

Detailed analysis of accumulated losses

This form has been prepared in accordance with the disclosure requirements included in the SCA Board of Directors' Decision No. (32/R.M.) of 2019 concerning procedures for companies whose shares are listed on the market, and whose accumulated losses amount to (20%) or more of their paid-up capital. Listed Companies are required to comply with the provisions of the decision as soon as their accumulated losses reach (20%) or more of their paid-up capital.

Date:	18 Aug 2025
Name of the Listed Company:	The National Investor PrJSC
Define the period of the financial statements:	For the six months period ended 30 June 2025
Value of the Accumulated losses:	AED'000 72,362
Accumulated losses to paid-up capital ratio (%):	30.8%
The main reasons for the accumulated losses and the period in which these losses began:	1) During the year 2022, the Group recognized an impairment loss amounting to AED 8.9M on its investment in National Catering Company after performing an evaluation of the recoverable amount of its investment based on the latest performance and financial position of the investee Group. This impairment loss is recognized in the consolidated statement of profit or loss for the year. Subsequently, and during the year 2023, the Group recognized a further impairment loss amounting to AED 8.2M on its investment in National Catering Company. Please refer to Note 7 of the audited financial statements for the year 2023. Furthermore, during the year 2024, the Group had sold its investment in associate of National Catering Company Holding LLC for a total consideration of AED 25M and had recognized a loss on sale amounting to AED 4.9M. This loss is recognized in the consolidated statement of profit or loss for the year. Please refer to Note 7 of the financial statements audited for the year 2024. 2) During the year 2022, the Group recognized an impairment loss on one of its property, plant and equipment components pertaining to Metropolitan Al Mafraq Hotel amounting to AED 18.7 M. This impairment was based on a DCF model prepared by an independent external valuator engaged by the Group. Please refer to Note 5 of the audited financial statements for the year 2023. No impairment was recognized for the year 2024 and the second Quarter of 2025. 3) During the year 2022, the Group sold the plot of land located in Masdar for a total consideration of AED 14.6M. The book value of the property is AED 16.7 M and this transaction resulted in a loss of AED 2.1M which was recognized in the consolidated statement of profit or loss as part of the loss for the year from discontinued operations. Please refer to Notes 32 of the audited financial statements for the year 2023 - losses from discontinued operations. 4) During the year 2024, the Group sold the offices floor of Sky Tower Building located in Al Reem Island for a total consideration of AED 24M. The book value of the property is AED 28.7M and this transaction resulted in a loss of AED 4.7M, which is recognized in the consolidated statement of profit or loss as part of the loss for the year 2024.

	5) During the year 2024, the Group recognized a fair value loss on its investment in sukuk amounting to AED 1.6M (31 December 2023: AED 0.4M) based on the recent pricing from the issuer, Finance House Capital PJS. 6) During the period ended 30 June 2025, the accumulated losses to share capital ratio decreased to 30.8% (31 December 2024: 31.7%), mainly attributed to the increased Fee and Service Income (Revenue from hotel operations) in Note 5 on the financial statements for the period ended 30 June 2025.
Summary of the steps and initiatives undertaken by the Company to address the accumulated losses:	The Group will implement the following measures to address accumulated losses: 1) The group will continue to seek partnerships/ opportunities to either develop or exit its real estate portfolio. 2) The group will continue to manage the cost base at its portfolio companies to minimize overheads. 3) The Board at each portfolio company has reviewed the organization structure and proposed leadership changes to the revenue generating units. This initiative is expected to enhance the top line performance over time. This measure has already taken place at Metropolitan Al Mafraq Hotel. 4) Participate in new IPO listings in the UAE to realize trading gains that are accounted for through the statement of income. Management is optimistic that these aforementioned key measures along with other strategic initiatives will assist in preserving the group's equity base from any further depletion.

The Name of the Authorized Signatory	Mera Abouyoussef
Designation	Financial Controller
Signature and Date	18 August 2025 

