

Based on our limited assurance procedures described in this report, nothing has come to our attention that causes us to believe that the Board of Directors' report on compliance with QFMA's law and relevant legislations, including the Code, as presented in the Board of Director's Corporate Governance Report, do not present fairly, in all material respects, the Company's compliance with the QFMA's law and relevant legislations, including the Code as at August 31, 2025.

**For Russell Bedford & Partners
Certified Public Accountants**


Hani Mukhaimer
License No. (275)
QFMA License No. (1202013)



**Doha – Qatar
November 11, 2025**

FINANCIAL REPORT

**AL FALEH EDUCATIONAL HOLDING Q.P.S.C.
DOHA - STATE OF QATAR**

**CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED
AUGUST 31, 2024
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT**

Table of Contents

Consolidated Statement of Financial Position	64
Consolidated Statement of Profit or Loss and Other Comprehensive Income	65
Consolidated Statement of Changes in Equity	66
Consolidated Statement of Cash Flows	67
Notes to the Consolidated Financial Statements	68-91

INDEPENDENT AUDITOR'S REPORT

**TO THE SHAREHOLDERS
AL FALEH EDUCATIONAL HOLDING Q.P.S.C.**

Opinion

We have audited the consolidated financial statements of Al Faleh Educational Holding Q.P.S.C. (the "Company") and its subsidiaries (together referred herein as "Group") which comprise the consolidated statement of financial position as at August 31, 2025, 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 year then ended, notes to the consolidated financial statements, including material accounting information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at August 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accompanying consolidated financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

INDEPENDENT AUDITOR'S REPORT (CONTNUED)

Key audit matter (Continued):

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>Impairment assessment of intangible assets</p> <p>As disclosed in Note 5 to the consolidated financial statements as at August 31, 2025, goodwill, trademark and learners' enrolment amounted to QAR 96,520,330, QAR 17,210,000, and QAR 15,847,175, respectively.</p> <p>Annual impairment assessment of goodwill indefinite-lived trademark and learners' enrolment was a key audit matter due to the follo:</p> <ul style="list-style-type: none"> As discussed in note 5 to the consolidated financial statements, goodwill and indefinite-lived intangible assets are tested for impairment at least annually at the corresponding Cash Generating Units (CGUs) respectively. Auditing management's annual goodwill and indefinite-lived intangible assets impairment test is complex due to the significant judgement required in determining the fair value of the CGUs and the sensitivity of these fair value estimates to key assumptions such as revenue growth rate, capital expenditures, discount rate and long-term growth rate. These assumptions are based on management's expectations about future market conditions, which inherently involve a high degree of uncertainty. 	<p>Our audit procedures focused on assessing the reasonableness of key assumptions used by management in conducting the impairment assessment.</p> <p>These procedures included:</p> <ul style="list-style-type: none"> Assessing methodologies and testing significant assumptions and the underlying data used by the Group in its analysis; Comparing the significant assumptions used by management to current industry and economic trends and evaluating whether changes to the CGU's business model and other factors would affect the significant assumptions; Assessing whether there were any potential sources of contrary information, including historical forecast accuracy and performed sensitivity analyses over the significant assumptions to evaluate the changes in the recoverable value that would result from changes in the assumptions; Evaluating the adequacy of the financial statement disclosures, including disclosures of key assumptions, judgments and sensitivities.

Other Information

Other information consists of the information included in the Group's annual report (the "Annual Report"), other than the Group's consolidated financial statements and our auditor's report thereon. Board of Directors is responsible for the other information. The Group's Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of the Management and Those Charged with Governance for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and applicable provisions of Qatar Commercial Companies' Law and for such internal control as the management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT (CONTNUED)

Responsibilities of the Management and Those Charged with Governance for the Consolidated Financial Statements (Continued)

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 the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibility 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the companies or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

INDEPENDENT AUDITOR'S REPORT (CONTNUED)

Auditor's responsibility for the audit of the consolidated financial statements (Continued)

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

Other legal and regulatory requirements

Further, as required by the Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 ("amended QCCL"), we also report that:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- The Group has maintained proper accounting records and its consolidated financial statements are in agreement therewith.
- Furthermore, the physical count of the Group's inventories was carried out in accordance with established principles.
- The financial information included in the Board of Directors' report is in agreement with the books and records of the Group; and
- We are not aware of any violations of the applicable provisions of the amended QCCL and or the terms of the Company's Articles of Association having occurred during the year which might have had a material effect on the Group's consolidated financial position or performance as at and for the year ended August 31, 2025.

**For Russell Bedford & Partners
Certified Public Accountants**


Hanj Mukhaimer
License No. (275)
QFMA License No. (1202013)



**Doha – State of Qatar
November 11, 2025**

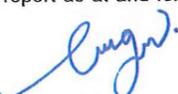
AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT AUGUST 31, 2025

	Notes	August 31,	
		2025 QAR	2024 QAR
ASSETS:			
Non-current assets:			
Property and equipment	4	79,366,501	78,047,266
Intangible assets and goodwill	5	220,407,660	223,529,476
Right-of-use assets	6 a)	14,842,282	25,882,233
Total non-current assets		314,616,443	327,458,975
Current assets:			
Inventories	7	1,451,197	1,602,102
Accounts receivable and other debit balances	8	15,442,739	10,349,141
Cash and bank balances	9	8,122,602	4,807,028
Total current assets		25,016,538	16,758,271
TOTAL ASSETS		339,632,981	344,217,246
EQUITY AND LIABILITIES:			
Equity:			
Share capital	10	240,000,000	240,000,000
Capital contribution		817,013	817,013
Legal reserve	11	8,328,500	6,925,845
Retained earnings		23,047,111	15,273,877
Total equity		272,192,624	263,016,735
LIABILITIES:			
Non-current liabilities:			
Lease liabilities	6 c)	6,433,950	14,276,200
Provision for employees' end of service benefits	12	4,647,540	4,031,319
Bank loans and borrowings	13 h)	27,962,695	12,472,373
Total non-current liabilities		39,044,185	30,779,892
Current liabilities:			
Lease liabilities	6 c)	9,604,473	13,512,505
Bank overdraft	9 a)	2,828,626	6,357,601
Bank loans and borrowings	13 h)	5,103,635	4,401,040
Accounts payable and other credit balances	14	10,585,646	25,858,464
Income tax payable		273,792	291,009
Total current liabilities		28,396,172	50,420,619
Total liabilities		67,440,357	81,200,511
TOTAL EQUITY AND LIABILITIES		339,632,981	344,217,246

The Chief Executive Officer and Chief Financial Officer attests to the accuracy and completeness of the accompanying consolidated financial statements and the consolidated financial information of this report as at and for the year ended August 31, 2025 dated November 11, 2025


 Shiekha Anwar Nawaf N. A. Al-Thani
 Chief Executive Officer


 Tallal Refat Alkhelifa
 Chief Financial Officer

The accompanying consolidated financial statements were approved to issue by the board of directors on November 11, 2025 and signed on behalf board of directors by


 Sheikha Aisha Bint Faleh Al Thani
 Chairperson

The accompanying notes 1 to 27 form an integral part of these consolidated financial statements.



AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED AUGUST 31, 2025

	Notes	Year ended August 31,	
		2025 QAR	2024 QAR
Revenue	15	108,679,991	112,508,467
Cost of operations	16	(52,425,436)	(57,497,974)
Gross profit		56,254,555	55,010,493
Other income	17	1,197,133	2,509,485
General and administrative expenses	18	(40,203,118)	(41,747,659)
Operating profit for the year		17,248,570	15,772,319
Finance costs	19	(2,948,205)	(3,077,703)
Profit before tax		14,300,365	12,694,616
Tax expense		(273,812)	(291,009)
Profit after tax		14,026,553	12,403,607
Other comprehensive income items		-	-
Total comprehensive income for the year		14,026,553	12,403,607
Basic earning per share	20	0.058	0.052

The accompanying notes 1 to 27 form an integral part of these consolidated financial statements.



AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED AUGUST 31, 2025

	Share capital QAR	Capital contribution QAR	Legal reserve QAR	Retained earnings QAR	Total QAR
Balance at September 01, 2023	240,000,000	817,013	5,684,998	11,620,806	258,122,817
Net profit for the year	-	-	-	12,403,607	12,403,607
Other comprehensive income	-	-	-	-	-
Transferred to legal reserve	-	-	1,240,847	(1,240,847)	-
Dividend payment	-	-	-	(7,500,000)	(7,500,000)
Contribution to social and sports fund activities	-	-	-	(9,689)	(9,689)
Balance at August 31, 2024	240,000,000	817,013	6,925,845	15,273,877	263,016,735
Net profit for the year	-	-	-	14,026,553	14,026,553
Other comprehensive income	-	-	-	-	-
Transferred to legal reserve	-	-	1,402,655	(1,402,655)	-
Dividend payment	-	-	-	(4,500,000)	(4,500,000)
Contribution to social and sports fund activities	-	-	-	(350,664)	(350,664)
Balance at August 31, 2025	240,000,000	817,013	8,328,500	23,047,111	272,192,624

* Note - The present year reflects a 2.5% contribution from consolidated profits towards social and sports fund initiatives.

The accompanying notes 1 to 27 form an integral part of these consolidated financial statements.

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2025

	Notes	Year ended August 31,	
		2025 QAR	2024 QAR
Cash flows from operating activities:			
Net profit before tax		14,300,365	12,694,616
Adjustments for:			
Depreciation of property and equipment	4	2,866,809	2,626,864
Depreciation of right-of-use assets	6 a	13,345,221	13,103,107
Amortization of intangible asset	5 c	3,121,817	3,117,062
Provisions for employees' end of service benefits	12	1,195,612	1,031,487
Net adjustment in right-of-use assets		(347,682)	(590,579)
Finance cost	19	2,948,205	3,077,703
Operating income before changes in working capital		37,430,347	35,060,260
Changes in:			
Inventories		150,905	44,017
Accounts receivables and other debit balances		(5,093,598)	6,893,026
Accounts payable and other credit balances		(15,623,503)	(24,564,360)
Cash generated from operating activities		16,864,151	17,432,943
Employees' end of service benefits paid	12	(579,391)	(488,567)
Income tax paid		(291,009)	(327,696)
Finance cost paid		(2,948,205)	(3,077,703)
Net cash generated from operating activities		13,045,546	13,538,977
Cash flows from an investing activity			
Acquisition of property and equipment	4	(4,186,044)	(1,965,149)
Net cash used in an investing activity		(4,186,044)	(1,965,149)
Cash flows from financing activities			
Dividend paid		(4,500,000)	(7,500,000)
Net movement of borrowing		16,192,917	2,572,279
Repayment of lease liabilities		(13,707,870)	(12,745,688)
Net movement in guarantee deposits		(87,625)	-
Net cash used in financing activities		(2,102,578)	(17,673,409)
Net increase/ (decrease) in cash and cash equivalents		6,756,924	(6,099,581)
Cash and cash equivalents at the beginning of the year	9	(2,053,573)	4,046,008
Cash and cash equivalents at the end of the year	9	4,703,351	(2,053,573)

The accompanying notes 1 to 27 form an integral part of these consolidated financial statements.

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2025

1. THE GROUP FORMATION AND ACTIVITIES:

- 1.1. Al Faleh Educational Holding Q.P.S.C. (the "Company" or "Parent Company") is a public shareholding company incorporated in the State of Qatar under the Commercial Registration Number. 71150. Shiekha Aisha Bint Faleh Al-Thani is the ultimate controlling party. The Parent Company's registered address is 220 Duhail Street, Al Waab, Doha, State of Qatar.
- 1.2. The Group is primarily engaged in running kindergarten, primary, preparatory, secondary schools for education and providing university education.
- 1.3. The consolidated financial statements of the Group contained the assets, liabilities and result of operations of Al Faleh Educational Holding P.Q.S.C. and its subsidiaries.

1.3.1 THE PRINCIPAL SUBSIDIARIES OF THE GROUP

NAME OF THE SUBSIDIARIES	PRINCIPAL ACTIVITY	OWNERSHIP INTEREST AS OF AUGUST 31,	
		2025	2024
Doha International Kindergarten – W.L.L.	Kindergarten	100%	100%
Doha Academy – W.L.L.	Kindergarten, primary, preparatory and secondary education.	100%	100%
Al Faleh Group for Educational and Academic Services – W.L.L.	Educational activities including university education.	100%	100%
AFG College with the University of Abardeen – W.L.L.	University education	100%	100%

- 1.4 All the Group's subsidiaries are registered in the State of Qatar. Management has performed an assessment for the voting rights of the Group's companies and concluded that the Group controls and governs the financial and operational policies of the companies.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS:

2 a) Newly effective standards and amendments to standards:

The following amendments to standards apply for the first time in 2025 and have been applied by the Group in preparation of these consolidated financial statements.

TOPIC	EFFECTIVE DATE
Amendments to IAS 21 "Lack of Exchangeability"	January 01, 2025

2 b) Standards issued but not yet effective:

A New standards and amendments are effective for periods beginning after January 01, 2026. However, the Group has not applied the following new or amended standard in preparing these consolidated financial statements.

TOPIC	EFFECTIVE DATE
Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments"	January 01, 2026
Annual Improvements to IFRS Standards Volume 11 "Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7"	January 01, 2026

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2025

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED):

2 b) Standards issued but not yet effective (Continued):

TOPIC	EFFECTIVE DATE
Amendments to IFRS 9 and IFRS 7 "Power Purchase Agreements"	January 01, 2026
Amendments to IFRS 18 "Presentation and disclosures in financial statements"	January 01, 2027
Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 01, 2027
Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investment in Associates and Joint Ventures" on sale or contribution of assets between an investor and its associate or joint venture.	Deferred indefinitely

3. MATERIAL ACCOUNTING POLICIES:

3 a) Basis of accounting:

These consolidated financial statements have been prepared on historical cost basis except for intangible assets and goodwill, investment properties and available for sale investments which are stated at fair value and lease liabilities which are measured at the present value of the lease payments discounted using the Group's incremental borrowing rate. The consolidated financial statements are presented in Qatari Riyal, which is the Group's functional currency. All amounts have been rounded to the nearest Qatari Riyals, unless otherwise indicated.

3 b) Basis of consolidation:

Subsidiaries

The consolidated financial statements are comprised of the financial statements of the Parent Company and its subsidiaries as at the end of reporting period. Control over an investee is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Control over an investee

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns - Consolidation of entities in which the Group holds less than a majority of voting rights When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
 - The contractual arrangement with the other vote holders of the investee;
 - Rights arising from other contractual arrangements and;
 - The Group's voting rights and potential voting rights.

Transactions eliminated on consolidation

All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in the income statement. Any investment retained is recognized at fair value.

The total profits and losses for the year of the Parent Company and of its subsidiaries included in consolidation are shown in the consolidated income statement and consolidated statement of comprehensive income and all assets and liabilities of the Parent Company and of its subsidiaries included in consolidation are shown in the consolidated statement of financial position.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):**3 b) Basis of consolidation (Continued):****Non-controlling interest (NCI)**

Non-controlling interest which represents the portion of profit or loss and net assets not held by the Group, are shown as a component of profit for the year in the consolidated income statement and statement of comprehensive income and as a component of equity in the consolidated statement of financial position, separately from equity attributable to the shareholders of the parent.

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

3 c) Statement of compliance:

These consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and the applicable requirements of Qatar Commercial Companies' Law No. 11 of 2015. (Where certain provisions subsequently amended by Law No. 8 of 2021).

3 d) Foreign currencies:

Transactions in foreign currencies are recorded in Qatari Riyal at the rates of exchange prevailing at the date of each transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the year are translated into Qatari Riyal at the rate of exchange prevailing at the date and the resultant gains or losses are included in the consolidated statement of profit or loss.

3 e) Property and equipment:**i) Recognition and measurement**

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment. Any gain or loss on disposal of an item of property and equipment is recognized in consolidated profit and loss account.

ii) Subsequent expenditure

Subsequent expenditures are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii) Depreciation

Depreciation is calculated to write-off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives of property, and equipment are as follows:

Buildings	40 years
Machinery and equipment	10 years
Computer and equipment	6 years
Motor vehicles	8 years
Furniture and fixtures	10-13 years
Sign boards	6 years
Leasehold improvements	8-10 years
Learning resources	8 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):**3 f) Capital work in progress:**

All expenditures and costs incurred in the development during construction phase are capitalized and are initially recorded as capital work in progress. These costs will be transferred to property, and equipment when the assets are ready for their intended use.

3 g) Intangible assets:**i) Other intangible assets**

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit and loss as incurred.

iii) Amortization

Amortization is calculated to write-off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated lives and is generally recognized in profit or loss. The estimated useful lives are as follows:

Franchise rights	40 years
Course development cost	10 years

Amortization method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3 h) Classification and measurement of financial assets and financial liabilities:**i) Initial recognition**

On initial recognition, a financial asset is classified as:

- Amortized cost;
- Fair value through other comprehensive income (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit or loss (FVTPL).

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This selection is made on an investment-by-investment basis. All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):**3 h) Classification and measurement of financial assets and financial liabilities (Continued):****i) Initial recognition (Continued)**

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

ii) Subsequent measurement

The following accounting policies apply to the subsequent measurement of the Group's financial assets:

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial assets at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

iii) Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognized earlier than under IAS 39. The financial assets at amortized cost consist of accounts and other receivables and cash and cash equivalents under IFRS 9, and loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date.
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group has elected to measure loss allowances for its financial assets at an amount equal to 12-month ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 360 days past due. The Group considers a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- The financial asset is more than 365 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):**3 h) Classification and measurement of financial assets and financial liabilities (Continued):****iii) Impairment of financial assets (Continued)****Measurement of ECLs**

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate (EIR) of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses the financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. Impairment losses related to accounts and other receivables, amount due from related parties and cash and cash equivalents are presented as a separate line item in the statement of profit or loss.

iv) Other financial assets

Equity securities that are held for trading are required to be held as FVTPL under IFRS 9. There was no impact on the amounts recognized in relation to these assets from the adoption of IFRS 9. Trade and other receivables (except for those subject to provisional pricing arrangements) and amount due from related parties are debt instruments currently classified as loans and receivables and measured at amortized cost under IAS 39. The Group assessed that they meet the conditions for classification at amortized cost under IFRS 9 since they are cash flows solely payments of principal and interest (SPPI) and the Group's business model is to hold and collect the debt instrument. Cash and cash equivalents' definition as per IAS 7 remains unchanged with the application of IFRS 9, short-term investments and time deposits will continue to be presented under cash and cash equivalents, being highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

v) Financial liabilities

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. De-recognition rules have been transferred from IAS 39 Financial Instruments. Therefore, recognition and measurement of financial liabilities, have not been changed.

3 i) Inventories:

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average cost (WAC) principle.

3 j) Income tax:

Income Tax is provided in accordance with Qatar Income Tax Regulations set out in Qatar Income Tax Law No. 24 of 2018. Income tax expense comprises current tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income. Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

3 k) Leases:

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The IFRS 16 has resulted in almost all leases being recognized on the statement of financial position by lessee, as the distinction between operating and finance leases is removed. Under the IFRS 16, an asset "right-of-use assets" and "lease liability" are recognized. However, the Management assessment has been performed on an absolute basis to ensure whether the underlying asset is of lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option "short-term leases", and lease contracts for which the underlying asset is of low value "low-value assets".

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):**3 k) Leases (Continued):**

Consequently, it has been decided by the Management to apply the exemptions criteria of short-term leases' and low-value assets as promulgated by the IFRS 16. Therefore, the Group has recognized the lease payments associated with the leases as an expense through the statement of profit or loss and other comprehensive income and future portion has been disclosed as commitments.

Right of use asset**i) Initial recognition and measurement**

The cost of the right-of-use asset shall comprise:

- The amount of the initial measurement of the lease liability,
- Any lease payments made at or before the commencement date, less any lease incentives received;
- Any initial direct costs incurred by the lessee; and
- An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

ii) Subsequent measurement

The leases can apply either cost model or other measurement model as described in IFRS 16.

• Cost model

The Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any remeasurement of the lease liability.

• Other measurement model

If the Group applies the fair value model in IAS 40 Investment Property to its investment property, the lessee shall also apply that fair value model to right-of-use assets that meet the definition of investment property.

in LKAS 40. If right-of-use assets relate to a class of property and equipment to which the lessee applies the revaluation model in IAS 16, the Group may elect to apply that revaluation model to all of the right-of-use assets that relate to that class of property, plant and equipment.

iii) Depreciation

The Group applies the depreciation requirements in IAS 16 – "Property, Plant and Equipment" in depreciating the right-of-use asset. The Group depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment.

Lease liability**i) Initial measurement**

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the Group's incremental borrowing rate.

ii) Subsequent measurement

The Group measures the lease liability by increasing the carrying amount to reflect interest on the lease liability reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):**3 l) Payables and accruals:**

Payables and accruals are stated at their cost which is the fair value of the consideration to be paid in the future for goods and services received, whether billed or not to the Group.

3 m) Provisions:

Provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of the resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3 n) Related parties:

The Group, in the normal course of its business, enters into transactions with entities that fall within the definition of a related party as contained in International Accounting Standard 24. These transactions have been carried out on the basis of terms agreed between the Company and the management of such related parties.

3 o) Borrowings:

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and redemption value is recognized in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

3 p) Employees' end of service benefits:

Employees' end of service benefits represents terminal gratuity and are provided for services rendered based on entitlements stipulated in the employees' contracts of employment and their length of service, subject to the completion of a minimum service period. End of service indemnities are provided in accordance with the Qatari Labor Law. Under law no. 14 of 2004.

3 q) Revenue recognition:**Revenue from contracts with customers**

The details of the significant accounting policies in respect of the Group's significant revenue generating activities are set out below.

TYPE OF SERVICE	NATURE, TIMING OF SATISFACTION OF PERFORMANCE OBLIGATIONS, SIGNIFICANT PAYMENT TERMS	REVENUE RECOGNITION POLICY
Tuition fees, transportation fee and other related services	The Group provides educational and ancillary services to the students. Revenue is recognized as per the amount agreed with each student.	Revenue is recognized over time based on the services provided to students since students simultaneously receives and consumes the benefits provided by the Group. Invoices are usually issued at the commencement of the term.
Tuition fees, transportation fee and other related services	The Group provides educational and ancillary services to the students. Revenue is recognized as per the amount agreed with each student.	Fees received in advance is reported on the statement of financial position as a current liability until such time that the revenue has been earned.
Registration and exam fee	The Group receives the agreed fee at the time of admission of the student in the school or before the exams.	Revenue is recognized at a point in time as this is one-time non-refundable fee charged to the students for the academic year.
Sale of books	Students obtain control of products when the books are delivered to and have been accepted by them. Invoices are generated and revenue is recognized at that point in time.	Revenue is recognized when the Group satisfies its performance obligation which is upon receipt and acknowledgement of books by the students.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):**3 r) Critical accounting judgments and key sources of estimation uncertainty:**

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgements, 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 the 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 recognized 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.

Going concern

Management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. The Group has been profitable, and it had positive net assets, working capital and cash flow positions as at the year end. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on a going concern basis.

Useful lives, residual values and related depreciation charges of property and equipment

Management determines the estimated useful lives and residual values of its property and equipment to calculate the depreciation. This estimate is determined after considering the expected usage of the asset and intangibles, physical wear and tear. Management reviews the residual value and useful lives annually. Future depreciation charge would be adjusted where management believes the useful lives differ from previous estimates.

Useful lives of intangible assets

Management determines the estimated useful lives of its intangible assets for calculating amortization. This estimate is determined based on the expected pattern of consumption of future economic benefits embodied in the assets.

Lease period

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 are only included in lease term if the lease is reasonably certain to be extended. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the leases. During the year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was an increase in recognized lease liabilities and right-of-use assets.

Impairment of financial assets

The Group's management reviews periodically items classified as receivables to assess whether a provision for impairment should be recorded in the statement of profit or loss and other comprehensive income. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Goodwill

Management tests annually whether goodwill has endured any impairment, in accordance with the accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in use calculations. These calculations required the use of estimates.

Impairment of inventories

Inventories are held at the lower of cost and net realizable value. When inventories become old, unusable or obsolete, an estimate is made of their net realizable value. For individual 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 aging or obsolescence, based on historical selling price.

Provision for employees' end of service benefits

Management has measured the Group's obligation for the post-employment benefits of its employees based on the provisions of the relevant labor laws.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED):**3 r) Critical accounting judgments and key sources of estimation uncertainty (Continued):****Provision for employees' end of service benefits (Continued)**

Management does not perform an actuarial valuation as required by International Accounting Standard 19 "Employee Benefits" as it estimates that such valuation does not result to a significantly different level of provision. The provision is reviewed by management at the end of each year, and any change to the projected benefit obligation at the year-end is adjusted in the provision for employees' end of service benefits in the profit or loss.

Contingent liabilities

Contingent liabilities are determined by the likelihood of occurrence or non-occurrence of one or more uncertain future events. Assessment of contingent liabilities is tightly connected with development of significant assumptions and estimates relating to the consequences of such future.

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

4. PROPERTY AND EQUIPMENT:

	Buildings QAR	Machinery and equipment QAR	Computer equipment QAR	Motor vehicles QAR	Furniture and fixtures QAR	Sign boards QAR	Leasehold improvements QAR	Learning resources QAR	Capital work in progress QAR	Total QAR
Cost:										
Balance at September 01, 2023	98,565,715	5,101,109	6,637,935	3,001,703	10,593,917	454,712	9,141,207	4,003,057	4,349,804	141,849,159
Additions during the year	-	356,772	1,402,289	-	66,705	6,900	-	132,483	-	1,965,149
Balance at August 31, 2024	98,565,715	5,457,881	8,040,224	3,001,703	10,660,622	461,612	9,141,207	4,135,540	4,349,804	143,814,308
Additions during the year	200,000	104,695	1,152,395	285,000	94,540	-	-	190,122	2,159,292	4,186,044
Balance at August 31, 2025	98,765,715	5,562,576	9,192,619	3,286,703	10,755,162	461,612	9,141,207	4,325,662	6,509,096	148,000,352
Accumulated depreciation:										
Balance at September 01, 2023	29,928,754	4,942,240	5,733,893	2,883,874	8,989,726	242,525	7,693,794	2,725,372	-	63,140,178
Charge for the year (Note 4 a)	1,123,556	31,430	323,955	22,756	278,530	20,130	563,085	263,422	-	2,626,864
Balance at August 31, 2024	31,052,310	4,973,670	6,057,848	2,906,630	9,268,256	262,655	8,256,879	2,988,794	-	65,767,042
Charge for the year (Note 4 a)	1,055,891	46,712	578,695	49,663	271,998	53,190	535,384	275,276	-	2,866,809
Balance at August 31, 2025	32,108,201	5,020,382	6,636,543	2,956,293	9,540,254	315,845	8,792,263	3,264,070	-	68,633,851
Net book value:										
At August 31, 2024	67,513,405	484,211	1,982,376	95,073	1,392,366	198,957	884,328	1,146,746	4,349,804	78,047,266
At August 31, 2025	66,657,514	542,194	2,556,076	330,410	1,214,908	145,767	348,944	1,061,592	6,509,096	79,366,501
Depreciation rates	2.50%	10%	16.67%	12.50%	7.60% - 10%	16.67%	10% - 12.50%	12.50%		

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

4. PROPERTY AND EQUIPMENT (CONTINUED):

4 a) Depreciation charges for the year was presented in the consolidated statement of profit or loss and other comprehensive income as follows:

	Year ended August 31,	
	2025	2024
	QAR	QAR
Cost of operations (Note 16)	2,068,914	1,847,857
General and administrative expenses (Note 18)	797,895	779,007
Total	2,866,809	2,626,864

5. INTANGIBLE ASSETS AND GOODWILL:

Goodwill (Note 5 a)
Trademark (Note 5 b)
Course development cost (Note 5 c)
Franchise rights (Note 5 c)
Learners enrolment (Note 5 e)
Total

	August 31,	
	2025	2024
	QAR	QAR
Goodwill (Note 5 a)	96,520,330	96,520,330
Trademark (Note 5 b)	17,210,000	17,210,000
Course development cost (Note 5 c)	3,844,244	4,330,124
Franchise rights (Note 5 c)	86,985,911	89,621,847
Learners enrolment (Note 5 e)	15,847,175	15,847,175
Total	220,407,660	223,529,476

5 a) Allocation of goodwill to cash generating units (CGUs) for impairment testing purposes under IAS 36. For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs as follows:

	August 31,	
	2025	2024
	QAR	QAR
Doha Academy W.L.L. (DA)	74,896,979	74,896,979
Al Faleh Group for Educational and Academic Services W.L.L. (AFGEASW)	21,623,351	21,623,351
Balance at the end of the year	96,520,330	96,520,330

5 b) Allocation of trademark of cash generating unit for impairment.

Trademark, amounting to QAR 17,210,000 is attributable to Doha Academy W.L.L. a CGU acquired in the past through business combination.

5 c) Amortization of intangible assets with finite useful life:

	Franchise rights QAR	Course development cost QAR	Total QAR
Cost:			
Balance at September 01, 2023	115,306,000	4,858,798	120,164,798
Balance at August 31, 2024	115,306,000	4,858,798	120,164,798
Balance at August 31, 2025	115,306,000	4,858,798	120,164,798

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

5. INTANGIBLE ASSETS AND GOODWILL (CONTINUED):

5 c) Amortization of intangible assets with finite useful life (Continued):

	Franchise rights QAR	Course development Cost QAR	Total QAR
Accumulated amortization:			
Balance at September 01, 2023	23,048,215	47,549	23,095,764
Amortization (Note 16)	2,635,937	481,125	3,117,062
Balance at August 31, 2024	25,684,152	528,674	26,212,826
Amortization (Note 16)	2,635,937	485,880	3,121,817
Balance at August 31, 2025	28,320,089	1,014,554	29,334,643
Carrying amounts:			
At August 31, 2024	89,621,848	4,330,124	93,951,972
At August 31, 2025	86,985,911	3,844,244	90,830,155

6. LEASES:

6 a) Right-of-use-asset

Cost:

	August 31,	
	2025	2024
	QAR	QAR
Balance at the beginning of the year	57,649,731	57,490,387
Additions during the year	884,162	8,320,856
Adjustment during the year	1,422,172	-
Disposals during the year	(1,957,688)	(8,161,512)
Balance at the end of the year	57,998,377	57,649,731

Accumulated depreciation:

Balance at the beginning of the year	31,767,498	26,825,906
Charge for the year (Note 18)	13,345,221	13,103,107
Adjustment during the year	1,064	-
Disposals during the year	(1,957,688)	(8,161,515)
Balance at the end of the year	43,156,095	31,767,498

Net book value:

Balance at the end of the year	14,842,282	25,882,233
---------------------------------------	-------------------	-------------------

6 b) Lease liabilities

	August 31,	
	2025	2024
	QAR	QAR
Balance at the beginning of the year	27,788,705	32,804,116
Lease liabilities incurred during the year	884,162	7,730,277
Finance cost (Note 19)	1,350,949	2,037,112
Adjustment during the year	1,073,426	-
Finance cost paid	(1,350,949)	(2,037,112)
Repayment of principle	(13,707,870)	(12,745,688)
Balance at the end of the year	16,038,423	27,788,705

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

6. LEASES (CONTINUED):

6 c) The Group entered into a lease contract with a related party for the lease of college premises. These lease liabilities are repayable by a rental obligation which varies based on the terms of contracts, and usually for a period between 2 to 5 years, bears an implicit interest rate of 6% per annum, and is effectively secured as the right to the leased asset revert to the lessor in the event of default.

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

	August 31,	
	2025	2024
	QAR	QAR
Non-current	6,433,950	14,276,200
Current	9,604,473	13,512,505
Total	16,038,423	27,788,705

6 d) The maturity analysis of the contractual undiscounted cash flows of lease liabilities is as follows:

	August 31,	
	2025	2024
	QAR	QAR
No later than 1 year	10,270,653	21,051,156
Later than 1 year and no later than 5 years	9,292,671	10,252,973
Total undiscounted lease liabilities at	19,563,324	31,304,129
Future finance charges of finance leases	(3,524,901)	(3,515,424)
Lease liabilities at the end of the year	16,038,423	27,788,705

7. INVENTORIES:

	August 31,	
	2025	2024
	QAR	QAR
Books and stationery stocks	1,451,197	1,602,102
Total	1,451,197	1,602,102

8. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES:

	August 31,	
	2025	2024
	QAR	QAR
Accounts receivable		
Accounts receivable (Note 8 a)	7,838,586	5,390,166
Less: Allowance for impairment of receivables (Note 8 b)	(1,790,855)	(1,799,548)
Net accounts receivable	6,047,731	3,590,618
Other receivables		
Prepayments and advances	163,925	118,911
Refundable deposits	169,335	170,624
Other receivable	9,061,748	6,468,988
Total	15,442,739	10,349,141

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

**NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

8. ACCOUNTS RECEIVABLE AND OTHER DEBIT BALANCES (CONTINUED):

	August 31,	
	2025	2024
	QAR	QAR
8 a) The aging of the accounts receivable is as follows:		
i) Aging of neither past due nor impaired Up to 160 days	<u>3,170,684</u>	<u>1,654,416</u>
ii) Aging of past due but not impaired 161 - 360 days	<u>2,877,047</u>	<u>1,936,202</u>
iii) Aging of past due impaired Above 360 days	<u>1,790,855</u>	<u>1,799,548</u>
Total	<u>7,838,586</u>	<u>5,390,166</u>

8 b) Movement in allowance for impairment of receivables is presented as follows:

	August 31,	
	2025	2024
	QAR	QAR
Balance at the beginning of the year	1,799,548	3,197,487
Reversals for impairment of receivables during the year	-	(1,078,675)
Write off during the year	(8,693)	(319,264)
Balance at the end of the year	<u>1,790,855</u>	<u>1,799,548</u>

8 c) The Group always measures the loss allowance for accounts receivable at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Accordingly, management believes that there is no further credit provision required in excess of the existing provision for doubtful debts. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

9. CASH AND BANK BALANCES:

	August 31,	
	2025	2024
	QAR	QAR
Cash in hand	34,159	292,337
Cash at bank - Current accounts	7,407,415	3,929,066
Cash at bank - Prepaid credit card	90,403	-
Cash at bank - Guarantee deposits	587,625	585,625
Cash at bank - Cash margin held against bank guarantee	3,000	-
Total	<u>8,122,602</u>	<u>4,807,028</u>

9 a) For the purpose of cash flows statement, the amount of cash and cash equivalents is presented as follows:

	August 31,	
	2025	2024
	QAR	QAR
Total cash and cash equivalents	8,122,602	4,807,028
Less: Bank overdraft (Note 9 b)	(2,828,626)	(6,357,601)
Less: Cash at bank - Guarantee deposits	(590,625)	(503,000)
Net cash and cash equivalents	<u>4,703,351</u>	<u>(2,053,573)</u>

AL FALEH EDUCATIONAL HOLDING Q.P.S.C.

**NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

9. CASH AND BANK BALANCES (CONTINUED):

9 b) In 2025, Doha Academy W.L.L., obtained a Commodity Murabaha Facility from the Dukhan Bank to cover the operating expenses, which carries a profit rate at 6.55% per annum. The loan is repayable in 12 months, and the last instalment payment date is March 31, 2026. The loan is secured by various corporate guarantees.

10. SHARE CAPITAL:

The Group's issued share capital and fully paid is QAR 240,000,000 (240 million ordinary shares of 1 QAR per share).

	August 31,	
	2025	2024
	QAR	QAR
Authorized and issued, 240,000,000 ordinary shares	240,000,000	240,000,000
	<u>240,000,000</u>	<u>240,000,000</u>

11. LEGAL RESERVE:

In accordance with Qatar Commercial Companies' Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 ("amended QCCL) and the Company's Articles of Association, 10% of net income for the year is required to be transferred to the legal reserve until the reserve equals 50% of the paid capital. This reserve is not available for distribution except in circumstances stipulated in the amended QCCL.

12. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS:

	August 31,	
	2025	2024
	QAR	QAR
Balance at the beginning of the year	4,031,319	3,488,399
Provision for the year (Note 12 a)	1,195,612	1,031,487
Payments made during the year	(579,391)	(488,567)
Balance at the end of the year	<u>4,647,540</u>	<u>4,031,319</u>

12 a) Provision for employees' end of service benefits for the year was presented in the consolidated statement of profit or loss and other comprehensive income as follows:

	Year ended August 31,	
	2025	2024
	QAR	QAR
Cost of operations (Note 16)	929,938	704,752
General and administrative expenses (Note 18)	265,674	326,735
Total	<u>1,195,612</u>	<u>1,031,487</u>

NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

13. BANK LOANS AND BORROWING:

	August 31,	
	2025	2024
	QAR	QAR
Dukhan bank - Commodity Murabaha facility (Note 13 a)	1,461,058	-
Dukhan bank - Commodity Murabaha facility (Note 13 b)	13,928,056	-
Dukhan bank - Commodity Murabaha facility (Note 13 c)	5,000,000	-
Dukhan bank - Commodity Murabaha facility (Note 13 d)	9,310,886	-
Qatar Development Bank - Tawarruq facility (Note 13 e)	1,023,834	-
Qatar Development Bank - Tawarruq facility (Note 13 f)	1,023,834	-
Qatar Development Bank - Tawarruq facility (Note 13 f)	1,023,834	-
Qatar Development Bank - Tawarruq facility (Note 13 g)	294,828	-
Murabaha term loan	-	2,653,565
Term loan	-	226,710
Term loan	-	1,063,138
Term loan	-	12,930,000
Total	33,066,330	16,873,413

13 a) In 2025, Doha Academy W.L.L., obtained a Commodity Murabaha Facility from the Dukhan bank to settle the financial obligations, which carries a profit rate at 6.4% per annum. The loan is repayable in 123 months, and the last instalment payment date is July 17, 2035. The loan is secured by various corporate guarantees.

13 b) In 2025, Doha Academy W.L.L., obtained a Commodity Murabaha Facility from the Dukhan bank to settle the financial obligations, which carries a profit rate at 6.4% per annum. The loan is repayable in 123 months, and the last instalment payment date is July 17, 2035. The loan is secured by various corporate guarantees.

13 c) In 2025, Doha Academy W.L.L., obtained a Commodity Murabaha Facility from the Dukhan bank to settle the financial obligations, which carries a profit rate at 6.4% per annum. The loan is repayable in 122 months, and the last instalment payment date is July 17, 2035. The loan is secured by various corporate guarantees.

13 d) In 2025, Doha Academy W.L.L., obtained a Commodity Murabaha Facility from the Dukhan bank for capital expenditure purposes, which carries a profit rate at 6.4% per annum. The loan is repayable in 132 months, and the last instalment payment date is May 04, 2036. The loan is secured by various corporate guarantees.

13 e) In 2025, Doha Academy W.L.L., obtained a Tawarruq facility from the Qatar Development Bank to cover the operating expenses, which carries a profit rate at 0% per annum. The loan is repayable in 24 months. The loan is secured by the personal guarantee of the Chairperson and a corporate guarantee.

13 f) In 2025, Doha Academy W.L.L., obtained a Tawarruq facility from the Qatar Development Bank to cover the operating expenses, which carries a profit rate at 0% per annum. The loan is repayable in 24 months. The loan is secured by the personal guarantee of the Chairperson and a corporate guarantee.

13 g) The AFG college obtained an Islamic banking facility on May 29, 2025, for an amount of QAR 589,651, at a Zero percent (0%) interest rate. Fixed drawdown will be automated on a monthly basis amount to QAR. 98,276. Loan should be repaid within 24 months from the date of signature of the agreement, inclusive of 12 months grace period.

13 h) The interest-bearing borrowings are presented in the consolidated statement of financial position as follows:

	August 31,	
	2025	2024
	QAR	QAR
Non-current	27,962,695	12,472,373
Current	5,103,635	4,401,040
Total	33,066,330	16,873,413

NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

13. BANK LOANS AND BORROWING (CONTINUED):

13 i) The maturity analysis of the contractual undiscounted cash flows of loans and borrowings are as follows:

	August 31,	
	2025	2024
	QAR	QAR
No later than 1 year	4,452,859	5,517,167
Later than 1 year	40,547,160	15,094,437
Total undiscounted loans and borrowings at	45,000,019	20,611,604
Future finance charges	(11,933,689)	(3,738,191)
Loans and borrowings at the end of the year	33,066,330	16,873,413

14. ACCOUNTS PAYABLE AND OTHER CREDIT BALANCES:

	August 31,	
	2025	2024
	QAR	QAR
Advances received from customers	4,569,864	14,577,572
Accounts payable	1,801,050	6,908,258
Other taxes payable	1,661,578	1,661,578
Other credit balances	330,804	1,102,774
Accrued expenses	1,483,536	1,079,717
Social and sports fund payables	350,664	310,212
Staff payable	151,150	218,353
Differed revenue	237,000	-
Total	10,585,646	25,858,464

15. REVENUE:

	Year ended August 31,	
	2025	2024
	QAR	QAR
Tuition fee	99,434,074	100,440,040
Books	6,193,691	7,808,235
International examination	1,683,830	1,905,225
Registration	693,709	1,434,300
Transport	579,586	603,057
Entrance examination	95,101	223,000
Application	-	77,600
Others	-	17,010
Total	108,679,991	112,508,467

16. COST OF OPERATIONS:

	Year ended August 31,	
	2025	2024
	QAR	QAR
Staff costs	30,711,935	33,720,349
Royalty and visiting (Note 16 a)	9,927,178	12,706,090
Amortization of intangible assets with finite useful life (Note 5)	3,121,817	3,117,062
Short term rent	2,579,690	2,738,800
Charges in books	3,057,497	2,505,589
Depreciation of property and equipment (Note 4 a)	2,068,914	1,847,857
Provision for employees' end of service benefits (Note 12 a)	929,938	704,752
Other	28,467	157,475
Total	52,425,436	57,497,974

NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

16. COST OF OPERATIONS (CONTINUED):

16 a) The Group entered into a licensing agreement with the University of Aberdeen wherein the Group used the latest learning materials, resources, and curriculum for AFG College. In exchange, the Group will pay 25% of the fee income of the AFG College as royalty and additional charges for faculty visits. This includes the withholding tax related to the royalty expense.

17. OTHER INCOME:

	Year ended August 31,	
	2025	2024
	QAR	QAR
Other miscellaneous income	1,108,268	162,328
Graduation income	58,565	41,030
Sponsorship income	25,000	80,000
Sale of books	5,300	14,535
Reversal of impairment provision	-	1,078,675
Foreign exchange gain	-	1,132,917
Total	1,197,133	2,509,485

18. GENERAL AND ADMINISTRATIVE EXPENSES:

	Year ended August 31,	
	2025	2024
	QAR	QAR
Staff costs	14,129,552	16,139,496
Depreciation of right-of-use assets (Note 6)	13,345,221	13,103,107
Legal and professional fees	3,149,089	3,047,762
Cleaning and facility management expenses	2,353,043	2,856,881
Others expenses	1,607,141	1,272,279
Utilities expenses	1,053,382	598,285
Depreciation of property and equipment (Note 4 a)	797,895	779,007
Bank charges	780,745	823,630
Advertisement expenses	553,468	636,105
Graduation expenses	597,875	603,425
Examination expenses	534,058	576,987
Repairs and maintenance expenses	409,897	473,206
Provision for employees' end of service benefits (Note 12 a)	265,674	326,735
Communication expenses	184,924	184,460
Printing and stationery expenses	165,841	172,150
Insurance expenses	130,791	154,144
Travelling expenses	144,522	-
Total	40,203,118	41,747,659

19. NET FINANCE COST:

	Year ended August 31,	
	2025	2024
	QAR	QAR
Finance cost on lease liability (Note 6 b)	1,350,949	2,037,112
Finance cost on loans and borrowings	1,597,256	1,040,591
Total	2,948,205	3,077,703

NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

20. BASIC EARNINGS PER SHARE:

	Year ended August 31,	
	2025	2024
	QAR	QAR
Profit attributable to the shareholders of the Company	14,026,553	12,403,607
Weighted average number of shares as at August 31,	240,000,000	240,000,000
Basic earnings per share	0.058	0.052

21. COMMITMENTS AND CONTINGENCIES:

There are no material commitments and contingencies existing as of the reporting date, except for the following:

	August 31,	
	2025	2024
	QAR	QAR
Payment guarantee	556,000	503,000
Margin guarantee	50,000	-
Post dated cheques payable	34,879,113	8,262,000

22. FINANCIAL RISK MANAGEMENT:

The Group has exposure to the following risks arising from financial instruments:

- 22 a) Credit risk
- 22 b) Liquidity risk
- 22 c) Market risk
- 22 d) Interest rate risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements. Management has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analysed the risks faced by the Group and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

22 a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The carrying amount of financial assets represents the maximum credit

The tables below detail the credit exposure of the Group's financial assets:

	August 31,	
	2025	2024
	QAR	QAR
Account receivables and other debit balances (Note 8)	15,278,814	10,230,230
Cash at banks (Note 9)	8,088,443	4,514,691
Total	23,367,257	14,744,921

The Group limits its exposure to credit risk from trade receivables by:

- i) Evaluating the creditworthiness of each counter-party prior to entering into contracts;
- ii) Establishing sale limits for each customer, which are reviewed regularly;
- iii) Establishing maximum payment periods for each customer, which are reviewed regularly; and
- iv) Periodically reviewing the collectability of its trade receivables for identification of any impaired amounts.

22. FINANCIAL RISK MANAGEMENT (CONTINUED):

22 a) Credit risk (Continued)

Measurement of ECLs

The table in note 8 a) to the financial statements provides information about exposure to credit risk and ECL for trade and other debit balances as at August 31, 2025 and 2024.

Cash at banks

The Group's cash at bank is held with banks that are independently rated by credit rating agencies.

	August 31,	
	2025	2024
	QAR	QAR
Cash at banks (Note 9)	8,088,443	4,514,691

The Group's bank deposits are held with credit worthy and reputable banks with high credit ratings. As a result, management believes that credit risk in respect of these balances is immaterial.

22 b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Management's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below summarizes the contractual undiscounted maturities of the Group's financial liabilities at the reporting date.

August 31, 2025

	Contractual cash flows		
	Gross carrying amount	Within one year	1-5 years
	QAR	QAR	QAR
Non-derivative financial liabilities			
Bank overdrafts (Note 9 a)	2,828,626	2,828,626	-
Bank loans and borrowings (Note 13 i)	45,000,019	4,452,859	40,547,160
Lease liabilities (Note 6 d)	19,563,324	10,270,653	9,292,671
Account and other payables excluding advances (Note 14)	6,015,782	6,015,782	-
Total	70,579,125	20,739,294	49,839,831

August 31, 2024

	Contractual cash flows		
	Gross carrying amount	Within one year	1-5 years
	QAR	QAR	QAR
Non-derivative financial liabilities			
Bank overdrafts (Note 9 a)	6,357,601	6,357,601	-
Bank loans and borrowings (Note 13 i)	20,611,604	5,517,167	15,094,437
Lease liabilities (Note 6 d)	31,304,129	21,051,156	10,252,973
Account and other payables excluding advances (Note 14)	11,280,892	11,280,892	-
Total	69,554,226	44,206,816	25,347,410

22. FINANCIAL RISK MANAGEMENT (CONTINUED):

22 c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

22 d) Interest rate risk

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

Interest rate sensitivity analysis

The Company is exposed to interest rate risk mainly on bank borrowing and overdrafts. A 1% increase or decrease is used when reporting interest rate risk to key management personnel and represents management's assessment of the reasonably possible change in interest rates. If the interest rates had been 1% higher/lower and all other variables were held constant, the Company's net income would be impacted as follows:

	August 31,	
	2025	2024
	QAR	QAR
Bank overdrafts (Note 9 a)	2,828,626	6,357,601
Bank loans and borrowings (Note 13)	33,066,330	16,873,413
Total bank exposure subject to interest rate risk	35,894,956	23,231,014
1% increase / decrease effect on net income	358,950	232,310

23. CAPITAL RISK MANAGEMENT:

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of invested capital. The capital structure of the Group consists of equity, comprising share capital, capital contribution, legal reserves and retained earnings.

24. EVENTS AFTER THE REPORTING PERIOD:

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the consolidated financial statements.

25. FAIR VALUES OF FINANCIAL INSTRUMENTS:

Financial instruments include financial assets and liabilities.

Financial assets consist of bank balances and cash, account receivable and other debit balances. Financial liabilities consist of accounts payable and other credit balances, accrued expenses and bank loans and borrowing.

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

26. COMPARATIVE FIGURES:

Certain amounts in the comparative figures of the consolidated financial statements and notes to the consolidated financial statements have been reclassified to conform to the current year's presentation. Management believes that reclassification resulted to a better presentation of accounts and did not have any significant impact on prior year's net income.



الـفـالـح
التعليمية القابضة
AL FALEH
EDUCATIONAL HOLDING

www.alfaleh.edu.qa