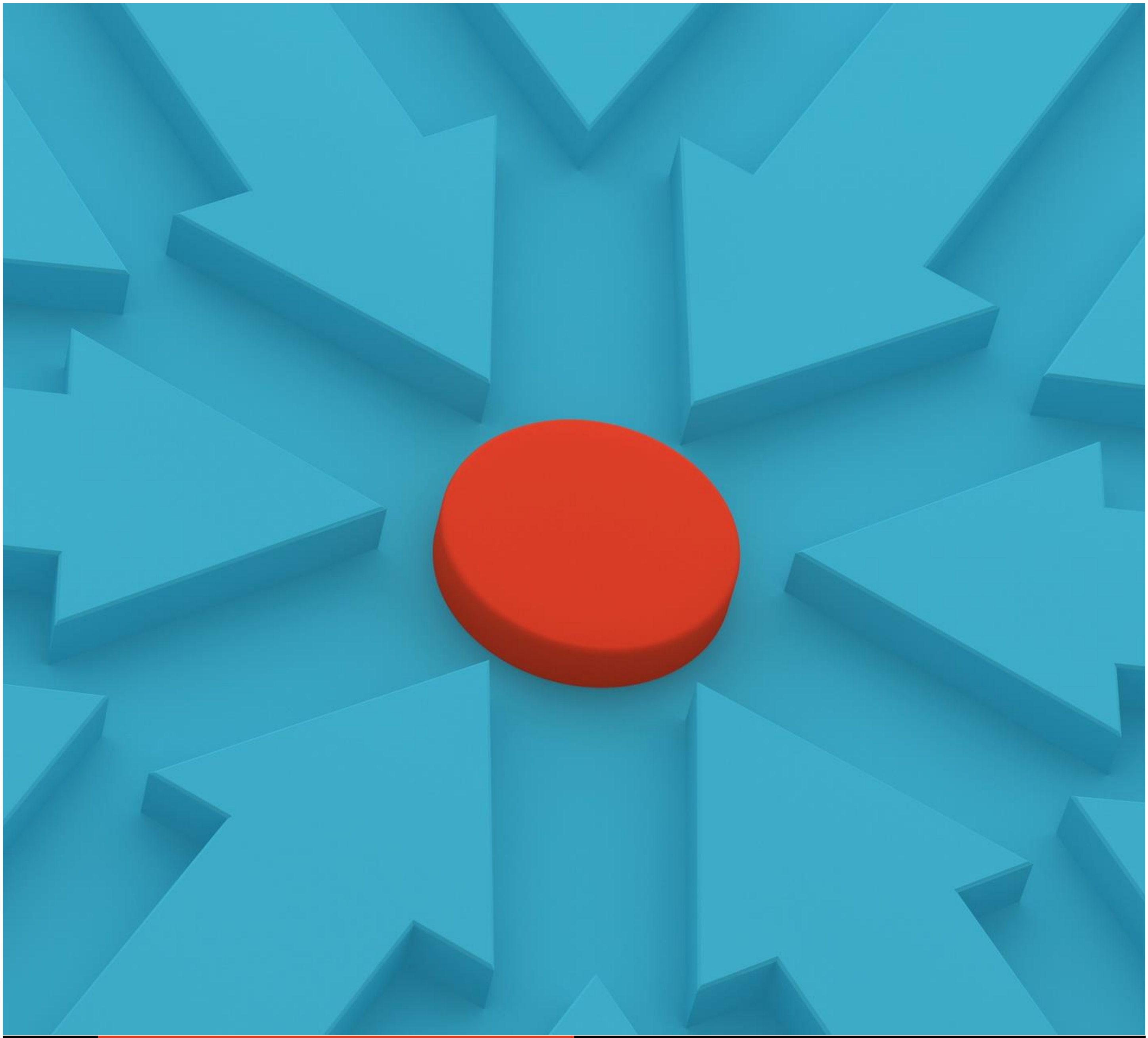


MIGHTY WARNERS GLOBAL CAPITAL

BUSINESS PLAN

AN INVESTMENT BANK IN DUBAI, UAE

Contents

Executive Summary

UAE's banking assets are expected to grow by between 8 percent and 10 percent in 2022 as the second-biggest Arab economy continues to recover from the pandemic-driven slowdown and reap the benefits of hosting Expo 2020 Dubai, according to the chairman of UAE Banks Federation. The change of outlook to stable from negative takes into account the expectation of ongoing recovery in the UAE's operating environment. The rating agency expects, the overall UAE real GDP to grow by 2.8 percent and 5.4 percent during 2021 and 2022 respectively, from a 6.1 percent decline during 2020.

At its core, the current strategy involves maintaining the financial profile and enhancing the business profile. To this end, the Bank shall adjust its business model and seek to achieve a stronger business profile through faster operational growth, to facilitate the achievement of its operational strategic goals.

The primary goal of Mighty Warners Global Capital is to achieve higher development and regional cooperation impact, while speeding up the expansion of its portfolio, under its Base Case Scenario of Growth to achieve a portfolio of AED 2.1 billion outstanding and AED 2.3 – AED 2.4 billion signed operations by end 2022. This would represent average annual portfolio growth of around 12%, greater than the 8.7% average annual growth achieved over the last decade.

The Bank intends to achieve this growth primarily via the provision of financing for infrastructure development, which will entail increasing its cooperation with the public sector. This represents a change of direction relative to the majority of Bank financing since its inception, which has gone to private sector clients, largely because that is from where demand for Bank financing has come.

For this shift to higher public sector lending to occur, the development of infrastructure projects which form the core of much public investment will be the main priorities of the Bank's growth strategy. Notwithstanding the shift in emphasis, private sector lending will remain a steady and important area of activity. The Bank will finance private infrastructure development as well, while it will continue to provide corporate financing and SME lending through intermediaries. Concerning financing trade, the Bank will continue to provide various trade finance products through specialized banks and agencies. It will also seek to increase its capacity to offer trade finance products directly, subject to a demand for its financing.

Financially, Mighty Warners Global Capital will consider ways to secure a level and structure of its financial resources that would allow it to remain effective and increase relevance. The achievement of long-term positive net income is essential to the Bank's financial sustainability and consistent positive net income levels allow for increases in reserves and thus shareholder funds. Nonetheless, achievement of high portfolio growth may require showing greater flexibility in pricing, in conformity with market trends for public sector operations, something which may result in small fluctuations in net income in the short- run.

For Mighty Warners Global Capital to successfully finance development while preserving financial strength, a series of elements need to be addressed so that they reinforce each other: and improve the Bank's financial position:

(i) Reduce borrowing costs,
(ii) active liquidity portfolio management and cost efficiency in mobilizing short- and long-term market funding, and
(iii) appropriate control of administrative expenses, while securing the necessary capacity to achieve safely the ambitious strategy goal.

Thus, while cognizant that the proposed shift in priority operational activities entails an increase in the risk assumed by the Bank in its portfolio, Mighty Warners Global Capital will maintain high capitalization and other financial ratios, to keep its financial profile extremely strong.

Organizationally, there are many areas where the Bank is well structured, operates smoothly and effectively. Nevertheless, the Bank shall critically assess its organizational structure from a cost-effectiveness and operational efficiency perspective, to eliminate bottlenecks and/or duplication of tasks, streamline activity, enhance intra-departmental cooperation and promote the common goal of fulfilling the mandate of the Bank by focusing on strategic long-term objectives and medium-term goals.

Institutionally, the Bank needs to develop capabilities for conducting ongoing policy dialogue with stakeholders, and intends to expand further its relationship and cooperation with its Observers, other members of the family international financial institutions (IFIs), and more broadly with the global financial community insofar as it relates to the development of interest in and enhancement of the profile.

The Bank operates in fluid market conditions, and in a period of wide-ranging changes that have the potential to affect the international financial system and economic relations, with implications for how it conducts business. Such shifts may affect the ability of the Bank to access capital markets in an affordable and unfettered manner, and therefore would hamper its ability to implement the preferred Base Case Scenario of Growth. Thus, the Bank has also explored a ‘Maintaining Trend’ Scenario, in which the portfolio would grow at an annual average rate of 8.0% and would reach AED 1.8 billion by the end of 2022, as well as a more extreme ‘Fallback’ Scenario, under which conditions might deteriorate, with credit markets becoming highly restrictive, and thus limiting average annual growth to 5% with the outstanding portfolio reaching AED 1.6 billion.

1. Introduction

1.1. Our Mission and Vision Statement

- Our vision is to build an investment bank that will become one of the top choices for investors in the whole of Dubai – UAE.
- Our mission is to position the business to become one of the leading brands in the investment banking line of business in the whole of Dubai, and also to be among the top 10 investment banks in the UAE within the first 15 years of operation.

1.2. Our Business Structure

As part of our plans to build a standard investment bank in Dubai, UAE, we have perfected plans to get it right from the beginning which is why we are going the extra mile to ensure that we want to be qualified, competent, honest, and hardworking employees to occupy all the available positions in our firm. Below is the business structure that we will build Mighty Warners Global Capital;

- Chief Executive Officer
- Investment Banking Officer
- Admin and HR Manager
- Risk Manager
- Marketing and Sales Executive
- Chief Financial Officer (CFO) / Chief Accounting Officer (CAO).
- Customer Care Executive / Front Desk Officer

2. Business Segments

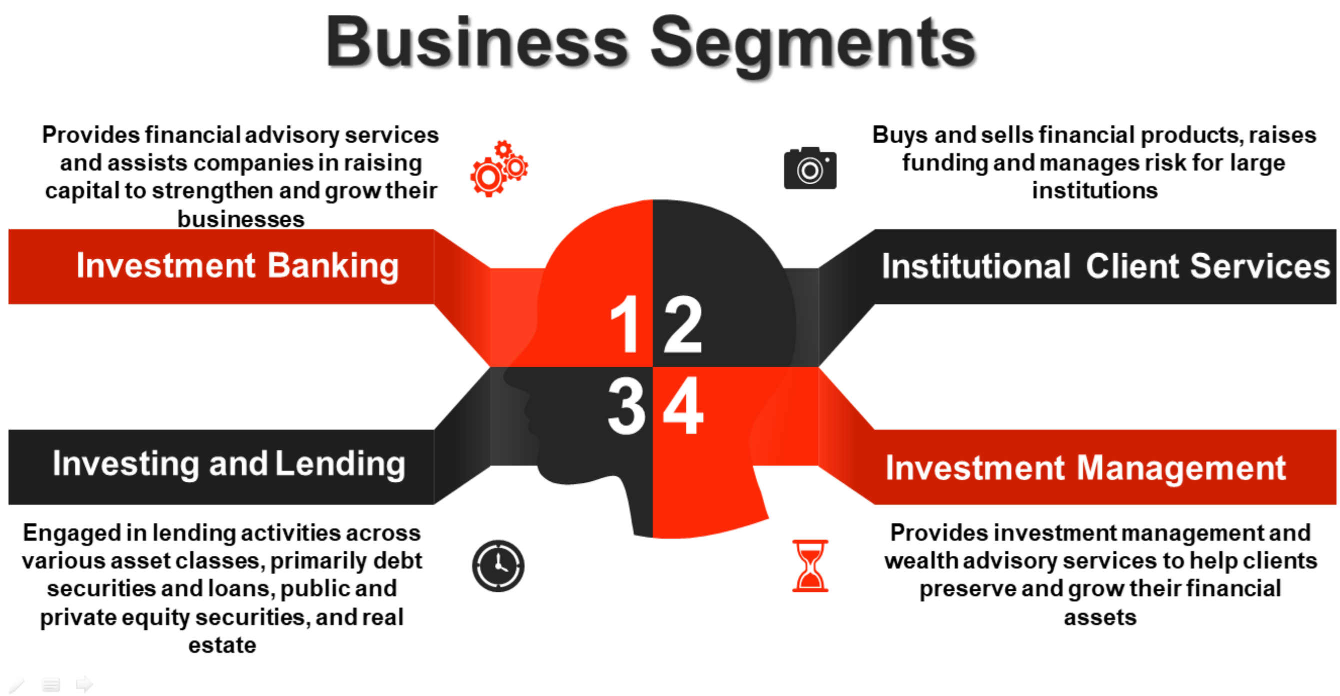
Mighty Warners Global Capital organizes its business into four operating segments

- **Investment Banking**, which provides financial advisory services and assists companies in raising capital to strengthen and grow their businesses, including the provision of debt and equity underwriting services;

- **Institutional Client Services**, which buys and sells financial products, raises funding and manages risk for large institutions;

- **Investing and Lending**, which is engaged in lending activities across various asset classes, primarily debt securities and loans, public and private equity securities, and real estate, and invests directly in publicly and privately traded securities and in loans; and

- **Investment Management**, which provides investment management and wealth advisory services to help clients preserve and grow their financial assets.



2.1. Customer Segments

Mighty Warners Global Capital provides banking and financial services to a range of clients. The Bank's operating segments target a variety of customers segments:

- **Investment Banking,** which serves a range of public and private sector clients worldwide;

- **Institutional Client Services**, which principally serves clients that are professional market participants, including investment entities whose ultimate customers include individual investors investing for their retirement, buying insurance, or putting aside cash in a deposit account.

- **Investing and Lending**, which serves a range of individual and corporate clients; and

- **Investment Management**, which serves institutional clients and high-net-worth individuals.

2.2. Customer Relationships

Mighty Warners Global Capital will not provide services to clients on a self-service basis. The complex nature of its activities requires that the Bank's sales force maintains close relationships with its clients, distributing investment research, trading ideas, and providing market information and analysis to customers regularly. The Bank seeks to establish long-term and closely connected relationships with its clients, providing a bespoke and personalized service.

Mighty Warners Global Capital will provide a range of online resources to its clients, including FAQs and guides, transmitting more in-depth technical information to clients through its press and news releases, market insight reports, speaking events, and regulatory papers. Customers can also contact the Bank directly over the phone and via email to receive personalized assistance and advice.

Customers are also able to interact directly with Mighty Warners Global Capital through its social media accounts, including LinkedIn, Twitter, Google+, and YouTube.

2.3. Key Activities

The Bank organizes its operations into four business segments: Investment Banking, which provides financial advisory services, such as advisory assignments regarding mergers and acquisitions, divestitures, corporate activities, restructurings, and risk management; Institutional Client Services, which facilitates client transactions in fixed income, equity, currency and commodity products; Investing and Lending, which is engaged in certain investing and lending activities across a range of asset classes, primarily debt securities and loans, public and private equity securities, and real estate; and Investment Management, which provides investment and wealth advisory services.

2.4. Key Partners

Mighty Warners Global Capital will utilize the activities of various partners throughout the process of delivering its products and services. These partners include:

- **Academic Partners**, comprising a range of academic institutions such as universities and colleges, as well as research institutes, that assist the Bank in developing products and initiatives;
- **Non-Profit and Advisory Partners**, comprising charitable organizations and advisory bodies that assist the Bank is operating in compliance with relevant regulations and frameworks; and
- **Distribution Partners**, comprising financial service providers that assist in providing certain Mighty Warners Global Capital products and services in several jurisdictions.

2.5. Key Resources

Mighty Warners Global Capital's key resources will be its financial resources, its physical network of offices, its IT infrastructure, its partnerships, and its personnel. The Bank will employ a range of communications and technology systems as a key part of its operations, enabling it to complete financial actions quickly and efficiently.

2.6. Cost Structure

Mighty Warners Global Capital will incur costs in relation to the operation of its physical network of offices, the maintenance of its IT and communications infrastructure, the implementation of market development schemes, the payment of professional and banking fees, and the retention of its personnel.

2.7. Value Created for Stakeholders

Through the initiatives under the new business plan, we will create new value for our stakeholders.

- **Customers:** Create new value in adjacent business areas surrounding finance and achieve increased customer convenience and business growth.
- **Shareholders:** Increase corporate value by resolving structural issues and accelerating growth.
- **Employees:** Create workplaces that give employees a sense of purpose, linked to customer satisfaction.

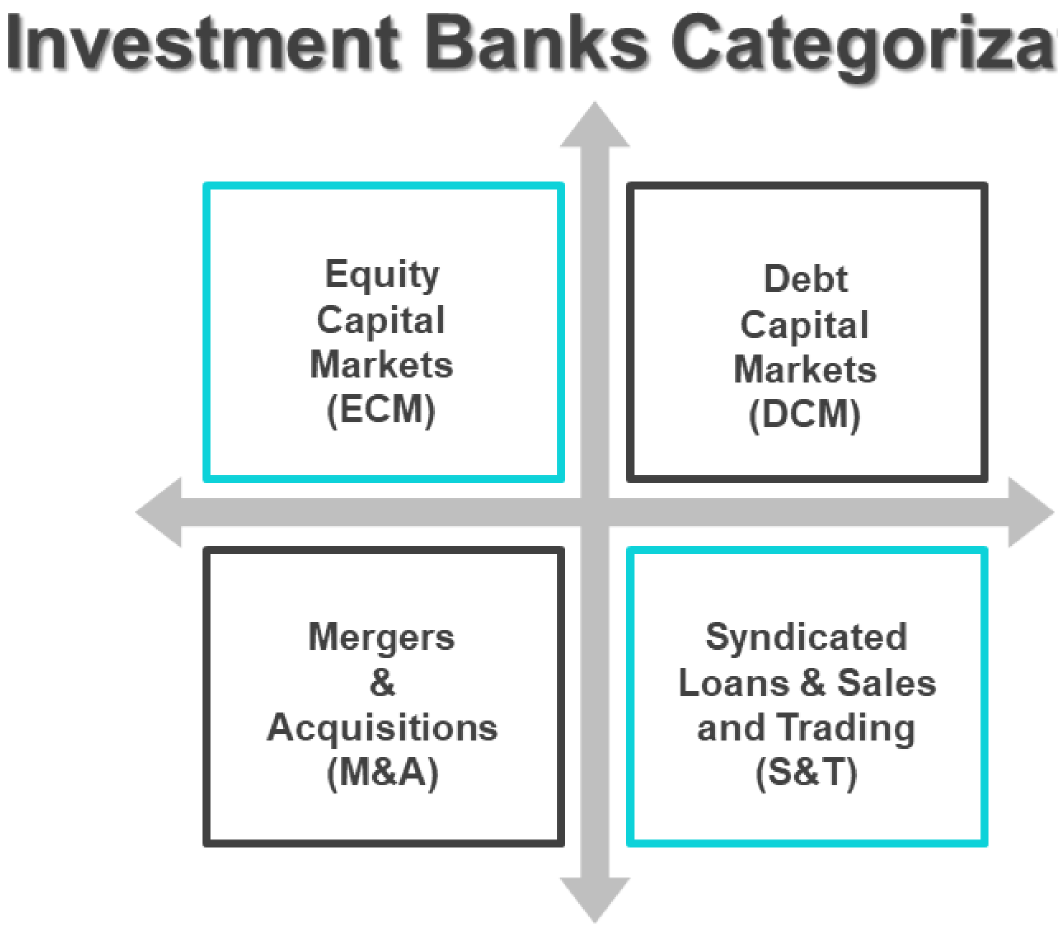
With this in mind, we have defined sustainability for Mighty Warners Global Capital as "achieving sustainable and stable growth for Mighty Warners Global Capital, and through this growth, contributing to the sustainable development and prosperity of the economy, industry, and society around the world". Further, we will select "key sustainability areas" which reflect the expectations and demands of our stakeholders, in light of materiality to and affinity with our strategies, and the medium– to long–term impact on our corporate value.

3. Market Overview

The investment banking market consists of sales (charges on transactions, fees, and commission) of investment banking services by entities (organizations, sole traders, and partnerships) that undertake capital risk in the process of underwriting securities. This market excludes companies acting as agents and/or brokers between buyers and sellers of securities and commodities. These establishments primarily underwrite, originate, and/or maintain markets for the issue of securities as well as offer other corporate finance services. The investment banking market is segmented into mergers & acquisitions advisory; debt capital markets underwriting; equity capital markets underwriting and financial sponsor/syndicated loans.

Investment banks aid companies and government entities to raise finance by selling shares or bonds to investors and to hedge against risks. Services offered by investment banks can be broadly categorized into four areas – Equity Capital Markets (ECM), Debt Capital Markets (DCM), Mergers and Acquisitions (M&A), Syndicated

Loans, and Sales and Trading (S&T). The UAE's classification was upgraded from a frontier market to an emerging market, as a result, effective May 2020, and the UAE was given a weighting of 0.4 percent in the MSCI Emerging Markets Index. This upgraded status of UAE can result in the potential draw of new funds in the UAE equity markets and thus potential high business for the investment banks based in UAE.



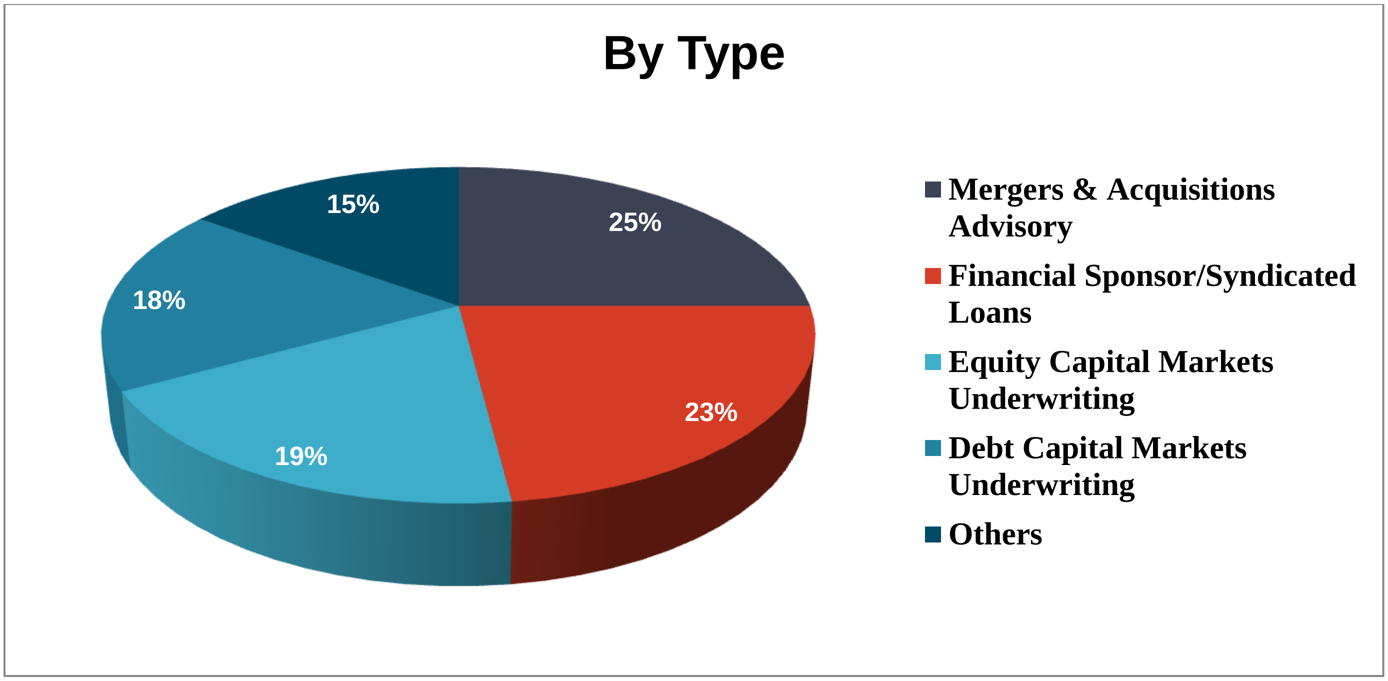
The Investment banking space in the UAE comprises a plethora of services such as Equity Capital markets, Debt Capital markets, Loans, Mergers and Acquisitions, Private Equity, Brokerage, and others. With the focus to diversify away from predominantly oil-based economies, the UAE has started to focus on infrastructure development. The UAE allocation to infrastructure spending is estimated to cross AED 1 trillion by 2030, liberalization of the UAE capital markets and lower oil prices are some of the factors that are likely to impact positively on the investment banking sector.

4. Market Segmentation

The investment banking market has experienced tremendous growth and is expected to maintain its dominance. Investment banking is a division of a financial institution that provides consulting services to governments, corporations, and institutions in the market. It assists several factors such as capital rising for business expansions, projects, initial public offerings (IPOs), and facilitates mergers and acquisitions (M&A) of corporate companies. It serves as middlemen for creditors and businesses in the market. Several investment banks function on primary brokerage and wealth management facilities in coordination with their investment research enterprises. Investment banks provide services to both security-issuing corporations and securities-buying investors. In addition, investment bankers provide additional data for positioning their securities in the open market for companies, an operation that is very critical to the credibility of an investment bank.

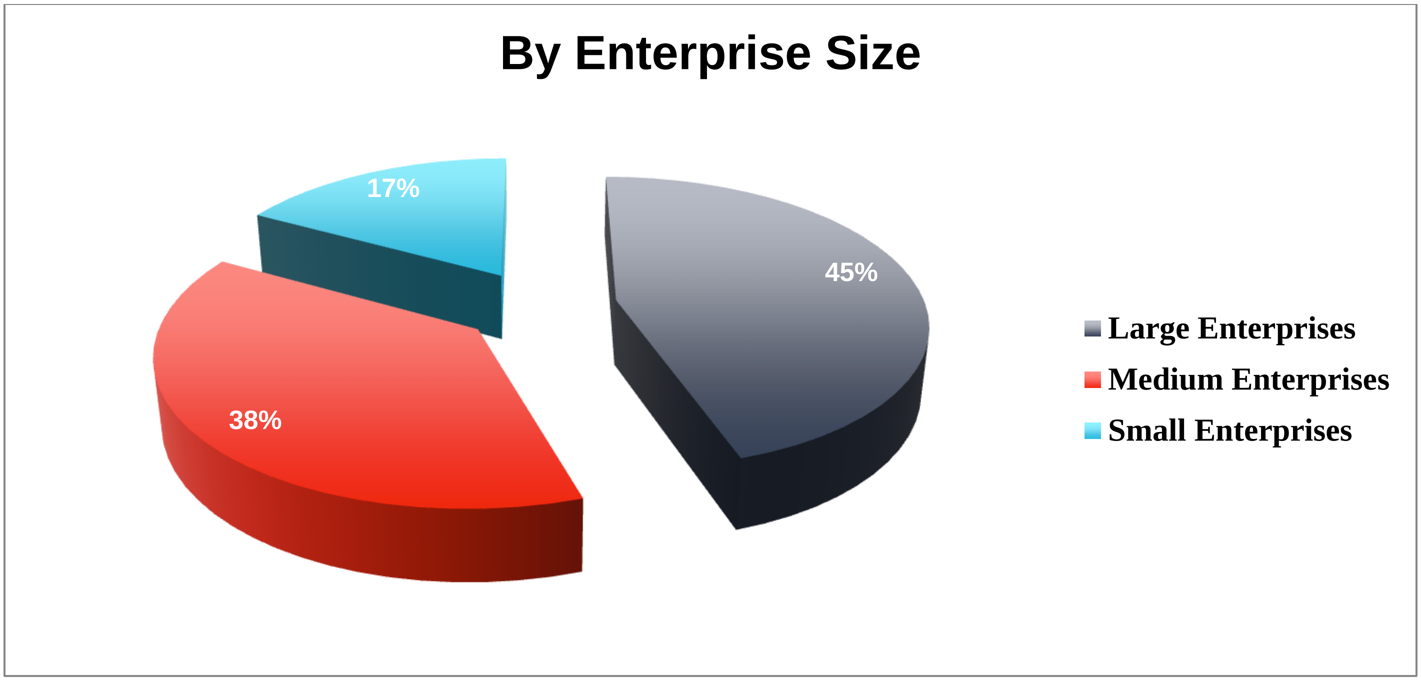
4.1. By Type

- Mergers & Acquisitions Advisory
- Financial Sponsor/Syndicated Loans
- Equity Capital Markets Underwriting
- Debt Capital Markets Underwriting
- Others



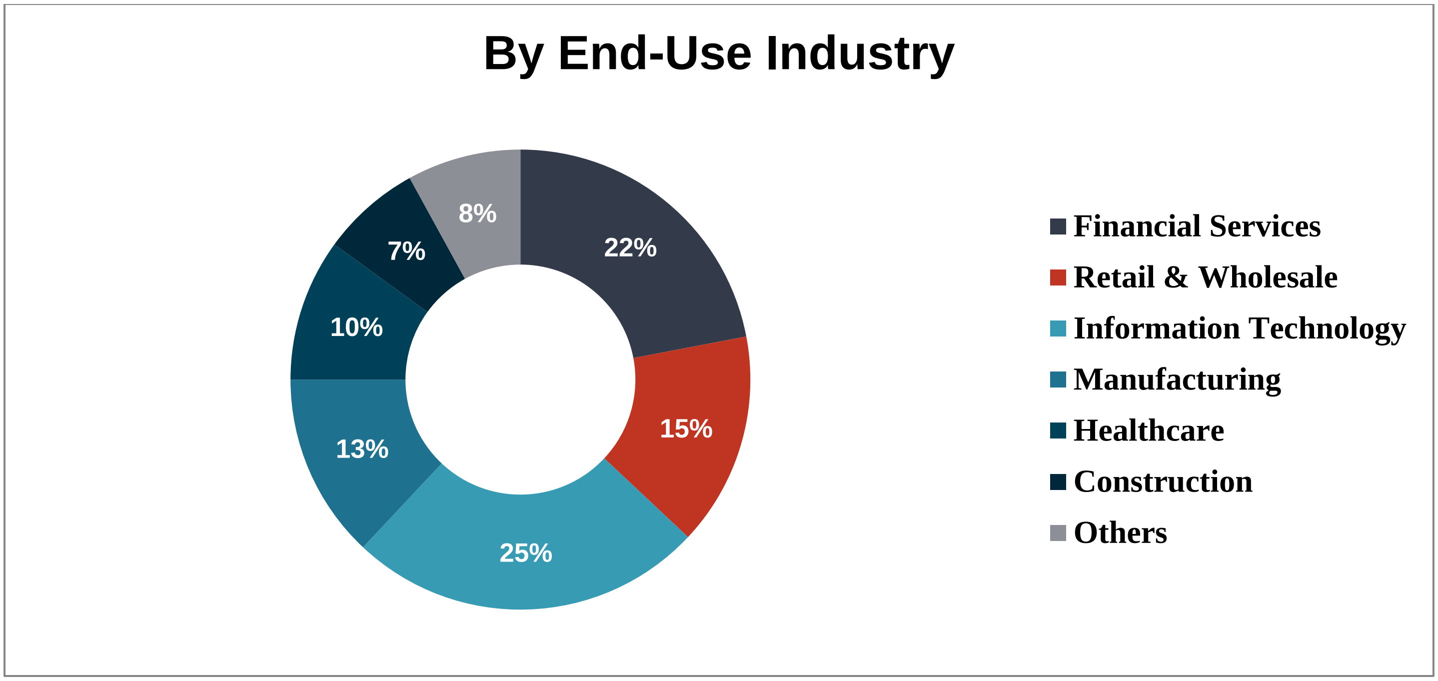
4.2. By Enterprise Size

- Large Enterprises
- Medium Enterprises
- Small Enterprises



4.3. By End-Use Industry

- Financial Services
- Retail & Wholesale
- Information Technology
- Manufacturing
- Healthcare
- Construction
- Others



5. Areas of Strategic Focus

These operational principles guide the areas of focus, and consequent interventions, in institutional, operational, financial, and organizational terms.

Operationally, Mighty Warners Global Capital should focus on the provision of financing for infrastructure development, which will involve focusing on increasing its cooperation with the public sector, in addition to its traditional focus on the private sector. A key shift for the 2022-2024 periods is the intent of the Bank to increase its emphasis on financing infrastructure development, and consequently operational activities in the public sector (indicative target share of the public sector in the total outstanding active portfolio at end-2024 of up to 35%).

The rationale for such a shift in approach includes: (i) the primary role of MDBs is to finance operations with high development impact- infrastructure is such an area and much of its provision tends to be in the public sector, (ii) financing private sector operations is mainly the function of commercial banks and other private financiers, with which the Mighty Warners Global Capital does not intend to compete, but rather wishes to be complementary and additional, and therefore will seek to fill existing gaps in financing, and (iii) a larger share of public sector operations improves the risk profile of the Bank's portfolio, a development regarded positively by rating agencies and investors.

Development of infrastructure projects will take prominence in the Bank's business generation activities, and will constitute the main priority of the Bank's growth strategy. This includes, but is not limited to, utilities, energy, transportation, IT and telecommunication, capital markets, airports, ports, municipal and communal services and facilities, and environmental-related operations (energy efficiency, water, and solid waste treatment, climate change, etc.).

Notwithstanding the shift to more public sector operations, private sector lending will remain a steady and important area of activity, tentatively targeted to represent at end 2024 about 65-70% of the total outstanding value of the Bank's active portfolio. Moreover, as infrastructure is increasingly provided by the private sector, the Bank will seek to work with private providers. In addition, it will continue to provide corporate financing and SME lending- the latter mainly through financial intermediaries. Concerning financing trade, the Bank will continue to provide various trade finance products through specialized banks and agencies. The Bank will seek to increase its capacity to offer trade finance products directly, according to the level of demand for Bank financing, and provided that adequate allocation of internal resources is cost-effective.

Financially, in addition to striving to generate positive net income, Mighty Warners Global Capital should consider ways to secure a level and structure of its financial resources that would allow it to remain effective and increase relevance for the UAE region. The achievement of long-term positive net income is essential to the Bank's financial sustainability. Notwithstanding this strategic objective, achievement of the main goal of the present Mighty Warners Global Capital, high growth of portfolio coupled with the need to show flexibility in pricing, in conformity with market trends for public sector operations, may result in tolerably small fluctuations in net income in the short-run.

To this end, the Bank shall ensure that it possesses staff with the appropriate combination of skills and competencies to be able to achieve the Bank's key medium-term goals. A key element of this is human resources management, covering the acquisition and development of needed skills, and ensuring that the mix of Bank staff is experienced, mobile, versatile, and adaptable to evolving conditions and requirements.

Institutionally, the Bank needs to develop capabilities for conducting continuous policy dialogue with all stakeholders, and should expand further its relationship and cooperation with other institutions, and more broadly with the components of the international financial community and development-promoting agencies.

6. SWOT Analysis

Mighty Warners Global Capital is a development finance institution whose core activity is financing projects and commercial activities, as mandated by the Agreement Establishing the Bank and regulated by relevant BoG approved documents. To achieve relevance, substantial operational portfolio growth is essential.

At current levels of resource availability, and broadly stable expenditure parameters- greater efficiencies and productivity gains are required, while any additional resources need to be externally (and/ or creatively) generated. To plan the allocation of resources to achieve the aforementioned objectives and goals, the Bank needs to carefully consider its strengths and its weaknesses and to take advantage of all opportunities while avoiding threats that may lie ahead.

6.1. Strengths

The Bank benefits from a good foundation from an organizational/corporate governance perspective enjoy shareholder support and due to its size, the Bank may find a niche where it can adapt and provide financing more rapidly than other lenders.

Given its significant strengths, the Bank has the potential to scale up its role as a visible and positively active member of the development community.

6.2. Weaknesses

In terms of weaknesses, the Bank should concern itself with the risk of slippages due to internal factors, in particular leniency towards allowing small deviations and breaches of rules that may create expectations of tolerance of attempts to rush operations through inadequate or incomplete due diligence and appraisal processes.

Such developments might potentially be detrimental to the Bank’s cohesion and may negatively affect the Bank’s ability to efficiently and effectively fulfill its mandate and achieve strategic objectives and goals.

Weaknesses that reduce the ability of the Bank to undertake on a larger scale various types of financing (e.g. lead arranger of syndications for larger-scale project finance operations, direct trade finance operations) range from the technical ability and experience of the Bank staff to engage in such sectors, and the statutory limitations of using some products.

In addition, the willingness of the Bank to focus on primarily achieving the quantitative budgetary targets and easily accept solutions for quick disbursements, and the questionable mandate relevance of some of the activities engaged in by the Bank (e.g. general purpose working capital loans, bank-to-bank loans) or the type and magnitude of risks associated with such transactions for which the Bank may or may not have the appetite to take.

Additional weaknesses that affect the Bank's effectiveness and need to be addressed are the following:

- Lack of effective marketing/ promotion (either for promotional or market penetration purposes) and active investment relation function (for maintaining regular contacts with potential investors and taking the pulse of the market);
- Concurrently the desired mix of credit quality, volume of business, developmental impact, and profitability is not readily available;
- Balancing risk appetite in credit process with business opportunities, at the cost-covering level of overall interest margins, is becoming increasingly problematic;
- Limited access to financing on desired terms and conditions.

6.3. Opportunities

Opportunities may arise from the use of new products, extended use of some existing products, becoming more active in lending to overlooked sectors, and in general, becoming more proactive and responsive to client demand and market conditions.

Opportunities mostly relate to feasible modalities to increase the size of the portfolio.

6.4. Threats

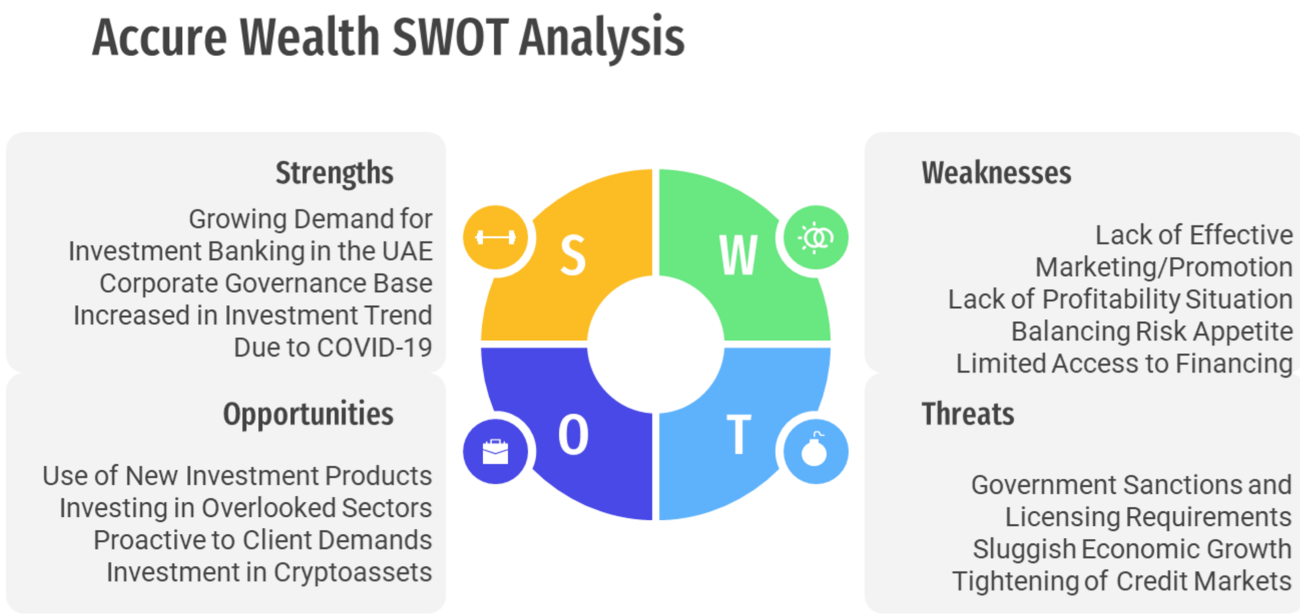
Threats are identified as vulnerabilities to external factors outside the control of the Bank and which may have a disproportionately negative impact on Bank operations. Such threats are mainly related to:

- UAE government sanctions, restrictive trade regimes, and protectionist tendencies;
- Adverse impact on Emerging and Developing economies of asymmetric monetary policy of advanced economies;
- Persistent tensions and conflicts in the proximity of the Arabian region;
- Increased competition, from third parties providing to prospective borrowers better terms and

conditions than the Bank.

SWOT Analysis Summary

Strengths	*Weaknesses*
• **The strong capital base requirement** • **Shareholder support** • **Experienced staff with regional knowledge and professional expertise**	• **Reduced visibility and lack of promotional and marketing activities in UAE** • **Limited capacity to engage in very large-size project finance, infrastructure, and direct trade finance operations.** • **Limited experience in lead arranging operations** • **Limited ability to contribute to large projects requiring high lending volumes**
Opportunities	*Threats*
• **Increased demand for funding from municipalities and important utilities** • **Need for continuous financing for development and investment UAE** • **The growing sophistication of regional markets creates new demand** • **High Regional investment needs for infrastructure but large financing gaps and limited fiscal space create openings** • **Cooperation with observers and other partners in development for co-financing large scale operations**	• **Sluggish economic growth in the UAE** • **Adverse impact on Emerging and Developing economies of asymmetric monetary policy of advanced economies** • **Tightening of credit markets and widening of spreads** • **Geopolitical difficulties, the persistence of latent conflicts, and deteriorating regional conditions** • **Increased competition from other IFIs and private financiers with easier access to funding on better terms and conditions than the Bank is capable of securing**



7. Sector Priorities

An appropriate sector distribution is critical from a risk management perspective, but also to achieve broad coverage into important sectors of the economy that are key to achieving development.

7.1. Emphasis on Public Operations

The Bank intends for most of the growth over 2022-2024 to come from the development of public sector operations, with the intention that they grow to represent approximately one-third of the total portfolio by the end of the strategy period. The Bank will seek to obtain a sovereign guarantee where possible, as this will permit the provision of more attractive pricing terms to the client while conferring a more favorable risk profile to the Bank's portfolio.

Maintenance of portfolio quality, in light of the growth target envisioned by the medium-term strategy, would require that public sector (national, regional, municipal, communal services) lending would need to expand greatly, up to approximately AED 100 million by the end of 2024. This, in turn, will require a pricing approach that is in line with the market for such operations.

While resources will necessarily shift to the development of public sector operations, the Bank intends for its private-sector portfolio to continue to grow, albeit at a more moderate average rate.

Support to private non-financial corporate clients will be provided to fill financing gaps since Mighty Warners Global Capital needs to be present and available for regionally-based firms which may encounter difficulties in accessing financing. This is especially important for medium-sized companies with high growth potential which may have a limited track record, and/ or be located outside of principal business centers, and which therefore face challenges in trying to secure the financing needed to grow and expand to new markets.

7.2. Indicative Distribution by Sector

Turning to sectors of activity, an appropriate sector distribution is critical from a risk management perspective, but also to achieve broad coverage into important sectors of the economy that are key to achieving development. By 2024, the Bank expects direct operations to comprise 70-75% of the portfolio, and intermediated operations to comprise 25-30.

The Bank intends to increase its presence in the broadly defined infrastructure sector, in both the public and private sectors, to account for up to 50% of direct operations (35-40% of the Bank's overall portfolio). Broadly defined infrastructure includes energy, IT and telecommunications, transport, ports, airports, and utilities (including fee-based municipal services and facilities), etc., as these tend to have high cooperation and development impact, as well as economic and social returns that exceed the financial returns of the particular operation financed,

Within energy, special attention will be given to developing the portfolio in the area of environmental clean-up and renewable energy. For fossil fuel operations, the Bank will prioritize those with positive environmental elements (e.g., clean-up, pollution reduction, increased efficiency, cleaner generation). Increasing the share of renewables in the energy mix is an important part of the Global Sustainable Development Goals, and to diversify sources of energy generation. This includes all key renewables, hydropower, and wind and solar power generation, for which technological progress in recent years has tremendously improved efficiency. This is an important consideration since in the past subsidies to renewables were a burden on public finances and/ or consumers. This problem has diminished significantly in recent years, and if positive externalities of renewables and the negative polluting externalities of fossil fuels are incorporated, renewables projects have become very competitive.

Other 'real' sector operations (manufacturing, processing, etc.) will make up the rest of the direct portfolio.

These include the long-running support to general industries and agribusiness for investment, expansion, and working capital, as well as other corporate loans- such as direct trade finance. Sector distribution, and therefore concentration, depends upon specific area conditions, needs and priorities, and will be determined at the level of Country Strategies. Support to corporate clients will also remain an important part of the Bank's activities, even if its share declines. Mighty Warners Global Capital needs to be present and available for regionally-based firms which may encounter difficulties in accessing external financing. This applies to well-established regional firms, but it is especially important for 'second tier' firms- companies with high growth potential which maybe medium-sized, have a limited track record, and/ or be located outside of principal business centers, and which therefore face challenges in trying to grow and expand to new markets.

The financial sector will remain an important area of activity. This sector contains all types of intermediated financing through financial institutions, including SME lending, trade finance, direct bank to bank lending, subordinate loans, leasing, etc. Mighty Warners Global Capital succeeded in increasing its 'real' sector activities so that its share of operations in the financial sector fell below 40%. For 2022-2024, intermediated operations will account for 25-30% of the portfolio, with priority given to expanding trade finance operations where possible, and to maintaining SME lending, with leasing and factoring also supported. These are the areas most directly linked to 'real' economic activity in other sectors of the economy and help to promote priorities such as economic development, improved export performance, new employment generation to the greatest degree.

The use of financial intermediaries is especially important in smaller economies in which the majority of firms are small or medium in size. While maintaining a trade finance presence up to 30% of the intermediated portfolio, the Bank will commission a feasibility study on trade finance in the Region, to ascertain the size of the potential market and the degree to which the Bank may consider investing in the establishment of dedicated trade finance.

7.3. Climate Change Financing

Mighty Warners Global Capital is aware that climate change affects directly the natural environment, human health and wellbeing, business and national economies. Thus, it affects development and the ability of national economies to sustain growth and alleviate poverty. While such operations had unquestionably a positive impact, the Bank can achieve much more in addressing climate change at both strategic and operational levels.

In this respect, Mighty Warners Global Capital needs to mobilize more capital to help shift national economies to a low carbon model, and it needs to develop its capacity. At present, the Bank is developing its first Climate Change Strategy that would allow Mighty Warners Global Capital to provide more targeted support to the private and public sectors in combating climate change, building resilience and adaptation, and decreasing their vulnerability to the effects of changing climate.

8. Financing Instruments

8.1. Direct Lending

Direct lending has been and will remain the Bank's principal financing instrument. Within lending, the Bank will prioritize direct lending to project finance activities in priority sectors- targeted investment programs that specify where and how financing proceeds are to be applied.

General-purpose corporate loans will be employed strategically where they may have the greatest impact or where they demonstrably promote activity in underserved areas. They represent an important way to maintain a presence in the marketplace, develop and maintain client relationships, and diversify activities. This is particularly the case in small countries and remote areas where the generation of large operations is difficult. Corporate support which helps promote exports will be especially important, and the Bank will seek to provide more direct trade financing support to exporters for larger-sized transactions, using term loans, credit lines, and discounting facilities (as well as guarantees).

Where needed, the Bank will support regional cooperation and expansion of regional companies in other markets (primarily in UAE but also in markets outside the UAE region), including via financing of mergers and acquisitions, especially for opportunities with high expected development and regional cooperation impact.

In certain cases, bond participations may be used as a vehicle (i) to facilitate financing (e.g. for sub-sovereign public entities), (ii) to enter an underserved market, or (iii) in instances where the Bank may act as an 'anchor' investor for a new issuer, for operations which have demonstrated high mandate fulfillment potential, and/or may help the issuer attract additional external financing, on more favorable terms, than would otherwise be the case. This also includes alternate lending arrangements such as bond loans that may not be actively traded in the market.

8.2. Mezzanine Financing

As the Bank intends to expand greatly its portfolio of infrastructure operations, in particular in the public sector, it may increase the use of specific instruments such as mezzanine, bridge, and off-balance-sheet financing in addition to term-loans, for project finance.

8.2.1. Lending Through Financial Intermediaries

- Generally, the Bank takes the risk of the intermediary, not that of the end recipients; exceptions to this will be considered for operations that possess high mandate fulfillment potential.
- *Credit lines* are the principal form of financial assistance for reaching out to SMEs, and for the provision of trade financing for smaller-sized transactions (pre-export finance, import financing, etc.).
- *Leasing* and *Factoring* operations will also be financed mainly through intermediaries.

8.2.2. Syndication participations

The Bank will participate in syndications and other types of co-financing agreements along with other co-financiers, for infrastructure and public sector projects, and will seek to develop gradually greater capacity in lead arranging syndications, to expand resources mobilization potential and enhance its profile in the marketplace.

Furthermore, in periods of high liquidity, participation in syndications may be considered to ‘put resources to use’ more efficiently.

8.2.3. Refinancing

To be strictly limited, and provided on a case-by-case basis according to the degree of mandate fulfillment, the importance for shareholders, and conformity with Bank policies. A notable exception to this is potentially high-impact operations that promote the development of secondary markets, or contribute to the expansion and deepening of financial market infrastructure, for which securitization participation may be required.

8.2.4. Convertible loans/bonds

The Bank will generally avoid providing convertible instruments for ‘real’ sectors, except in cases that demonstrate high mandate fulfillment potential.

8.2.5. Subordinated debt

This is a high-risk product with limited earning potential. It has the same unlimited downside as equity but lacks the upside. In times of crisis, subordinated debt is subject to the regulatory risk of being immediately in line to receive ‘haircuts’ just after equity, or in special circumstances even before equity, or may be subject to discretionary conversion into equity on highly unfavorable terms. Therefore, it is difficult to calculate ex-ante the risk-return profile of operations involving the use of the instrument. Since its treatment under Basel III rules is highly unfavorable, the Bank will avoid using subordinate debt as a rule and will enter such transactions where there is high expected mandate fulfillment potential.

8.2.6. Equity

The Bank will reduce the provision of equity because it is considered riskier, and it receives a significantly worse risk weighting than other instruments, thus eroding the quality of the Bank’s capital more heavily for a given amount.

Equity will be employed sparingly, and only for operations that can demonstrate very high mandate fulfillment potential, such as that it generates benefits substantially over what lending would achieve. Possible examples include (i) PPP investment projects, and (ii) instances where Bank involvement would considerably leverage mobilization of additional resources.

The Bank will normally avoid contributing to equity funds and entering into equity transactions without a clear and credible exit strategy.

8.2.7. Off-Balance-Sheet Financing

The Bank will be open to the provision of off-balance sheet instruments such as guarantees- including unfunded risk participations- especially where these improve external mobilization of financing for clients.

Use of non-disbursing instruments in the past has been determined either by (i) specific demand from clients for a guarantee or related product, and (ii) periods of tighter liquidity (or uncertain access) during which alternatives to directly disbursing projects become more attractive. Given the emphasis on direct portfolio growth, off-balance-sheet activities will likely continue to be demand-based. Mighty Warners Global Capital will be ready to respond to requests in the marketplace, and, as needed, will expand internal capacity in this regard.

9. Financial Strategy

For Mighty Warners Global Capital to successfully finance development while preserving financial strength, two elements at play have to be concomitantly addressed, the more so as they tend to reinforce each other: one is the cost of capital, the other is portfolio quality, neither of which can be effectively sustained without the maintenance of strong financial positions.

One key requirement is to sustain the high capitalization and other financial ratios, such as risk-adjusted capital (RAC) and capital adequacy (CAR), at levels qualifying the Bank for maintaining the 'extremely strong' classification of the 'financial profile'. This achievement requires a solid capital base and strong operating income levels. Consistent positive net income levels allow for increases in reserves and thus shareholder funds (paid-in capital plus reserves and surpluses).

Other measures to improve financial position aim to:

(i) reduce borrowing costs;

(ii) active liquidity portfolio management and cost efficiency in mobilizing short and long term market funding (including timely utilization of unused funds with commitment charges); and

(iii) appropriate control of administrative expenses, while securing the necessary capacity to achieve safely the ambitious strategy goal.

Reduced cost of employed capital may be achieved as a result of a combination of factors:

- First, there is the benefit of a high-quality portfolio, with an optimal maturity structure that ensures a natural portfolio turnover that does not stretch liquidity requirements for a constant flow of new operations.
- Second, it requires demonstrated support from shareholders (contributors and borrowers at the same time).
- The third is the proportion of "free" capital in total employed capital (ordinary capital resources), which in practice means a high (from a minimum of 30% and up to 50%) proportion of shareholder funds relative to borrowed funds. Paramount to this is again portfolio quality as demonstrated by a reduced proportion of write-offs, low need for provisions, and consequently the low cost of collection.

Income from the management of liquid assets can be raised by increasing the resources at the disposal of the Treasury for investment in capital markets assuming higher market risks. However, this source of income is subject to capital market volatility.

Active portfolio management implies the use of techniques that accelerate the normal turnover of portfolios and generate liquidity needed for funding new operations.

Active pursuit of portfolio turnover entails a multi-faceted approach:

- reduction of idle commitments (signed but not disbursing operations): continuously scrutinize outstanding commitments to eliminate any idle commitments. The capital tied up in such commitments could more efficiently be allocated to other promising project proposals.
- increased raising of external funding: The greater the success of external fundraising at desired maturity structure, the higher the number of projects Mighty Warners Global Capital will be able to accept given its capital base.
- Increasing the available number of instruments in which the Bank may invest to improve management of liquidity and income generation, and achieve greater product diversification, including by enabling investments in bonds.

In developing initiatives to revolve its portfolio, Mighty Warners Global Capital shall consider the impact on:

- *project*: First, Mighty Warners Global Capital should ensure that its role in the investment project has been essentially completed. Second, Mighty Warners Global Capital should refrain from exiting investments that still require active involvement in the obligor's corporate governance. Third, Mighty Warners Global Capital should also be sensitive to (negative) reactions from customers and markets to any disposal of its investments.

- *portfolio*: Mighty Warners Global Capital should assess the impact of the sale of its assets on the risk profile of the remaining operational portfolio. Any sale of one of the most creditworthy investments may result in a deterioration of the quality of the portfolio if the proceeds cannot be re-invested into assets with equivalent or better risk-return profiles.

- *income*: Mighty Warners Global Capital should assess the impact of any asset sales on its net earnings. The proceeds from the sale of relatively high-earning operational assets will temporarily be invested in relatively low-earning liquid assets. The differential return between operational and liquid assets could result in lower income in the short term until the liquid assets are re- deployed into operational assets, which could potentially generate a lower return than the original investments as well.

- *preferred creditor status*: Mighty Warners Global Capital should structure portfolio turnover initiatives to minimize the risk that any preferred creditor status of its loans might be questioned.

9.1. Income Management

The management of income reflects the growing pressures and conflicting demands that will be faced by Mighty Warners Global Capital. Achieving an appropriate balance between the three main functions of any MDB (financing development, development assistance, and provision of public goods) involves difficult decisions on the size and the allocation of operating and net income:

- First, there is the need to use net income to increase reserves and strengthen the financial position and risk-bearing capacity.
- Second, there is a need to improve management of expenditures and to contain the growth in administrative expenses that result from a shift to more complex operations, higher levels of highly trained and experienced staff, as well as a larger presence in the field (e.g. more frequent travel to meet clients and stakeholders).

The sources for consistently positive net income are strong operating income levels and good portfolio quality (resulting in low provisioning expenses and low cost of capital). As far as operating income is concerned, income from loans, guarantees, and equity investments can be raised either by increasing the volume of exposure or by increasing charges. However, due consideration needs to be paid to the risks entailed by increasing the size of each operation and possible implications for Mighty Warners Global Capital's competitiveness.

10. Organizational Strategy- Issues and Considerations

The Bank needs to move further towards a flat organization that promotes open communication across divisional boundaries, encourages creativity, the assumption of personal initiative, and teamwork. Mighty

Warners Global Capital needs to consider how appropriate the current structure is, and to keep in mind not just realities, but also external perceptions, given that in the current business environment the latter have a high and growing impact upon funding and investment decisions - perception is an important factor in decision making and in determining how events unfold.

Governance Issues

Although the current organizational and governance structure of the Bank is not a constraint on faster growth, certain adjustments may be needed - in particular (i) creation of a dedicated marketing/ promotion function that would facilitate the business generation, (ii) establishment of a dedicated and independent from operational activities project management function; (iii) re- alignment of banking departments to increase inter-departmental cooperation and incentivize new project generation, and (iv) development of consistent and compatible key performance indicators (KPIs) parameters across the Bank. Increased trade finance and sovereign lending may require additional and specialized manpower.

Removing Institutional 'Compartmentalization'

Instead of desirable constructive cooperation, compartmentalization may generate disruptive competition among units in the same division, reducing productivity and undermining overall goal achievement. Therefore, the tendency to compartmentalization and exclusivity needs to be contained. Performance evaluation can be an important tool for the removal of such 'silos', with synchronization of KPIs and greater staff accountability playing a key role.

Improving Banking Division Incentives

Bankers' performance is mainly assessed on project volume. Quantitative measures should be supplemented by profitability/ earnings targets, while qualitatively greater credit should be given to projects which (i) better fulfill the Bank's mandate, or (ii) are undertaken in countries which are small and/ or project generation is difficult.

Role of Support & Review Departments

Segregation of activities with independent support and review roles must be maintained, but communication channels can be improved and transparency enhanced. Support/review units should be able to communicate directly with clients as needed, under the coordination of the operation leader. Concomitantly, support/review units should provide a consistent, timely rationale for their inputs, and in writing. Greater clarity, certainty, and consistency of commentary by units involved in appraisal and due diligence would help align expectations and reduce misunderstandings and time wastage.

Automation and IT support

Transparency and reporting channels should be upgraded for project information - who is involved and where, the status of the operation, identification of checkpoints during preparation. New IT software may assist and improve real-time information provision.

The IT structure and attendant personnel needs shall be in place to be able to deliver the IT strategic goals and objectives. The IT Strategy shall be reviewed annually to make sure that is aligned with the Mighty Warners Global Capital goals and objectives. Any changes which may occur during the year shall be reflected in the IT action plan for the implementation of the IT Strategy.

10.1. IT Strategy

The mission of IT is to support and sustain the business needs and objectives of the organization and create value by delivering IT services, products, and innovative solutions to enable business growth and meet future challenges.

The Business Strategy shall be the leading driver for the design and implementation of the IT Strategy. The alignment between Business and IT Strategy will define the success of the IT Strategy implementation. Therefore, as the business strategy is evolving, continuous enhancements to the IT Strategic themes and objectives shall take place to ensure that IT is a key business enabler, delivering value to the business. Additionally, the business “demand” for IT Services should enrich the key IT Strategy themes and play a decisive role in the formulation of the IT Strategic Masterplan.

The digital business transformation and insight to data and information will require a modernized platform approach that supports automation, predictive analytics, information governance; and especially through a centralized, consolidated, and integrated IT architecture. With the emergence of disruptive technologies and the Cloud, the Bank should also consider adopting modernized platforms and the use of cloud-based solutions to support its digital business transformation and business automation where is deemed cost-effective, allowing IT staff to concentrate on delivering services. It is imperative to say that Cloud IT risks shall be assessed and mitigated.

The key strategic themes and objectives that will drive the IT strategy to meet the business goals and objectives are stated below.

Themes (Goal)	**1. Increase the delivery of business solutions to automate and optimize core business processes.**	**2. Improve the management of information to turn data into powerful insights and information into knowledge that will provide better decision-making.**	**3. Improve operational excellence by providing a high-performing and resilient IT environment.**
Objectives (Initiatives)	***Drive digital transformation by:*** • Automating the Operations Life Cycle • Improving the financial management of operations and strategic budget systems • Modernizing the HR processes and improving human	***Get insights from the data and information by:*** • Capitalizing on Information capture/creation, delivery, usage, and management • Leveraging data analytics and consolidated reporting throughout the organization to drive better insights and deliver value to the business • Building a knowledge and learning organization • Manage data and	***Build a flexible IT Operating Model by:*** • **Adapting a modern and agile IT Architecture** • **Providing the appropriate IT structure, staffing, and sourcing** • **Improving IT skillset and competences** • **Managing and developing**

	resources management • Increase communication and interaction with customers and the public	information in a structured way	**projects in an efficient and effective way** • **Achieving a high level of partnership and alignment with business**
Expected Business Outcomes	**Customer responsiveness Business benefits realization**	**Fast and accurate decision making Managed Risks (risk optimization) Organizational effectiveness**	**Performance Management Resources Optimization User Satisfaction**

Concluding, the IT strategy entails a gap analysis of the current IT state against the desired future one to identify areas for improvement and formulate an IT Strategic Plan comprised of robust IT initiatives and determine the appropriate level of IT resources (people, processes, technology, financial) needed to be able to reach the desired state. This will require the development of a detailed IT strategy implementation masterplan, which will provide specific actions for the execution of the IT strategic objectives. The IT action plan for the implementation of the IT strategy will be presented for approval by the BoD.

10.2. HR Strategy

To a great extent, success is determined by the quality of institutional and human relations inside the Bank. Therefore, significant attention has to be given to the establishment of an environment characterized by trust, high morale, and dialogue.

By integrating human resources management (HRM) into the organization's planning process, and emphasizing HR activities that support broad mission goals, Mighty Warners Global Capital will ensure that the management of human resources contributes to the achievement of its medium-term strategic goals. This is particularly important regarding the organizational Performance Management System (PMS), pushing all Departments toward achieving defined organizational strategic goals and measuring progress toward those goals.

To this end, at a minimum, the following should be emphasized:

- Recruitment and promotion of staff should be based on merit;
- Recognition of the need for continuous learning from own and external experiences;
- Provision of clear career path for staff and adoption of a human resource development policy;
- Recognition of the role of support units and equal treatment of staff (one staff class);
- Respect and observance of standards, policies, rules, and regulations by all staff;
- Well defined incentive structure to reward achievements, motivation, and dedication;
- Clear definition of tasks, responsibilities, and related authority;
- Resistance to opportunistic approaches and maintenance of clear and uniform performance standards and evaluation processes.

Furthermore, the HR Department will take into consideration and take the necessary action aiming at:

- Regularization of the existing individual service providers in compliance with the Bank's Recruitment and Appointment Policy, and continued use of full-fledged employment, and the concept of temporary positions for the filling of temporary personnel gaps.
- Modification of the existing Bank's Performance Management Policy with increased emphasis on Departmental Key Performance Indicators (KPIs) as a direct and measurable link between individual performance and the performance of the institution.
- Perfecting the existing tools for management of unsatisfactory performance to establish an optimal balance between managerial flexibility in the interests of the institution and the basic rights of the employees.
- Moving away from the "broadband" position classification system to a system providing finer granularity and a more structured approach towards recruitment and career development decisions.

- Implementing basic salary reviews for the staff of the Bank for better competitiveness in the labor market and increasing the quality of recruited human capital.
- Continued movement of various critical HR processes to the SAP platform (personnel management, leave administration, recruitment, payroll administration, performance management, etc.)

11. Client Onboarding

It's a well-known fact that, in banking, opening a new account or business with an investment bank is not a fast or simple task. In fact, it's a notoriously difficult and sometimes painful process which is dotted with friction points for the customer and the bank. However, when the various stages of onboarding are considered in detail, the opportunities for automation and ways to reduce onboarding times, costs and dependence on huge compliance teams become ever clearer.

Onboarding investment banking clients is typically made up of eight steps, and this goes some way to explain (but not necessarily justify) these lengthy timeframes. A considerable fraction of the total time is eaten up at the start of the process, especially in the initial request, document gathering and background verification phases.

On-boarding Request	Document Gathering	Background Verification	Credit Terms Setup	Agreement Management	Account Setup	Tracking & Data Archiving	Analytics & Cross-selling
3-6 Weeks AED 2,000 to AED 5,000	1-4 Weeks AED 1,000 to AED 5,000	2-4 Weeks AED 1,000 to AED 5,000	1-3 Weeks AED 500 to AED 2,000	1-3 Weeks AED 1,000 to AED 3,000	1-2 Weeks AED 500 to AED 3,000	Ongoing AED 1,000 - AED 3,500 + Recurring Costs	Ongoing AED 1,000 - AED 3,500 + Recurring Costs

By the end of this process, Mighty Warners Global Capital will spent as much as AED 20,000 – $AED 30,000 to onboard a new client. This does not even take into consideration the ongoing monitoring or KYC refresh aspects which will now be part of the customer lifecycle process.

Honing in on these early phases for a second, Mighty Warners Global Capital will consider how we can potentially be accelerated to reduce friction. The document gathering process will typically follow traditional KYC procedures, with the bank requesting information on source of wealth, company structure, ultimate beneficial ownership (UBO) and so on.

Robotic Process Automation (RPA) and machine learning can assist to accelerate processes involving paperwork. Machine learning can detect and learn from document patterns; for example, when KYC operatives scan for the same fields across many documents, such as registered business numbers and filing dates.

Likewise, the background verification phase is lengthy. Mighty Warners Global Capital will be required to perform various AML checks, screen the customer across sanctions, politically exposed persons (PEPs), adverse media and ultimately assign a risk rating to the new client. It is this area in particular, in conjunction with the document gathering, where erroneous, misleading or fraudulent information needs to be verified.

There are two areas where Mighty Warners Global Capital can utilize existing technology to improve this phase. Firstly, having access to global KYC and AML data which aggregates both premium and open-source data providers can help banks enrich and validate business entities. Secondly, leveraging RPA and machine learning to automate the manual and most laborious areas of the KYC process. Typically this now involves building an ecosystem which integrates services with a bank’s existing Customer Lifecycle Management (CLM) system, rather than building a layer cake of standalone platforms which are expensive and complex.

Further examples of utilizing RPA to speed up manual KYC processes include:

- Extracting information from unstructured data sources (e.g. financial statements)
- Automatically identifying UBOs and calculating shareholders
- Fuzzy matching common fields such as addresses
- Bulk screening for adverse media terms
- Merging/de-duplicating entities

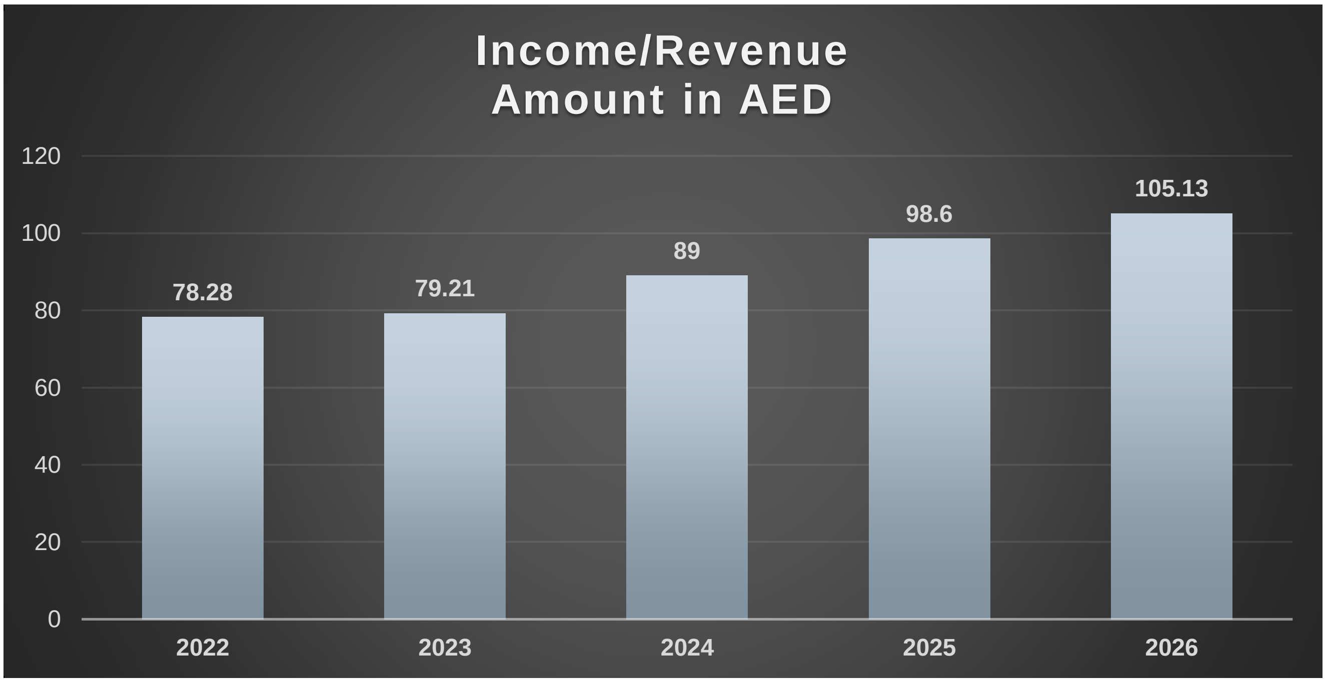
By following the above mentioned process, Mighty Warners Global Capital can expect a AED 400- AED 2,800 and AED 300- AED 2,700 saving per customer across the document gathering and background verification phases respectively, if they implement automation. Note that this also represents the largest cost saving in the whole onboarding process. Through a combination of digitization and automation, Mighty Warners Global Capital can significantly increase onboarding for commercial clients, reducing both time and costs.

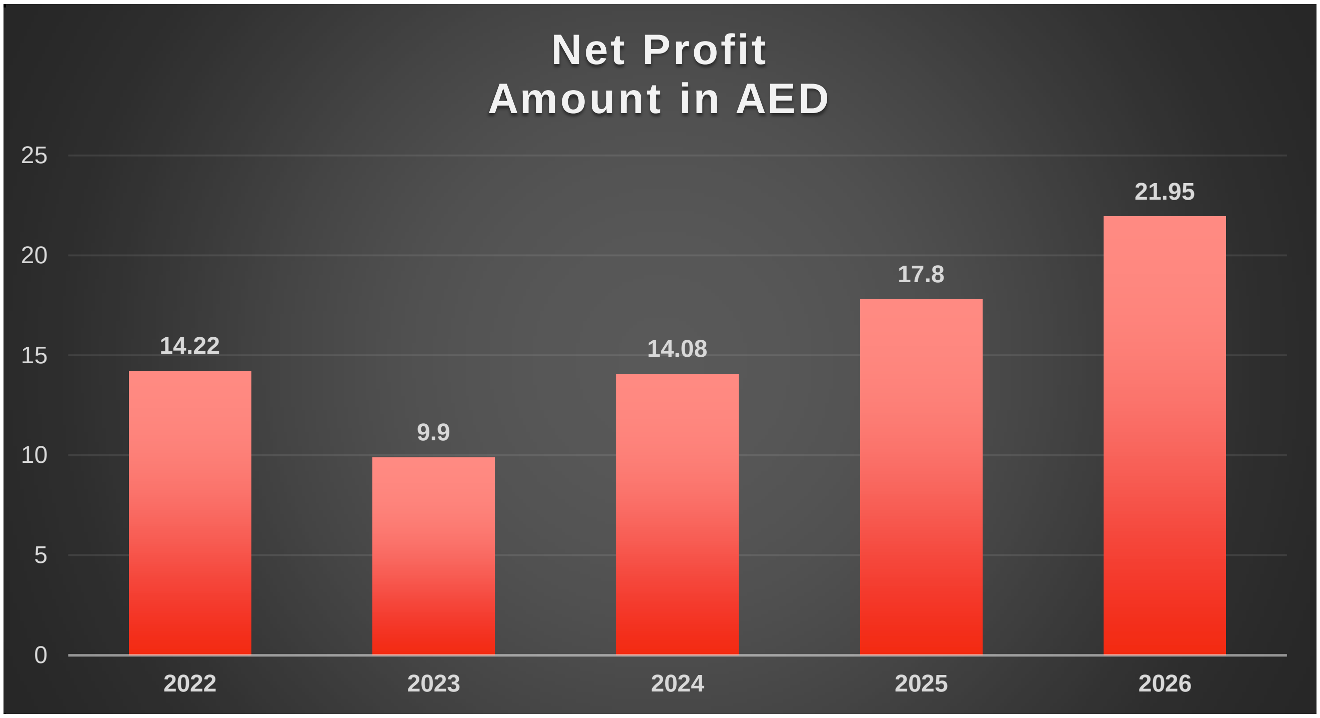
12. Financial Forecast

12.1. Income Statement

Income Statement	2022	2023	2024	2025	2026
Interest and Similar Income					
Interest on loans	62.7	68.81	84.67	94.79	101.15
From placements with Financial Institutions	5	0.1	0.05	0.09	0.14
From Investment Securities	8.88	6.9	2.59	2.02	2.13
From front-end and Commitment fees	1.7	3.4	1.7	1.7	1.7
Total Interest and Similar Income	**78.28**	**79.21**	**89**	**98.6**	**105.13**
Interest Expenses and Similar Charges					
Interest Expenses	34.28	38.59	33.3	38.37	42.72
Other Charges	8.54	7.14	7.14	7.14	7.14
Issuance and Arrangement Costs	1.8	1.59	1	1.15	1.2
Total Interest Expenses and Charges	**44.61**	**47.32**	**41.43**	**46.65**	**51.05**
Net interest Income	**33.67**	**31.88**	**47.56**	**51.95**	**54.08**
Other Income					
Net Fees and Commissions	4.18	1.13	2.44	2.86	3.29
Net Income (Loss) on Forex	-1.12	0	0	0	0
Other Income	0	0	0	0	0
Total Other Income	**3.06**	**1.13**	**2.44**	**2.86**	**3.29**
Operating Income	**36.72**	**33.01**	**50**	**54.81**	**57.37**
Administrative Expenses					

Total salaries and benefits	15.5	16.41	14.89	15.19	15.19
Other administration expenses	4.87	5.86	4.82	4.89	4.99
Depreciation	**0.47**	**0.51**	**1.85**	**1.94**	**2.03**
Total Administrative Expenses	**20.85**	**22.77**	**21.55**	**22.02**	**22.21**
Income before provisions	**15.88**	**10.24**	**28.45**	**32.79**	**35.16**
Provisions	**1.66**	**0.34**	**14.37**	**14.99**	**13.21**
Net profit	**14.22**	**9.9**	**14.08**	**17.8**	**21.95**

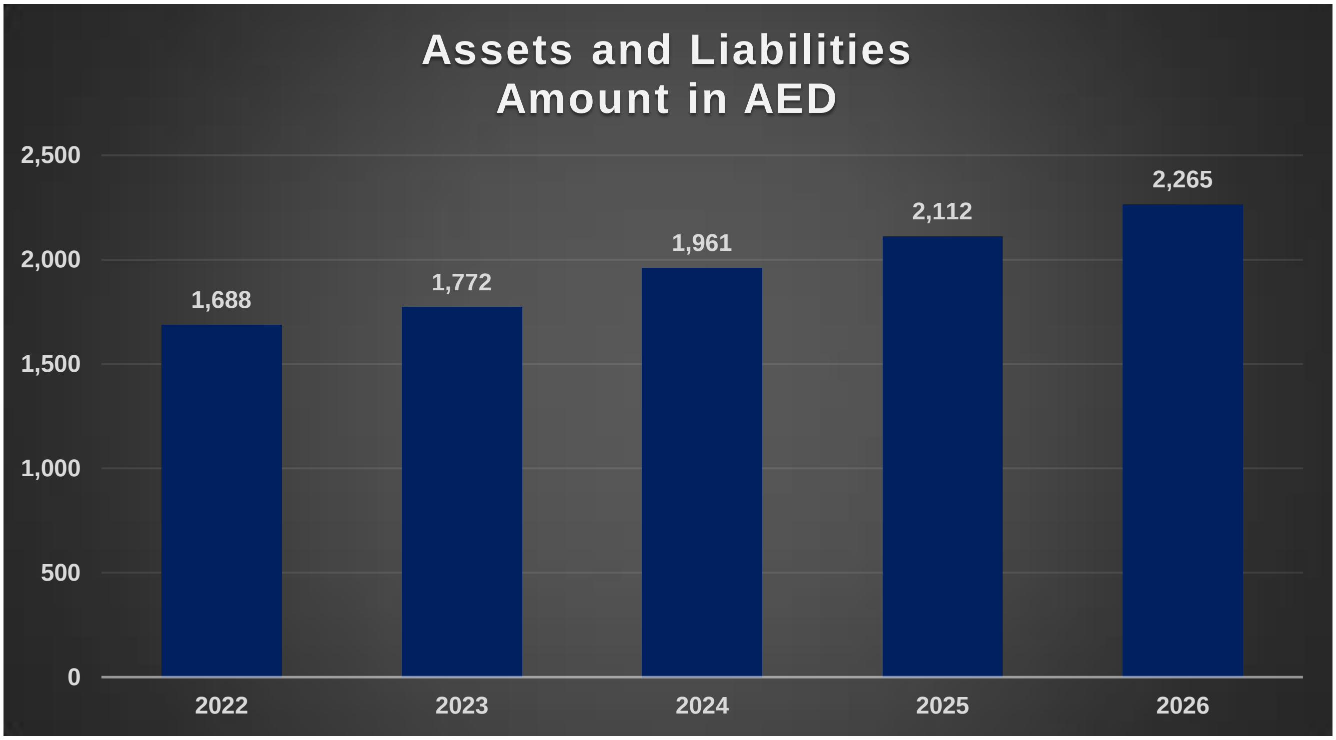




12.2. Balance Sheet

BALANCE SHEET	2022	2023	2024	2025	2026
Assets					
Cash and bank balances	75.8	78.6	50	50	50
Placements with financial institutions	3.59	1.92	88.22	35.62	60.01
Investment securities	288.7	169	100	100	100
Total deposits and securities/Liquidity	**368.09**	**249.52**	**238.22**	**185.62**	**210.01**
Derivative financial instruments	**1.12**	**1.4**	**0**	**0**	**0**
Less: provisions for impairment	0.28	0.28	0.28	0.28	0.28
Loans	1,309.49	1,513.02	1,698.64	1,901.88	2,041.13
Equity investments	26.52	25.3	49.43	61.98	61.73
Less: provisions for impairment	-40.69	-41.03	-55.39	-70.38	-83.6
Net loans and equity investments	**1,295.32**	**1,497.29**	**1,692.67**	**1,893.48**	**2,019.26**

Receivables and accrued interest	**21.21**	**19.54**	**22.52**	**26.22**	**30.1**
Paid-in share capital not received	**0**	**0**	**0**	**0**	**0**
Less: deferred income	-8.5	-12	-7.5	-7.5	-7.5
Property, technology and equipment	3.45	3.73	4.01	4.3	4.58
Intangible assets	4.78	5.62	6.45	7.29	8.12
Less: accumulated depreciation	-6.82	-7.33	-9.18	-11.11	-13.14
Net property, technology and equipment	**1.41**	**2.02**	**1.29**	**0.47**	**-0.44**
Other assets	**9.28**	**13.88**	**13.88**	**13.88**	**13.88**
Total assets	**1,688**	**1,772**	**1,961**	**2,112**	**2,265**
Liabilities					
Borrowing	**834.71**	**921.91**	**1096.26**	**1229.05**	**1,359.75**
Payables and accrued interest	19.42	12.72	13.71	14.21	14.71
Deferred income/Other liabilities	0	0	0	0	0
Derivative financial instruments	26.84	22.5	22.5	22.5	22.5
Total liabilities	**880.97**	**957.13**	**1,132.48**	**1,265.76**	**1,396.97**
Paid-in share capital	**686.55**	**686.55**	**686.55**	**686.55**	**686.55**
General reserve	**30**	**35.02**	**35.02**	**35.02**	**35.02**
Surpluses	**90.45**	**92.95**	**107.03**	**124.83**	**146.77**
Total Equity	**806.99**	**814.52**	**828.6**	**846.4**	**868.34**
Total own funds and liabilities	**1,688**	**1,772**	**1,961**	**2,112**	**2,265**



12.3. Growth Forecast

Indicators	2022	2023	2024	2025	2026
Operating Assumptions					
Avg. Loan maturity	4	4	4.5	5	5
Amount per operation	22	22	22	22	22
Operational Expense Escalation Factor	1.00%	1.40%	1.25%	1.50%	2.00%
Depreciation (as % of prior years PP&A)	8.00%	8.00%	8.00%	8.00%	8.00%
Financial Assumptions					
Base Rate (return on liquid assets)	-0.15%	0.00%	0.10%	0.15%	0.30%
Average cost of funds	1.48%	1.49%	1.82%	1.87%	1.83%
Interest on loans	5.14%	5.19%	5.27%	5.27%	5.13%
Net Cash requirements	273	196	151	151	180

% of NCR	50%	50%	50%	50%	50%
Liquidity buffer	137	98	76	76	90
Extra liquidity	256	176	193	143	156
New commitments (signed)	**491**	**454**	**500**	**525**	**526**
New BoD approved	**517**	**568**	**571**	**600**	**601**
Disbursements	507	560	541	526	497
Reimbursement	343	347	332	310	358
Total outstanding disbursements (B/S)	**1,325**	**1,538**	**1,748**	**1,964**	**2,103**
Commitments	**1,576**	**1,711**	**1,879**	**2,094**	**2,262**
Planned Commitments (net of repayments)	**1,694**	**1,770**	**1,944**	**2,164**	**2,336**
Total signed undisbursed	251	172	131	130	159
BoD approved not signed	117	60	65	70	75
Operational Gearing Ratio	***2,409***	***2,416***	***2,431***	***2,448***	***2,470***
Institutional Gearing Ratio	***3,613***	***3,625***	***3,646***	***3,673***	***3,705***
Results					
Number of operations (Newly signed)	22	21	23	24	24
Operations per Banking team (newly signed)	4.5	4.1	4.5	4.8	4.8
Productivity volume (operation per banker)	1.06	0.98	1.08	1.14	1.14
Planning target (amount per Team)	**98.24**	**90.87**	**99.96**	**104.96**	**105.22**
Growth Rate in Active Portfolio (signed)	***14.91%***	***10.96%***	***9.53%***	***10.00%***	***8.76%***
Growth in gross Loans outstanding	***14.80%***	***15.14%***	***13.63%***	***12.34%***	***7.08%***

(B/S)					
Ratios					
Capital	807	815	829	846	868
ROAE	1.82%	1.22%	1.71%	2.12%	2.56%
ROAA	0.89%	0.57%	0.75%	0.87%	1.00%
Cost/Income Ratio (before provisioning)	56.76%	68.98%	43.10%	40.18%	38.71%
Equity/Total Assets	47.81%	45.98%	42.25%	40.07%	38.33%
Loan loss provisions/total loans (end of year)	3.11%	2.71%	3.26%	3.70%	4.10%
Revenues after opex/revenues before opex	19.52%	12.75%	31.11%	32.31%	32.43%

13. Action Plan

13.1. Objectives

The principal objectives of the Mighty Warners Global Capital are to make steady and measurable progress in the following:

- meet shareholder expectations and provide client satisfaction;
- maintain financial stability and improve operational effectiveness (asset quality, cost control, productivity, profitability);
- achieve institutional consolidation and process optimization; and
- establish and maintain a work environment conducive to attracting, motivating, and retaining high-quality staff with the required skills and attitude.

13.2. Goals

The Bank's growth and performance objectives are designed to achieve adequate financial protection and the mix and structure of debt and equity envisaged by the Financial Strategy while seeking to minimize the cost of employed capital.

13.3. Target

The target of achieving an outstanding portfolio size of AED 100 million by end of 2022:

- Ensures manageable growth;
- Provides an ideal balance between own capital and borrowed funds;
- Provides for constant growth in reserves and surpluses;
- Requires a modest and reasonable increase in staff levels;
- Offers the flexibility to adjust in case of sudden changes in the operating environment.

13.4. Country Strategy Progress Indicator

An indicator of progress towards meeting strategic targets is the achievement of at least 80% of the operational activity targeted for Dubai in the forthcoming country strategies- with targeted measures to ameliorate a situation being undertaken in cases where there is a risk the Bank may not meet this objective. While the Bank is to a certain degree a demand-oriented institution, it will devote additional resources and effort to countries- and possibly specific areas of need within countries- which are considered underserved.

13.5. Institutional Key Performance and Risk Indicators

To measure progress towards achieving strategic goals and meeting the targets, the Bank uses metrics consistent with its goals, which provide the opportunity to detect deviations and adopt corrective actions.

The Bank intends to use a limited set of Institutional, Divisional, and Departmental KPIs which are linked to measurable goals and targets mean for the implementation of strategies and for measuring both progress and performance in achieving the strategic goals stated in this document.

In the future, the Bank will evaluate and assess what alternatives are best suited to support the adoption of a performance management system that works, without excluding the possibility of a ‘mix and match’ approach, if deemed appropriate.

13.5.1. Key Risk Indicators

The Bank decided to establish a monitoring system concerning the management of operational risks. One of the main processes for such management includes the development of Key Risk Indicators (KRIs), where appropriate, to act as early warnings of increased risk of potential losses. Effective tracking of these indicators shall allow the Bank to identify changing risks upon their occurrence and respond to them promptly. The KRIs complement KPIs in contributing to an organization's growth and success and relate to the key business objectives too.

The Key Risk Indicators are those threshold values of the KPIs which indicate entry into the danger zone where achievement of strategic goals becomes doubtful.

13.6. Operational Action Plan

The Bank strategic aim consists of two relatively distinct periods:

- the first covers the period of up to mid-term review which coincides with the completion of the Long-term Strategy 2022-2024, and
- the second covers the first two years of the new Long-term Strategy 2024-2030

It thus serves as a bridge between a Long-term Strategy focused on consolidation and a new Long- term Strategy aimed at growth, and providing thus both integration and continuity for the Bank's strategic planning and execution.

Overall Considerations

The effort to achieve higher relevance via rapid portfolio growth – involving operations of larger amounts and longer maturities, with potentially greater complexity and longer preparation periods – requires strengthening:

(i) quality at entry – strictly follow rules, deadlines, operational and financial guidelines for appraisal and due diligence,

(ii) develop institutional expertise and technical capability,

(iii) procurement rules, and

(iv) supervision and monitoring, functions connected with (a) active project portfolio management, and (b) NPL management and resolution.

Such an approach will permit the Bank to act proactively to fulfill to the best of its abilities the functions stated in the Agreement Establishing Mighty Warners Global Capital.

For greater relevance to be achieved, it is essential that the Bank maintain and enhance institutional credibility, to the extent possible. To this end, the Bank is dedicated to adopting best practices and attaining appropriate levels of checks and balances that (i) ensure compliance with the existing internal regulatory framework, and (ii) enhance responsibility and accuracy without compromising efficiency and effectiveness. Consequent to the above, the present Operational Action Plan covers the period 2022-2024 and concentrates on activities as outlined below.

Public Sector Operations

- The Bank will seek opportunities to increase the share of sovereign and non-sovereign public sector operations. This has proven a particularly difficult challenge for Mighty Warners Global Capital and has resulted in much effort to increase pricing flexibility and define public sector activity more clearly. These represent ongoing efforts, and pricing flexibility will be examined further.
- The Bank will allocate additional resources and marketing efforts, and expand the provision of instruments with new features, such as Municipal Finance Facilities and loans directly to Sovereigns or their specialized agencies for implementation of specific projects, with a clear understanding of uses of proceeds and developmental impact per the purposes of the Bank, and depending upon the Bank's internal capacity for origination and monitoring capability.

Private Sector Operations

- Notwithstanding the imperative to increase public sector activities, the Bank's principal clientele will remain private firms and financial institutions active in the UAE. This will include both well-established companies and medium-sized and 'second tier' firms- companies with high growth potential and/ or located outside of capital cities or principal financial centers, and which therefore often encounter difficulties in accessing financing and risk mitigation products.
- The main driver of the Bank in this area will be the facilitation of access to finance for companies facing a financing gap not fulfilled by commercial banks and other private financiers.

Trade Finance Operations

- TF operations shall be provided primarily through specialized public sector institutions and agencies, in addition to financial institutions with extensive experience and volume of activity in the field.

- Credit lines will be the preferred instrument for the provision of trade finance for smaller-sized transactions (pre-export finance, import finance, etc.), provided that adequate safeguards and documentation are indicating Bank financing is used for the intended purposes. In UAE countries that lack “Exim” institutions, Mighty Warners Global Capital may seek to fill such a gap and play their role for the benefit of local exporters.
- Secondarily, the Bank will undertake research and feasibility studies in the UAE to determine the size and sustainability of demand for direct TF transactions, the client base, product line, volume, and frequency of transactions. On this basis, it shall assess and determine the cost-effectiveness of establishing a Trade Finance line of business.

Project Finance and Co-financing

- Target mobilization of domestic and foreign resources into the region. Mighty Warners Global Capital will promote various means of resource mobilization such as a greater degree of co-financing, in the first instance with Observer institutions- to help strengthen relationships further- but also with additional financing partners, whether in the public or private realm, as well as IFIs. This would imply engaging to a greater extent in syndications for project finance operations. To this end, to become more involved in such activities, the Bank will:
    - Establish a Co-financing Team within the Banking Division which will benefit from a higher SOL of 10% for the private sector which may cover up to 50% of project cost, and of an SOL of 20% for the public sector, which may cover up to 70% of project cost, but exposure may not be higher than €120 million per participation.
    - Initially, the Bank shall continue to rely on lead arrangers, consultants, agents, and other third-party providers of services, but subsequently shall assess its internal capacity to acquire technical skills and develop systems, procedures, and controls to allow it to assume lead arranging role in appropriately sized transactions.

Special and Technical Assistance Funds

- An additional area of potential in which the Bank's activity has been limited over the years is that of the development of Special Funds for co-financing, regional promotion, and/ or technical assistance services. Bank capacity and expertise in this area remain limited, but it represents an opportunity for the development of closer links with Observers and new actors interested in the Region.

Business Model Adjustment

- The Bank may adjust its business model as it seeks to enhance its business profile, to facilitate the achievement of its operational strategic goals.
- To contain the risk implications of a business model change, necessary precautions will be considered concerning:
    - having in place procedures and platforms necessary for the successful appraisal, execution, and control of transactions,
    - ensuring that all the required technical conditions are in place (access to local banks, local custody bank accounts, SAP system customized to be able to capture the transaction, proper reporting of the transaction, etc.), and
    - securing staff with the relevant professional knowledge for the products that they are transacting.

Business Strength and Rating Action

- For the period 2019-22, the Bank would seek at a minimum to maintain its current credit ratings from Moody's and Standard & Poor's and more ambitiously will continue to strive for an upgrade of one notch.
- Reduce funding costs to be in line with other issuers of the same credit rating while focusing on diversification of sources of funding, regular access to markets to establish benchmarks, and enhanced outreach and 'selling' of the Bank by sustaining investor relations and increasing familiarity of Mighty Warners Global Capital.

The Operational Action Plan will be reviewed and updated in the context of the mid-term review of the

Medium-term Strategy and Business Plan. If necessary, due to new shocks or rapidly changing regional conditions, additional modifications and/or updates may be considered, as required.

13.7. Institutional Action Plan

In implementing the Operational Action Plan, and for Mighty Warners Global Capital to adequately respond to the needs and demands of its “shareholder-clients”, special attention shall be paid to the following institutional issues, and improvements shall be made in the respective areas according to the proposed measures:

i. Automation and IT support

Transparency and reporting channels should be upgraded for real-time provision of project information and identification of key controls during preparation and execution. The digital business transformation and insight into data and information will require a modernized platform approach that supports automation, predictive analytics, and information governance, especially through a centralized, consolidated, and integrated IT architecture. New IT software may assist and improve operational efficiency. The IT structure and personnel needs shall be in place to be able to deliver the IT strategic goals and objectives. The IT Strategy shall be reviewed annually to make sure that is aligned with the MTSBP 2019-2022, goals and objectives and any changes which may occur during the year shall be reflected in the IT action plan for IT Strategy implementation

ii. High-Level MIS

Establish a high-level MIS function with a clear definition of responsibilities, separated from financial reporting. The function shall provide all management and portfolio of operations required reports on time and adequate quality to the appropriate levels of decision-making authority.

iii. Comprehensive ALM

Review ALM policies and practices to provide ALCO with the necessary tools for effective decision making, and the Management with timely, relevant, and detailed information. If necessary, develop a stand-alone ALM Policy.

iv. High-Quality Portfolio

Secure greater quality at the entry for operations by enhancing the role of key support and review units as regards key financial and operating risks.

- Reduce preparation costs by making key conceptual decisions at an earlier stage to avoid undertaking work which is then canceled out;
- Enhance NPLs work-outs and reductions, where feasible and appropriate, by judicious application of strategies tailored to the requirements of each specific case, and potentially involving restructuring, the sale of assets, and/ or write-offs.

To this end, the Bank shall ensure stronger coordination of appraisal, due diligence, supervision, and monitoring activities with an integrated risk management function.

v. Marketing and Business Generation

The Banking Division will remain the core "production" center of the Bank, where most of the revenues are generated through preparation and implementation of project finance, corporate and trade finance operations. Emphasis will be given to building a pipeline of operations consistent with country/ regional needs and institutional objectives and to strengthening the capacity to respond to emerging opportunities. Promotional activities will be carried out to increase the Bank's market presence and strengthen its role in satisfying its specific niche. Such activities will be supported by the following communications activities:

- Roadshows, corporate Business Generation events, and presentations;
- Participations in third party business events, including conferences, sponsorships of exhibitions and related events, etc.;
- Promotional campaigns in international and national media (interviews, articles, corporate statements, etc.);
- Communication programs and targeted initiatives for Observers and prospective shareholders;
- Active promotion of the region and the Bank (and its services) through the corporate website and publications.

vi. Investor Base Development

The Bank will need to introduce itself to a wider range of international investors. Targeted investor groups might include Emerging Market Funds, Sovereign wealth funds, General Funds, Central Banks, Development Banks, and Commercial Banks.

vii. Effective Human Resource Management

The human resources management activities planned for 2022-2024 aim to (i) attract and retain the right people, in the right job, with the right motivation, skills, and training; and (ii) create an enabling work environment for staff to achieve their potential.

The achievement of the strategic goals over the MTSBP period 2022-2024 may require recruitment of additional front office staff, in particular for business generation, appraisal, structuring, and supervision of project finance deals, public sector operations, and trade finance, in addition to marketing, investor relations, and procurement specialists. Additional professional staff will be required also in the middle and back offices, due to increased controls and increased disbursement activity.

The major components of the human resources program are:

(i) Creating a positive and enabling working environment that motivates staff;

(ii) Developing the capacity of staff members to reach their full potential, and assess the capacity needs (in terms of number of staff and qualifications), and making the necessary investments;

(iii) Facilitating turnover of staff with unsatisfactory performance;

(iv) Talent Sourcing, which refers to attracting and retaining talented people committed to the values of the organization, including by:

   a. Considering the establishment of a Young Professionals Program for university graduates with limited prior work experience; and

   b. Pursuing an active recruitment program to establish a pool of suitably qualified and experienced personnel.

The Bank will base its decisions to retain, reward, and promote staff based on merit and performance.

viii. Enabling Organizational Structure

The Bank needs to be structured in a way that allows face the challenges ahead successfully, respond effectively to evolving conditions, and be both flexible and dynamic. Although the current organizational structure of the Bank is not a constraint on faster growth, certain adjustments may be needed, with special reference to the following:

- Provide for a cost-effective and operationally efficient Organizational Structure that facilitates the fulfillment of the mandate of the Bank, and which to the extent possible consolidates and clusters functions with closely related authority and responsibility, prevents conflict of interest in an organization, and promotes open communication across divisional boundaries.
- The Bank shall be structured in Divisions established to execute functions related to (i) general advisory and overall control, (ii) front office, (iii) middle office, (iv) back office, and (v) administrative and general support services.
- The upgraded Organizational structure shall both economize on the use of human resources and make more effective use of available skills, in a way that would adequately cover, to the maximum extent possible, the evolving needs and core functions of a multilateral development institution with the regional cooperation and development mandate of Mighty Warners Global Capital.

13.8. Strategy Map

To facilitate the strategy execution and provide the tools for integrating "what" the Bank wants to do to achieve the strategic target with "how", the Bank uses the synoptic presentation of the Strategy Map.

Mighty Warners
Global Capital
Strategy Map

WHAT TO DO

Mission: To promote development and regional economic cooperation with a view to effectively contribute to the transition process of the UAE towards the economic prosperity of the people of the region.

Vision: To establish itself as a pre-eminent partner financial institution for the UAE region.

Operational Priority

- Promote economic development
  - Increase access to finance for small and medium sized companies
  - Invest in sectors of real economy
  - Provide finance for public sector infrastructure projects
- Promote regional economic cooperation
  - Support intra-regional trade
  - Support intra-regional investment

Increase relevance for stakeholders

- Attract donor funds for Technical Assistance
- Increase Development Impact of Operations
- Expand financing of cross country operations and/or with cross-border benefits/neighborhood effects
- Increase cooperation with partner institutions

HOW TO ACHIEVE

Structure and Processes

- Lean organization structure, focused, efficient and effective
- Align structure with strategy, based on skills/needs
- Eliminate inefficiencies
- Enhance MIS
- Address challenges, Take opportunities

Finance and Portfolio

- Maintain
- Maintain NPL 5%
- Increase size of
- Control spending
- Sustain income levels
- Focus on: (i) mandate fulfillment; (ii) operating efficiency; (iii)
- Quality at Entry, effective risk management and supervision

Learning and Growth

- Employee loyalty, motivation, satisfaction
- Effective performance and career management