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:	**22 April 2024**
Name of the Listed Company:	**The National Investor PrJSC**
Define the period of the financial statements:	**For the 12 months year-ended 31 December 2023**
Value of the Accumulated losses:	**AED'000 63,493**
Accumulated losses to paid-up capital ratio (%):	**22.3%**
The main reasons for 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. 2) During the year 2022, the Group recognized an impairment loss on one of its property, plant and equipment components pertaining to Al Mafraq Hotel amounting to AED 18.7M. 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. 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 16.7M 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 Note 32 of the audited financial statements - losses from discontinued operations.
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 Mafraq Hotel and National Catering Group. 4. Participate in new IPO listings in the UAE to realize trading gains that are accounted for through the statement of income. 5. For our commercial office space at Sky Tower that we own, we actively monitor and review the yield profile and seek to improve it based on market trends. 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	Rami Hurieh
Designation	Managing Director
Signature and Date	22 April 2024
Company's Seal	المستثمر الوطني The National Investor