

Creating World-Class Destinations



ALDAR PROPERTIES PJSC
ANNUAL REPORT 2024



Creating World-Class **Destinations**

Aldar's ambition is to create value in society, strengthening communities to cultivate healthy and accessible places that inspire everyone to live, belong and sustain. The company develops destinations through a fully integrated approach, providing a blend of high-quality property, infrastructure and amenities to encourage economic progress and exceptional quality of life.



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SPOTLIGHT ON

OUR PARTNERSHIP WITH MUBADALA



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OUR DIGITAL TRANSFORMATION



→ READ MORE ON PAGE 48

OUR D-HOLD PIPELINE



→ READ MORE ON PAGE 65

Creating World-Class Destinations

ABU DHABI: SAADIYAT ISLAND

An exclusive haven of culture, luxury and nature.



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ABU DHABI: YAS ISLAND

A dynamic lifestyle and leisure hub.



READ MORE ON PAGE

18



WHO WE ARE

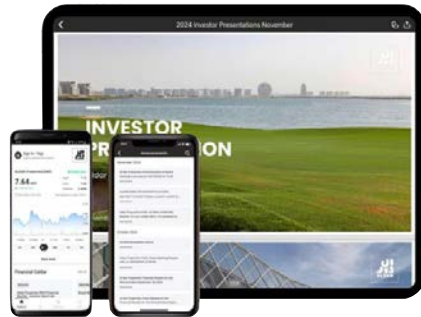
Aldar is the leading real estate developer, manager, and investor in Abu Dhabi, with a growing presence across the United Arab Emirates (UAE), the Middle East and North Africa, and Europe.

The company is at the forefront of economic transformation, advancing the UAE's vision for growth, diversification, and sustainability. By creating integrated communities and vibrant destinations, Aldar enriches every aspect of life, offering environments where people can live, work, and connect.

As a driving force behind development of Abu Dhabi, the UAE's capital, Aldar plays a key role in shaping the economic landscape, attracting foreign direct investment and fostering global partnerships. Its initiatives reinforce Abu Dhabi's standing as a premier investment hub that drives sustainable growth and enhances international competitiveness.

With its diverse and expanding portfolio, Aldar enhances Abu Dhabi's reputation as a leading destination for residents, businesses, and investors. Its residential, commercial, and retail developments reflect the Emirate's rich culture and forward-looking vision, attracting global interest and establishing Abu Dhabi as a long-term home for a growing international community. Driven by a strong commitment to sustainability, Aldar aligns its strategy with the UAE's Net Zero 2050 goals.

**For more information
please also see:**



→ DIGITAL 2024
ANNUAL REPORT



→ 2024 SUSTAINABILITY
REPORT



→ 2024 INNOVATION REPORT

WHO WE ARE CONTINUED

Communities where people live, work, shop, learn and stay



OUR PURPOSE

To have a positive impact on people's lives.



OUR VISION

Become the regional real estate champion that creates signature experiences for our customers and sustainable value for our shareholders.

OUR VALUES



Result-orientated

We are determined to achieve our goals with an unrelenting focus on quality, while resiliently adapting to change



Growth-minded

We lead with ambition and embrace opportunities to expand our impact through calculated risks



Collaborative

Our communities are built for people to thrive – we tune in to our customers' needs and strive to exceed expectations



Community-focused

We work together as one toward shared goals and mutual success, cultivating trust and transparency



Responsible

We show respect for others, act with integrity, and focus on sustainable outcomes

BUSINESS MODEL



ALDAR DEVELOPMENT

Aldar Development is a master developer of integrated, liveable, and thriving communities across Abu Dhabi's most desirable destinations.

Property Development & Sales

Core UAE residential develop-to-sell business

Project Management Services

Managing government housing and infrastructure projects in the UAE

International

- SODIC, Egypt
- London Square, UK

→
READ MORE ABOUT ALDAR
DEVELOPMENT ON PAGE 83

ALDAR INVESTMENT

Aldar Investment houses Aldar's core asset management business, comprising a portfolio of investment-grade and income-generating real estate assets.

Investment Properties

Asset portfolio includes:

- Commercial
- Residential
- Retail
- Logistics

Hospitality & Leisure

Asset portfolio includes:

- Hotels
- Golf clubs
- Leisure

Aldar Education

Asset portfolio includes:

- Owned and operated schools
- Managed schools

Aldar Estates

Asset portfolio includes:

- Property management
- Facilities management
- Integrated community services
- Valuation and advisory

Others

Asset portfolio includes:

- Private credit
- Co-working
- Other investments

→
READ MORE ABOUT ALDAR
INVESTMENT ON PAGE 94

D-HOLD

Aldar's develop-to-hold (D-HOLD) strategy bridges its two core businesses, leveraging expertise in development and active asset management to generate attractive returns and long-term capital appreciation. Aldar has a significant D-HOLD pipeline across commercial, residential, retail, logistics, hospitality and education.

→
READ MORE ABOUT D-HOLD
ON PAGE 65

GEOGRAPHIES

Focused expansion within UAE and internationally

Core UAE Market

Aldar plays an integral role in shaping Abu Dhabi's economic landscape as the market's dominant real estate player, and continues to capitalise on its long-standing track record, expertise and sizeable landbank to create thriving integrated communities in some of the most sought-after destinations across the UAE.

Pursuing a strategy to diversify geographically and across asset classes, Aldar has expanded beyond Abu Dhabi to the Emirates of Dubai and Ras Al Khaimah. The company is successfully leveraging its franchise, capabilities in master-planned communities, and strengths as an active asset manager of a growing investment property portfolio.

→
READ MORE ABOUT
OUR WORLD-CLASS
DESTINATIONS
ON PAGE 11

ABU DHABI

- Commercial
- Residential
- Retail
- Logistics
- Hospitality & Leisure
- Aldar Estates
- Aldar Education
- Others
- Aldar Development

DUBAI

- Commercial
- Residential
- Retail
- Logistics
- Hospitality & Leisure
- Aldar Estates
- Aldar Education
- Aldar Development

RAS AL KHAIMAH

- Residential
- Retail
- Hospitality & Leisure
- Others
- Aldar Development

International Presence

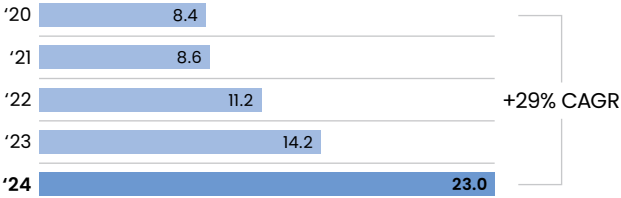
Leveraging an efficient operating model designed to deliver sustainable growth, Aldar has taken concrete steps to expand its footprint internationally, principally through acquisitions of ambitious, like-minded residential developers in the United Kingdom and Egypt, as well as through private credit opportunities in Europe.



2024 HIGHLIGHTS

Cross-platform growth

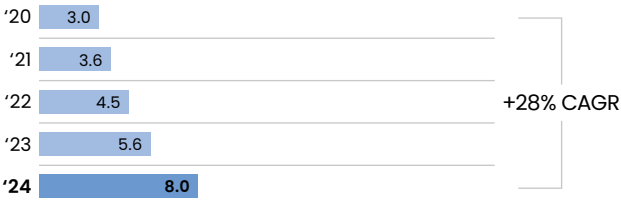
REVENUE (AED bn)



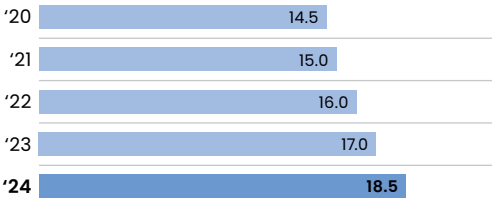
NET PROFIT AFTER TAX (AED bn)



GROSS PROFIT (AED bn)



DIVIDEND PER SHARE (fils)



REVENUE (AED)

23.0bn

+62% YoY

MOODY'S CREDIT RATING

Baa2

Aldar Properties

NET PROFIT (AED)

6.5bn

+47% YoY

Baa1

Aldar Investment Properties

MARKET CAP (AED)

60.4bn

RETURN ON EQUITY

16.1%

TOTAL ASSETS (AED)

85.7bn

EPS

70fils

2024 HIGHLIGHTS CONTINUED

ESG Ratings and Rankings



CREATING SUSTAINABLE PLACES



61

DJSI score. Ranked 1st in the region for real estate (top 5% in the industry ratings worldwide)



7%

reduction in water consumption

5%

reduction in energy consumption



CREATING SOCIETAL VALUE



89%

customer satisfaction

43%

Emiratisation



CREATING RESPONSIBLE LEGACY



40%

women in the workforce

13%

youth in the workforce

BBB

rating from MSCI for ESG risk management practices



92%

of construction and demolition waste recycled

80%

of new developments targeted 3 Pearl Estidama rating

AED 9.6bn

In-Country Value (ICV) contribution

9,047

hours of training

15.7

ESG risk score (Low Risk Category), Sustainalytics



23%

of retrofitted assets achieved a rating of LEED O+M Gold/Platinum

AED 23mn

community investment

70+

supplier signatories to the Real Estate Climate Pledge

2024 HIGHLIGHTS CONTINUED

January – June 2024

ALDAR DEVELOPMENT



JANUARY
Manarat Living II,
Saadiyat Island,
Abu Dhabi.

FEBRUARY
Sama Yas,
Yas Island,
Abu Dhabi.

MARCH
Nouran Living,
Saadiyat Island, Abu Dhabi.

Earlsfield,
London (London Square).



APRIL
Source Terraces,
Saadiyat Island, Abu Dhabi.

MAY
Athlon,
Dubai.



ALDAR INVESTMENT

JANUARY
Acquired
7 Central logistics
hub & adjacent
land plot in Dubai
Investments Park.



FEBRUARY
Partnership announced with Carlyle
to invest in UK and European
logistics and storage real estate.



DEVELOP-TO-HOLD



JANUARY
Announced ~AED 1bn
investment to expand
logistics real estate
business in Abu Dhabi
& Dubai.

FEBRUARY
As part of ~AED 1bn
investment to expand
logistics real estate
business, announced
plans to develop a
Grade A build-to-suit
facility in Dubai South
Logistics District.



Announced further
deployment of AED
5bn to develop a range
of commercial,
retail and logistics
income-generating
assets within Abu Dhabi.



2024 HIGHLIGHTS CONTINUED

July – September 2024

ALDAR DEVELOPMENT

JULY

The Arthouse, Saadiyat Island, Abu Dhabi.

Verdes by Haven, Dubai.

Ogami, Ras El Hekma, Egypt (SODIC).



SEPTEMBER

Yas Riva,
Yas Island, Abu Dhabi.

Mamsha Palm Residences,
Saadiyat Island, Abu Dhabi.

**Twickenham Green
& Twickenham Square**,
London (London Square).



ALDAR INVESTMENT

JULY

Acquired **6 Falak**,
a fully occupied
Grade A office
building in Dubai
Internet City.



SEPTEMBER

Announced **AED 1.5bn
investment transform**
programme
to the hospitality
portfolio in
partnership with
global luxury brands.



DEVELOP-TO-HOLD

JULY

As part of ~AED 1bn
investment to expand
logistics real estate
business announced in
January, strategic
agreement signed with
DP World to develop a
logistics park in Dubai.

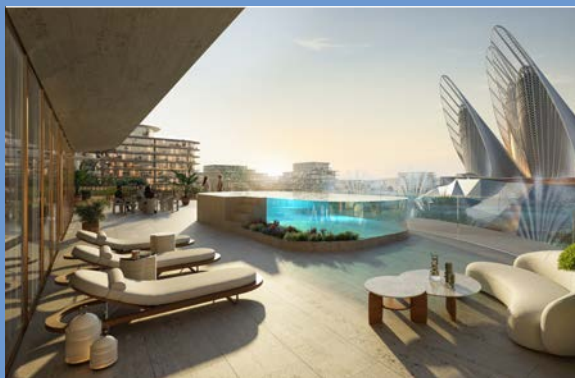


Announced plans to
develop and launch an
iconic **Grade A office
tower** development on
Sheikh Zayed Road,
beside DIFC, which will
also include a luxury
boutique hotel and
branded residences.

2024 HIGHLIGHTS CONTINUED

October – December 2024

ALDAR DEVELOPMENT



NOVEMBER

Mamsha Gardens,
Saadiyat Island, Abu Dhabi.

Mandarin Oriental Residences,
Saadiyat Island, Abu Dhabi.

Faya Al Saadiyat,
Saadiyat Island, Abu Dhabi.

Westminster Tower,
London (London Square).

ALDAR INVESTMENT

Yasmina British Academy & Noya British Academy opened for 2024/2025 academic year.



Al Hamra Mall, Ras Al Khaimah redevelopment completed, as part of the AED 500mn investment plan announced in July 2023, which also included the repositioning of **Al Jimi Mall,** Al Ain, scheduled for completion in H2 2025.

DEVELOP-TO-HOLD



OCTOBER

Partnership announced with **Expo City Dubai** to develop a **five-building mixed-use** (residential, commercial and retail) development within new Expo City master plan.

DECEMBER

Acquired an AED 2.3bn **commercial tower in Dubai International Financial Centre (DIFC)** to be developed by H&H Development.



WORLD-CLASS DESTINATIONS

Iconic venues, integrated lifestyles

Aldar's ambition is to create value in society, strengthening communities to cultivate healthy and accessible places that inspire everyone to live, belong and sustain.

The company develops destinations through a fully integrated approach, providing a blend of high quality property, infrastructure and amenities to encourage economic progress and exceptional quality of life.

In Abu Dhabi, the nation's capital, the company is building luxury residences in the Saadiyat Cultural District on Saadiyat Island, has developed Yas Island into a seamless lifestyle, work and entertainment experience, and is investing in the thriving Abu Dhabi Global Market (ADGM) financial district on Al Maryah Island.

Aldar has also taken its franchise to Dubai to contribute to the Emirate's economic vibrancy, while supporting Ras Al Khaimah's offering as a leisure destination.

By leveraging its expertise and capabilities across its development and investment platforms, Aldar is creating opportunities for the communities it serves, and delivering substantial shareholder value.



→ WWW.WORLD.ALDAR.COM

WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi Saadiyat Island

Saadiyat Island is a strategic priority in Abu Dhabi's lifestyle proposition, offering a blend of nature, culture and luxury. Fringed by white sand beaches, the island is shaped by a low-density, environmentally sensitive masterplan. Saadiyat is home to the Louvre Abu Dhabi, the Zayed National Museum, the Natural History Museum Abu Dhabi, the Guggenheim Abu Dhabi and the Abrahamic Family House, as well as luxury resorts and world-class educational institutions.

[see world.aldar.com](https://world.aldar.com) →

Abu Dhabi City Saadiyat Island

**NOBU HOTEL**

The Arthouse

SAADIYAT GROVE RETAIL

The Source Terraces

Mamsha Palm

Mamsha Gardens
Mandarin Oriental
Residences

Manarat Living II

CRANLEIGH**SAADIYAT BUSINESS PARK**

WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Saadiyat Island

Shaping a modern, luxury lifestyle destination

Aldar has been a key driver of Saadiyat Island's rapid development as a world-class destination since its 2018 acquisition of land from the Tourism Development & Investment Company and a 2019 land swap with the Government of Abu Dhabi. The company continues to capitalise on strong demand for luxury residential through a series of landmark development launches, including hospitality and luxury residence partnerships with premium lifestyle operators, such as Nobu and Mandarin Oriental.

In line with its community-first approach, Aldar is also developing a high-end retail offering at the heart of the Saadiyat Grove development and progressing plans for a business park. To cater for the island's strong appeal to families, Aldar has ensured access to high quality education is within easy reach, establishing two campuses of Cranleigh Abu Dhabi to cater to a growing population.

2024 Development Launches

- Mamsha Gardens
- The Arthouse
- Nouran Living
- Manarat Living II
- The Source Terraces
- Faya Al Saadiyat
- Mamsha Palm
- Mandarin Oriental Residences

Key 2024 Activities

SAADIYAT GROVE RETAIL

A new luxury retail destination

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SAADIYAT BUSINESS PARK

The heart of business on Saadiyat Island

→
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ON PAGE 15



NOBU HOTEL

Bringing an iconic lifestyle brand to Saadiyat Island

→
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CRANLEIGH ABU DHABI

Expanding Aldar's education offering

→
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ON PAGE 17

WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Saadiyat Island

Saadiyat Grove Retail

A new luxury retail destination

Part of Aldar's D-HOLD pipeline, Aldar is developing 78,000 sqm of gross leasable area within Saadiyat Grove, including a central shopping destination, two retail boulevards, and community retail spaces. Saadiyat Grove Retail is designed as a premier luxury retail destination featuring 200 outlets, including more than 70 fashion and beauty stores, dining options, and entertainment venues. It is expected to be completed in the second half of 2025.



WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Saadiyat Island

Saadiyat Business Park

The heart of business on Saadiyat Island

Saadiyat Business Park is a commercial complex being developed as part of Aldar's D-HOLD pipeline. It will consist of four Grade A office towers offering a combined 25,000 sqm of gross leasable area situated in a boutique landscaped business park environment upon its projected completion in 2027.



WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Saadiyat Island

Nobu Hotel

Bringing an iconic lifestyle brand to Saadiyat Island

Scheduled to open in late 2027, the 126-key Nobu Hotel is a D-HOLD asset that will enhance Aldar's hospitality portfolio and Saadiyat Island's emergence as a leading luxury leisure destination.



WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Saadiyat Island

Cranleigh Abu Dhabi

Expanding Aldar's education offering

In 2024, Aldar completed a greenfield education development that expanded Cranleigh Abu Dhabi to include an extensive, brand new pre-preparatory school campus. Cranleigh is an award-winning British curriculum school offering education from FS1 through Year 13, combining rigorous academics with an enriching co-curricular programme.



WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi Yas Island

Yas Island is a distinctive leisure and lifestyle destination in Abu Dhabi, offering a balanced mix of entertainment, recreation, and natural surroundings. With its waterfront promenades, views of verdant mangroves, and vibrant communities, the island provides access to some of the UAE's key attractions, including Yas Marina Circuit, Ferrari World Abu Dhabi, and Yas Mall. Alongside its entertainment offerings, Yas Island features education and retail facilities, as well as a growing number of international hotels, making it an appealing location for both visitors and residents.

[see world.aldar.com](https://world.aldar.com) →

Abu Dhabi City
Yas Island



Yas Riva

Sama Yas

NOYA BRITISH SCHOOL

NOYA COMMUNITY RETAIL

YAS GOLF COLLECTION RETAIL

YAS PLAZA HOTELS

YAS PLACE

WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Yas Island

Striking a work-life balance

Since Aldar led the creation of a thriving leisure destination on Yas Island over a decade ago, the company has continued to be at the forefront of the island's rapid growth and development.

As a stand-out example of integrated master-planning, Aldar has established its flagship Abu Dhabi retail asset, Yas Mall, at the heart of the community, while introducing a blend of apartment and villa developments across the island and providing a range of education facilities including the Noya British School. The focus now is to transform the island's hospitality landscape to provide a luxury resort offering and to create commercial assets to activate the island as a business hub.

2024 Development Launches

- Sama Yas
- Yas Riva

Key 2024 Activities

YAS PLACE

Enhancing Yas Island's commercial offerings

→ READ MORE ON PAGE 20



NOYA & YAS GOLF COLLECTION COMMUNITY RETAIL

Expanding the range of retail on Yas Island

→
READ MORE
ON PAGE 21



YAS PLAZA HOTELS

Transforming the hospitality offering

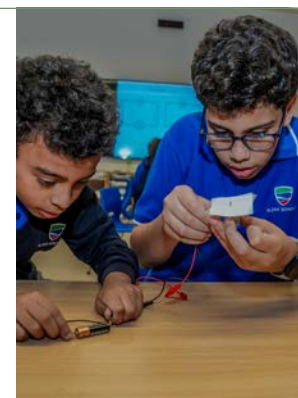
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NOYA BRITISH SCHOOL

Launching a greenfield education asset

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WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Yas Island

Yas Place

Enhancing Yas Island's commercial offerings

Yas Place is a 25,000 sqm commercial development that forms part of Aldar's D-HOLD pipeline. The project will enhance economic activity on Yas Island, which is also home to the Yas Creative Hub, a new entertainment and media zone. It is expected to be completed in the first half of 2025.



WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Yas Island

Community Retail

Expanding the range of retail on Yas Island

New retail facilities, with a total gross leasable area of over 6,000 sqm, will be developed as D-HOLD assets to serve in the Noya and Yas Golf Collection communities.



WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Yas Island

Yas Plaza Hotels

Transforming the hospitality offering

Aldar unveiled a masterplan to turn the six-hotel complex at Yas Plaza into a fully integrated resort operated by IHG's 'Vignette Collection' brand. The project is part of the AED 1.5 billion hospitality transformation programme announced in 2024 to reposition Aldar's hospitality assets in the luxury segment. The resort is expected to become fully operational in the second half of 2026.



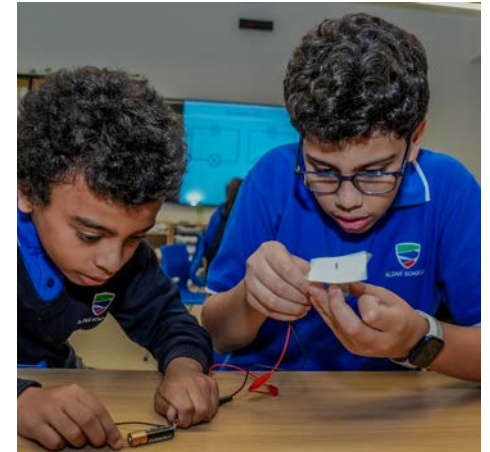
WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Yas Island

Noya British School

Launching a greenfield education asset

Aldar's greenfield education development on Yas Island, Noya British School opened its doors to students in the second half of 2024. The British-curriculum institution has capacity for 3,000 students and is operated by Aldar Academies.



WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi Al Maryah Island

Al Maryah Island is home to Abu Dhabi's financial district, incorporating a world-class commercial, retail, F&B and hospitality offering to serve the community and a thriving ecosystem of corporate and financial institutions based in Abu Dhabi Global Market (ADGM). Opened in October 2015, ADGM is Abu Dhabi's international financial center and the only financial free zone in the UAE's capital that enables occupiers to conduct both onshore and offshore businesses.

Abu Dhabi City
Al Maryah Island



ADGM TOWERS

AL MARYAH TOWER

ONE MARYAH PLACE

[see world.aldar.com](https://world.aldar.com) →

WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Al Maryah Island

At the forefront of Abu Dhabi's growth as a financial hub

Aldar has become a driving force in the success of the financial district since the acquisition of the four ADGM commercial towers and the Al Maryah Tower in 2022. Through active asset management, including the introduction of pre-leasing for the first time in Abu Dhabi, these Grade A assets are at near full occupancy.

In the context of strong demand for prime office space from blue-chip tenants, Aldar continues to expand its footprint to bring further supply to the market, while also advancing plans to take a stake in the Galleria Luxury Collection retail asset through a joint venture with Mubadala that is scheduled to complete in 2025. A rigorous focus on premium spaces and plans to further develop the island's commercial offerings will ensure Al Maryah Island remains the destination of choice for firms aiming to expand their presence in a country and region positioned for exceptional growth.

Key 2024 Activities

ADGM TOWERS

Grade A offices at the heart of Abu Dhabi's financial district

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AL MARYAH TOWER

Prime commercial asset approaches full tenancy

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ONE MARYAH PLACE

Breaking new ground for Abu Dhabi's commercial sector

→ READ MORE ON PAGE 28



WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Al Maryah Island

ADGM Towers

At the core of the financial district

Aldar's four iconic office towers in ADGM Square – Al Sila, Al Sarab, Al Maqam, and Al Khatem – provide a total gross leasable area of 180,000sqm and are designed for sustainability and efficiency. They feature double-skin facades and elevated office floors for open, light-filled spaces, and offer seamless access to luxury hotels, retail and fine dining in a world-class business destination.



WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Al Maryah Island

Al Maryah Tower

Prime commercial asset approaches full tenancy

Al Maryah Tower, a 25-storey Grade A office property with 32,000 sqm of gross leasable area, became operational in 2024 and is already near full occupancy. The tower was acquired and developed by Aldar in partnership with Mubadala Investment Company in 2022.



WORLD-CLASS DESTINATIONS CONTINUED

Abu Dhabi: Al Maryah Island

One Maryah Place

Breaking new ground
for Abu Dhabi's
commercial sector

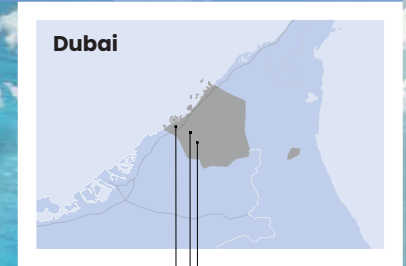
In October 2024, as part of their joint venture, Aldar and Mubadala broke ground on One Maryah Place, a two-tower commercial development that will be included in Aldar's D-HOLD pipeline. When completed in 2027, the complex will offer approximately 98,000 sqm of Grade A office space.



WORLD-CLASS DESTINATIONS CONTINUED

Dubai

Dubai continues to solidify its position as a premier global business and lifestyle hub, attracting significant foreign investment and high-net-worth individuals. Growth has been driven by significant investment in key sectors such as trade, logistics, tourism, technology and finance, which has driven demand across all real estate asset classes.



JEBEL ALI LOGISTICS PARK

7 CENTRAL LOGISTICS HUB

6 FALAK

SHEIKH ZAYED ROAD TOWER

DIFC TOWER

Athlon

Verdes by Haven

see world.aldar.com →

WORLD-CLASS DESTINATIONS CONTINUED

Dubai

Growing footprint for a successful franchise

Aldar has successfully expanded its footprint into Dubai, focusing on the major themes defining the Emirate's economic success – growth of the financial services sector, trade and commerce, and an expanding population. Through a blend of development joint ventures, acquisitions, and its develop-to-hold strategy, the company is increasing exposure across the residential, commercial, retail and logistics asset classes. Key initiatives include the strategic joint venture with Dubai Holding to develop three master-planned communities, a logistics partnership with DP World and the acquisition of an office tower to be built in the Dubai International Financial Centre (DIFC); positioning Aldar as the only company that owns commercial assets onshore in Abu Dhabi and Dubai, as well as offshore in the financial centres of both Emirates – ADGM and DIFC.

2024 Development Launches

- Verdes by Haven
- Athlon

Key 2024 Activities

JEBEL ALI LOGISTICS PARK

A Grade A logistics park

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EXPO CITY MIXED-USE DEVELOPMENT

A large-scale, versatile asset

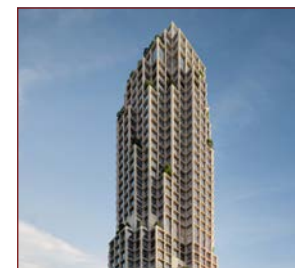
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SZR COMMERCIAL TOWER

A landmark commercial development

→ READ MORE ON PAGE 33



DUBAI INTERNATIONAL FINANCIAL CENTRE (DIFC) TOWER

Expanding in Dubai's financial hub

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7 CENTRAL LOGISTICS HUB

An ambitious logistics expansion

→ READ MORE ON PAGE 35



6 FALAK

Entry into Dubai Internet City

→ READ MORE ON PAGE 36



WORLD-CLASS DESTINATIONS CONTINUED**Dubai**

Jebel Ali Logistics Park

Grade A logistics park

Through a strategic partnership with DP World, Aldar is developing a 146,000 sqm Grade A logistics park at National Industries Park (NIP) in Jebel Ali. Strategically located close to transportation hubs, the project is part of the D-HOLD pipeline and will be delivered in two phases by the end of 2027.

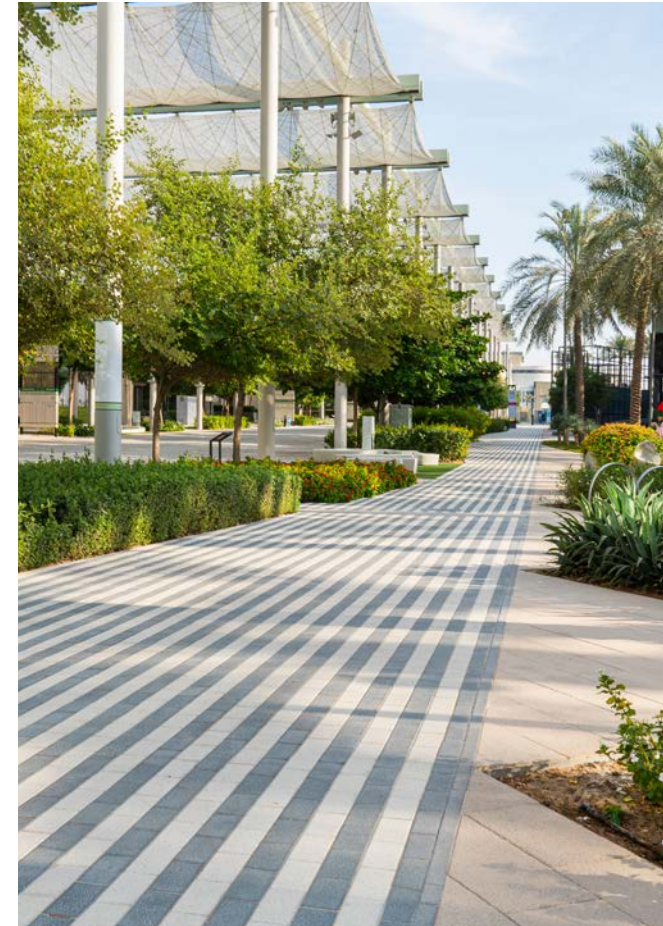


WORLD-CLASS DESTINATIONS CONTINUED**Dubai**

Expo City Mixed-Use Development

A large-scale, versatile asset

In October 2024, Aldar entered a partnership with Expo City Dubai to develop a mixed-use project strategically located near the Dubai Exhibition Centre and Al Maktoum International Airport. Part of the D-HOLD pipeline, the five-building development will offer 103,000 sqm of commercial, residential and retail space.



WORLD-CLASS DESTINATIONS CONTINUED**Dubai**

Sheikh Zayed Road Tower

A landmark commercial development

Aldar announced plans to develop a Grade A commercial tower on Sheikh Zayed Road, adjacent to DIFC, that will be added to the company's D-HOLD portfolio. Scheduled for completion in late 2027, the development will feature 88,000 sqm of gross leasable area, including a luxury boutique hotel and branded residences.

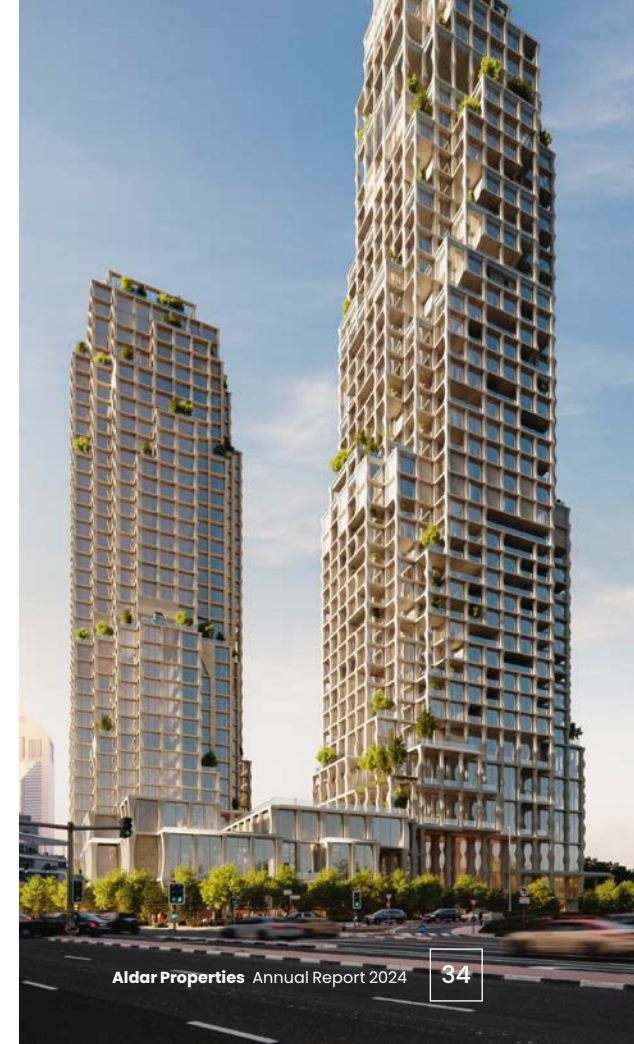


WORLD-CLASS DESTINATIONS CONTINUED**Dubai**

DIFC Tower

Expanding in Dubai's financial hub

Aldar has acquired a flagship commercial tower in DIFC for AED 2.3 billion. The 40-storey Grade A office and retail tower, purchased from H&H Development, is scheduled for completion in 2028.

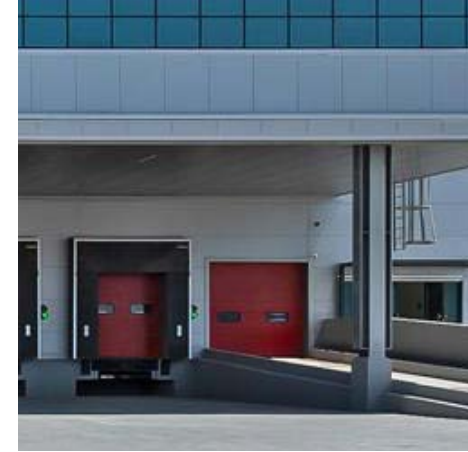


WORLD-CLASS DESTINATIONS CONTINUED**Dubai**

7 Central Logistics Hub

An ambitious logistics expansion

Aldar acquired the 7 Central logistics hub and an adjacent land plot in Dubai Investments Park. The transaction added 19,000 sqm of gross leasable area to the logistics portfolio, with plans to nearly double this space through future developments that will be added as part of Aldar's D-HOLD pipeline.



WORLD-CLASS DESTINATIONS CONTINUED

Dubai

6 Falak

Entry into Dubai Internet City

Aldar acquired 6 Falak, a newly constructed Grade A office building in Dubai Internet City (DIC). This fully occupied property offers 9,100 sqm of institutional-quality commercial office space, enhancing Aldar's presence in DIC.



WORLD-CLASS DESTINATIONS CONTINUED

Ras Al Khaimah

Ras Al Khaimah is growing rapidly as a key tourism destination in the UAE, capitalising on its natural landscapes, cultural heritage, and proximity to the international aviation hub of Dubai. The Emirate has identified tourism as a significant driver of its economic growth and development and is driving inward investment into hospitality infrastructure, including new resorts and eco-tourism projects.

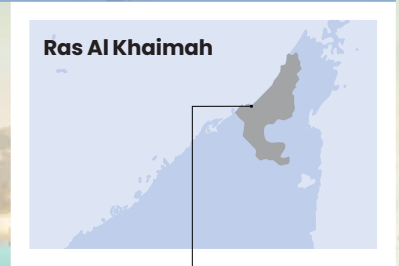
DOUBLETREE BY HILTON

AL HAMRA MALL

NIKKI BEACH RESIDENCE

ROSSO BAY

RIXOS BAB AL BAHR



see world.aldar.com →

WORLD-CLASS DESTINATIONS CONTINUED

Ras Al Khaimah

Positioned for rapid growth in tourism

Ras Al Khaimah continues to play a key role in Aldar's geographic diversification strategy. To capitalise on the Emirate's rising prominence as a tourism and recreation hub, the company has redeveloped Al Hamra Mall, positioning it as a premier retail destination, while acquiring and investing in the upgrade of the key hospitality assets of Rixos Bab Al Bahr and DoubleTree by Hilton Resort & Spa Marjan Island. Bringing a new luxury lifestyle offering to the market, Aldar is developing branded residences in collaboration with Nikki Beach.

Key 2024 Activities

DOUBLETREE BY HILTON MARJAN ISLAND & RIXOS BAB AL BAHR

Revitalising beachfront hospitality developments on Saadiyat Island

→
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AL HAMRA MALL

Elevating the retail offering

→
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WORLD-CLASS DESTINATIONS CONTINUED**Ras Al Khaimah**

DoubleTree by Hilton Marjan Island & Rixos Bab Al Bahr

Revitalising beachfront
hospitality developments

Aldar's flagship hospitality assets in Ras Al Khaimah, these two premium beachfront resorts will be elevated as part of an AED 1.5 billion hospitality transformation programme. Both properties are undergoing phased renovations to upgrade guest rooms, public spaces, F&B, and entertainment offerings, in alignment with Ras Al Khaimah's plans to develop the tourism sector.



WORLD-CLASS DESTINATIONS CONTINUED**Ras Al Khaimah****Al Hamra Mall****Elevating the retail offering**

A prominent retail destination in Ras Al Khaimah, Al Hamra Mall was acquired by Aldar in 2022 and has undergone an extensive transformation to enhance its offerings with modernised interiors, a redesigned facade, and a new Central Atrium. Completed in Q3 2024, the redevelopment added over 130 retail outlets, including 37 new brands, as well as upgraded amenities like VIP valet parking and advanced wayfinding systems.



MANAGEMENT REPORT

Management Report

MANAGEMENT REPORT

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CHAIRMAN'S STATEMENT

An integral role in the UAE's transformation



“ In 2024, Aldar built on its strong growth momentum, producing exceptional performance while driving strategic initiatives to ensure the company continues to create substantial value for its shareholders and communities long into the future.

As a leader in the real estate sector, Aldar remains integral to the UAE's remarkable economic transformation. The country's business-friendly agenda is attracting global capital and talent, fueling robust demand for Aldar's diverse offering – from wellness-inspired communities, premium schools, and world class hospitality to exceptional retail, prime office spaces, and strategically located logistics assets.

As the UAE channels significant investment into rapid development of a knowledge-based economy, Aldar is committed to playing a leading role in this exciting phase in the country's development. We continue to build our presence in our home market Abu Dhabi, while expanding in Dubai, Ras Al Khaimah and internationally in Egypt and the UK. This expansion has been supported by a growing ecosystem of partners, which includes Mubadala, Dubai Holding, DP World, Expo City Dubai, Apollo, Ares, and Carlyle, placing Aldar at the heart of transformation in a number of key sectors and geographies.

As the UAE channels significant investment into rapid development of a knowledge-based economy, Aldar is committed to playing a leading role in this exciting phase in the country's development. Our new 2030 Strategy prioritises customer experience, product excellence, prudent financial management, sustainability and empowering our employees to thrive. Through this strategy, we look forward to delivering accelerated growth in the interests of all stakeholders.

Looking ahead, our new 2030 Strategy prioritises customer experience, product excellence, prudent financial management, sustainability and empowering our employees to thrive. Through this strategy, we look forward to delivering accelerated growth in the interests of all stakeholders.

On behalf of Aldar's Board of Directors, the Executive Management team and all our employees, I offer our gratitude to His Highness Sheikh Mohamed bin Zayed Al Nahyan, UAE President and Ruler of Abu Dhabi, and His Highness Sheikh Khaled bin Mohamed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Chairman of the Abu Dhabi Executive Council, for their steadfast support and vision, which has contributed so much to the growth of Aldar and the emirate we call home. I also extend my appreciation to our customers for their trust in the Aldar brand, and to our employees, whose dedication and expertise are the foundation of our achievements.

H.E. Mohamed Khalifa Al Mubarak
Chairman of Aldar Properties

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

An engine for accelerated value creation



// Aldar is forging a path of accelerated expansion, reinforcing our position as a regional and increasingly global real estate leader. We continue to execute our growth strategy with precision, leveraging a finely tuned operating model, favourable access to capital, and a relentless focus on operational excellence.

Since embarking on our transformational growth strategy in 2020, we have driven significant scale and diversification across the business, with net profit more than tripling to reach AED 6.5 billion in 2024 and return on equity doubling to over 16%.

Over this timeframe, the Aldar Development platform has scaled new heights. Group sales have increased nearly 10 times to AED 33.6 billion in 2024, and the development backlog has increased 15-fold to close to AED 54.6 billion, providing strong revenue visibility in the coming period.

Aldar's dominant position in Abu Dhabi, coupled with our expansion into Dubai and Ras Al Khaimah, is deeply entwined with the UAE's growing stature as an international business and lifestyle destination, while our strategic investments in Egypt and the UK complement and broaden our development proposition. Additionally, Aldar Projects continues to play a pivotal role in delivering the Abu Dhabi Government's housing and infrastructure projects and now manages a diverse fee-generating portfolio.

In parallel, Aldar Investment's assets under management have more than doubled to over AED 42 billion, while the platform's adjusted EBITDA has grown significantly to AED 2.7 billion in 2024. Our develop to hold (D-HOLD) pipeline of assets is now worth AED 13.3 billion, diversified across the commercial, retail, residential and logistics asset classes, as well as education and hospitality.

These assets will be delivered progressively over the next four years, contributing significantly to the stable, recurring income streams of the platform. Meanwhile, Aldar Education has grown into a major operator with 31 owned and managed schools, Aldar Estates has become the region's leading property and facilities management businesses, and Aldar Hospitality is undergoing an AED 1.5 billion repositioning to capitalise on the growth of the UAE's tourism sector and tap into the global luxury travel market.

CHIEF EXECUTIVE OFFICER'S STATEMENT CONTINUED

Notably, in 2024 we broadened our long-standing partnership with Mubadala, which is set to shape Abu Dhabi's real estate landscape for years to come. Four joint ventures (JVs) were announced to leverage Aldar's expertise across a substantial co-owned portfolio to drive growth and diversify our income streams. Three of the JVs have now closed including an AED 3.2 billion portfolio of income generating assets in Masdar City, an exclusive island adjacent to Saadiyat Island set to be developed for residential purposes, and an AED 5 billion Grade A industrial logistics park to be developed in Al Falah strategically positioned near Zayed International Airport. The fourth JV, a world-class AED 9 billion retail platform, consolidating Yas Mall and The Galleria Luxury Collection will close in 2025.

→ READ MORE ABOUT
OUR PARTNERSHIP WITH
MUBADALA ON PAGE 45

In Dubai, we created new partnerships, while further activating existing ones to drive growth. With Dubai Holding, we launched Athlon and Verdes by Haven, two wellness and active living inspired communities that resonated strongly with customers. We also established a partnership with DP World to build a logistics park in National Industries Park in Jebel Ali and signed a joint venture with Expo City Dubai to develop a mixed-use development in the rapidly growing southern area of the city. In addition, we agreed a deal with H&H Development to acquire an AED 2.3 billion Grade A commercial tower with Aldar becoming the sole UAE developer with commercial assets in both Abu Dhabi and Dubai's key financial districts – ADGM and DIFC.

We also made significant strides in the digital transformation of our business during 2024 with the launch of 'Live Aldar'. The fully integrated platform digitalises customer interactions with Aldar, whether they are property investors or residents, parents at our schools, guests at our retail and hospitality assets, or tenants in our office spaces. Additionally, Aldar's 'Digital Spine' has been developed as a critical enabler of our operational efficiency and decision-making capabilities. The platform integrates Aldar's extensive data resources to streamline development and sales processes, reduce costs, and optimise resource allocation.

→ READ MORE ON
DIGITAL TRANSFORMATION
ON PAGE 48

Looking ahead, Aldar's growth journey will accelerate through our newly launched '2030 Strategy', a clear plan to elevate product excellence, signature experiences, and capital management. We will focus on optimising operations, advancing digital transformation, and forging strategic partnerships, while pursuing disciplined capital deployment to sustain financial outperformance. Based on Aldar's strong track record of delivery and the growth plans of each business, we have set a bold target to reach AED 20 billion in annual net profit by 2030. In addition, by targeting a return on equity in excess of 20%, we are reaffirming Aldar's position as a growth stock.

The UAE's strong economic fundamentals provide Aldar with an unmatched growth runway. The government's business-friendly policy agenda is nurturing investment and entrepreneurialism. The country is attracting strong inflows of high-net-worth individuals, businesses, and visitors with a world-class lifestyle and thriving economy, and Aldar will continue to play an integral part of this success.

In 2025, we look forward to putting the new strategic vision we have outlined into action to create positive impacts for our business, shareholders, partners and communities, reinforced by the continued guidance and support of our Board of Directors Chaired by H.E. Mohamed Khalifa Al Mubarak, to which I would like to express my utmost appreciation and gratitude.

Talal Al Dhiyebi
Group Chief Executive Officer, Aldar Properties

STRATEGIC SPOTLIGHT | MUBADALA PARTNERSHIP

The Aldar-Mubadala Partnership: Joining forces to realise a nation's vision

2024 marked a major evolution in Aldar's strategic partnership with Mubadala that will channel additional capital and expertise to accelerate Abu Dhabi's emergence as one of the world's premier business and lifestyle destinations.

The longstanding partnership between Aldar and Mubadala extends back to 2005, when Abu Dhabi's leading sovereign investor became a founding shareholder of Aldar, and has steadily strengthened since. Through a number of landmark transactions, the partnership has transformed Abu Dhabi's real estate landscape and fuelled Aldar's growth and diversification.

These transactions include Aldar's acquisition in 2022 of the four ADGM office towers, which subsequently led to a rapid increase to full occupancy in 2024 from 77% two years earlier, accompanied by double-digit rental growth. This was followed by the acquisition of the Al Maryah Tower and a joint venture to develop two additional office towers to meet soaring demand on Al Maryah Island as part of Aldar's develop-to-hold (D-HOLD) strategy, with completion expected by 2027. In late 2023, the partners became joint

participants with Ares in a European private credit platform to which Aldar has committed US\$400 million, which will significantly enhance Aldar's presence in UK and European logistics real estate.

Aldar will advance its own financial objectives and unlock further value for Mubadala through the next phase of the partnership, inaugurated in September 2024 by His Highness Sheikh Khaled bin Mohamed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Chairman of the Abu Dhabi Executive Council. The partnership has been enlarged to include multiple joint ventures to own and manage prime assets throughout Abu Dhabi.

Each party brings complementary capabilities and perspectives to this public-private cooperation designed to showcase Abu Dhabi's unrivalled ability to blend luxury, culture, supportive industry ecosystems and capacity for innovation in a single location. The partnership draws on Mubadala's extensive land bank, deep institutional expertise and strong portfolio of income-generating assets, while leveraging the experience, branding and best practices Aldar has established in real estate asset management and development.

Together the partners will develop and optimise assets in a variety of sectors and locations to unlock additional value for all stakeholders, and support priority national initiatives and industries. By early 2025, three of the four joint ventures had reached legal completion.



STRATEGIC SPOTLIGHT | MUBADALA PARTNERSHIP CONTINUED

Joint ownership of income-generating assets in Masdar City

Aldar and Mubadala concluded a joint venture in January 2025 that holds mature, income-generating **commercial and residential assets in Masdar City**, Abu Dhabi's benchmark for sustainable urban development and a prominent free zone.

The joint venture, includes 17 income-generating commercial and residential assets nearly fully occupied by a diverse base of multinational, SME and startup tenants, with a combined GLA of over 400,000 sqm and a gross asset value of AED 3.2 billion. Two additional properties under development will be added to the partnership upon completion, increasing GLA by 50,000 sqm.



Development of a landmark logistics hub

Aldar and Mubadala concluded a joint venture in early 2025 to develop a flagship **Grade-A industrial logistics park in Al Falah**, with a total gross floor area of 1.2 million sqm. Located within a 2 km radius of Zayed International Airport and boasting seamless access to a number of major highways, the park will underpin the growth of e-commerce and trade in Abu Dhabi.

With an estimated gross development value of at least AED 5 billion, the development will be completed in phases over the next 10 years, with the first phase coming online in 2028. Al Falah is expected to drive meaningful contributions to Aldar's logistics allocation and earnings progressively over the next decade.



Developing luxury waterfront communities to foster unmatched lifestyles

Leveraging Mubadala's portfolio of prime land, a joint venture concluded in January 2025 offering an unprecedented opportunity to plan and develop wellness-oriented luxury communities in prime beachfront locations on an undeveloped island off the coast of Saadiyat Island, which is rapidly becoming Abu Dhabi's most in-demand destination for residents and visitors alike.

'**Little Saadiyat**', with a gross development value of AED 4 billion, is situated between Saadiyat Marina and Reem Island along a 3 km stretch of the Arabian Gulf. It will be home to an exclusive residential community that will complement Aldar's luxury living offering in the nearby Saadiyat Cultural District, with villas defined by contemporary architecture and high-end amenities.



STRATEGIC SPOTLIGHT | MUBADALA PARTNERSHIP CONTINUED

Creation of a premium retail platform

The partnership plans to consolidate Abu Dhabi's top shopping destinations into a single premium retail platform, paving the way for pooled resources and value-adding synergies. Through a transaction expected to be completed in 2025, Aldar will contribute its flagship retail destination, Yas Mall, to the portfolio, while Mubadala will bring the top-end The Galleria Luxury Collection at Abu Dhabi Global Market (ADGM).

The new platform, with a GDV of AED 9 billion, will facilitate a coordinated retail strategy in which greater scale can be leveraged to lure new brands and experiences to Abu Dhabi, cementing the Emirate's status as a regional and global hub for high-end shopping and tourism.

In addition to diversification benefits for both parties, the JV is expected to deliver revenue upside based on Aldar's active asset management and demonstrated ability to derive additional value from retail assets. The Galleria Luxury Collection's location within ADGM, where Aldar acquired four adjacent towers in 2024 that are now near fully occupied, will provide new opportunities to foster loyal clientele among the district's commercial tenant base.



STRATEGIC SPOTLIGHT | DIGITAL TRANSFORMATION

Digital transformation: to enhance service excellence and productivity

2024 was a year of significant progress in Aldar's digital transformation strategy, with the company cementing its position as a trailblazer in digital innovation, transforming customer experiences and delivering exceptional value for stakeholders.

With Aldar's development business undergoing rapid expansion, the company's leadership has recognised the need for targeted investments in technology and digitalisation that maintain and build on Aldar's reputation for product and customer excellence. Aldar's digital strategy empowers talent to collaborate, plan and act on bold initiatives, and to execute internal processes at scale, ensuring the business remains efficient and resilient in a period of rapid growth.

These investments led in early 2024 to the launch of Live Aldar, a fully integrated platform that sets a new industry benchmark for digital customer experiences in real estate. Customers are welcomed on their journey with a best-in-class listings and search engine presented in an intuitive web app that allows users to retrieve and evaluate any property or plot in the Aldar inventory.

Live Aldar incorporates a highly scalable sales platform that introduces developments and homes virtually with cutting-edge technology, creating a seamless buying experience from anywhere in the world. The platform is capable of absorbing an infinite number of sales per day, vastly enhancing the ability of sales managers to plan and execute successful launches at speed and scale.

Live Aldar and other platforms are uniquely positioned to attract customers and brokers regardless of location, strengthening the company's global footprint at a time of unprecedented international interest in the UAE property market.

→ EXPLORE LIVE ALDAR



STRATEGIC SPOTLIGHT | DIGITAL TRANSFORMATION CONTINUED

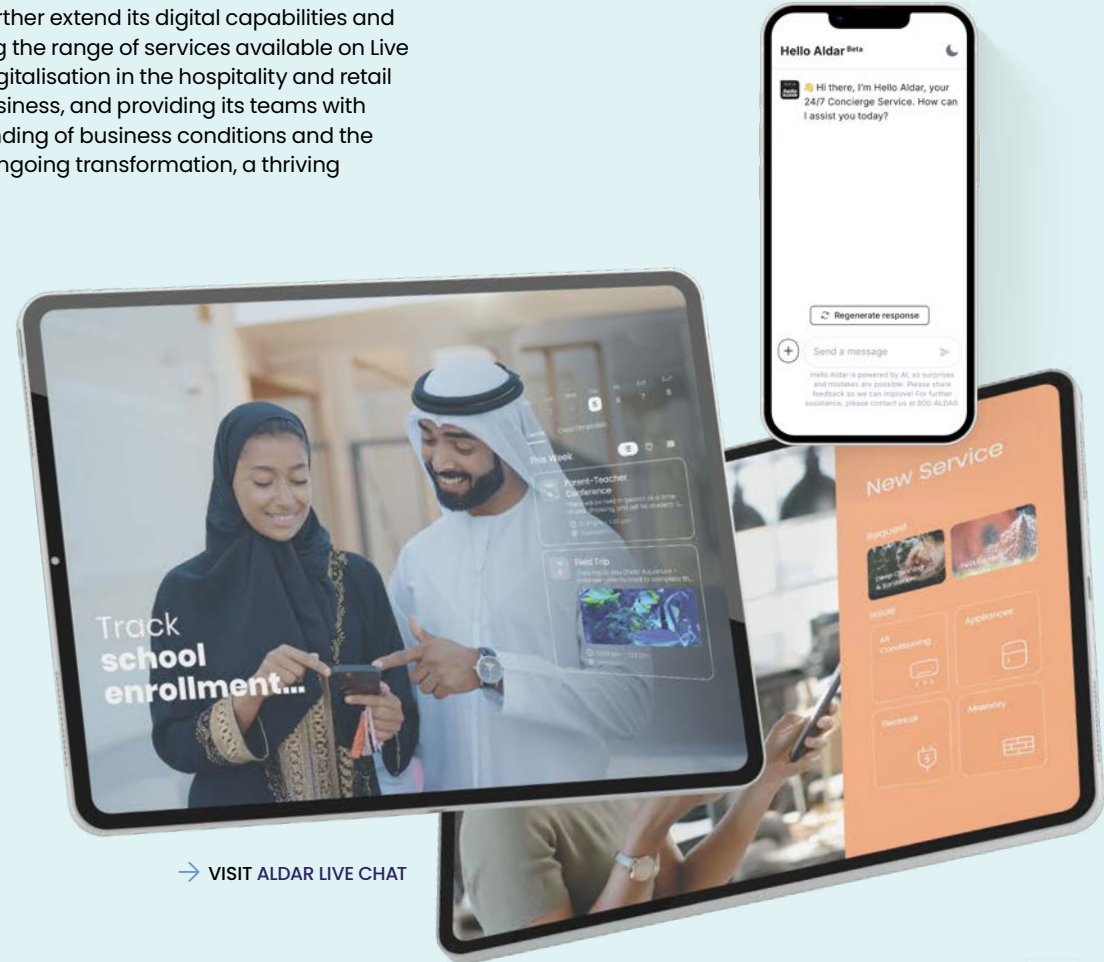
A backbone for the future

Aldar's digital transformation is also ensuring the organisation's teams excel with the development of a **Digital Spine**. This versatile workflow platform integrates the company's vast data resources to facilitate the monitoring and analysis of Aldar assets, providing insights that inform and streamline development and sales processes. By making functions like identifying opportunities, project design and sourcing more automated and intuitive, the platform has reduced costs and enhanced efficiency throughout Aldar's expanding portfolio.

Having created a solid foundation for analytics and artificial intelligence (AI), Aldar is leading the industry in the early adoption of AI to improve outcomes for its teams and customers. In mid-2024, the company launched a generative AI-based chatbot to support customer inquiries, and has also developed AI-powered tools to help teams refine sales strategies, fast-track approvals and accelerate project design.

These initiatives have not only enhanced customer satisfaction but have also delivered measurable returns, including a 65% increase in digital efficiencies. The response to Aldar's suite of innovations has been resoundingly positive, with Live Aldar achieving 16,000 unique customers – an over 50% customer adoption rate – and 92% digital sales signatures in just one year.

In 2025, Aldar will further extend its digital capabilities and offerings, expanding the range of services available on Live Aldar, advancing digitalisation in the hospitality and retail segments of the business, and providing its teams with a deeper understanding of business conditions and the customer. With its ongoing transformation, a thriving digital ecosystem.



→ VISIT ALDAR LIVE CHAT

STRATEGY

Shaping the business to deliver sustainable growth

Aldar's goal is to drive maximum financial returns for its shareholders by continually growing its portfolio and exploring new opportunities. During 2024, the Group continued to deliver on the objectives set out in its **2020 Strategic Framework**, and by year end unveiled a revitalised **2030 Strategy** that will foster growth and resilience over the next five years.

**2020
STRATEGIC
FRAMEWORK**

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**2030
STRATEGY**

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STRATEGY

2020 Strategic Framework

Driving financial returns to shareholders by continually growing its portfolio and exploring new opportunities.



Operational excellence

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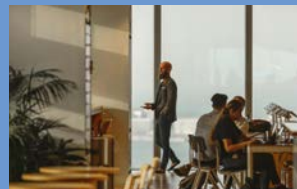
Customer centricity

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Growth & expansion

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People, innovation & digital transformation

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STRATEGY CONTINUED

2020 Strategic Framework continued



Operational excellence

What we said we will do in 2024:

- Standardise design practices, strategically strengthen the supply chain and optimise delivery to enable our development growth plan for the next five years.
- Strategically allocate capital to manage risks, seize opportunities and unlock strategic sectors or geographies.
- Scale operations across geographies and sectors, whilst efficiently managing cost base against potential economic and political headwinds.

What we did in 2024:

- New standards: Developed and launched new design and quality standards to enhance standardisation, improve quality and enable new methods of construction delivery.
- Transformation of assets: Continued to transform and reposition key assets across retail and hospitality, driving value creation through strategic investments and asset optimisation.
- Capital allocation: Improved alignment between corporate strategy and capital allocation framework to deploy capital across sectors and geographies with better defined risk rewards profiles.
- New methods of delivery: Explored options to onboard new methods of construction delivery, such as modular and 3D, to increase speed, reduce costs and improve the quality of developments.
- Strategic sourcing: Identified key items to source strategically with the goal of improving cost structures and extending warranties for Aldar customers. Additionally, Aldar is revising contracts and developing new framework agreements to unlock more customer value.

STRATEGY CONTINUED

2020 Strategic Framework continued



Customer centricity

What we said we will do in 2024:

- Deliver a seamless, quality assured and digitally enabled journey for projects handed over in 2024.
- Leverage on new customers onboarded through strategic acquisitions and drive higher sales through expansion into new emirates.
- Offer new supplementary services based on a variety of new development products.
- Launch and realise benefits from solar energy as well as energy consumption reduction efforts.

What we did in 2024:

- Launched the Live Aldar platform and enabled an end-to-end digital journey for customers receiving their homes in 2024 and for parents across Aldar Education.
- Achieved a 40% year-on-year increase in our Net Promoter Score, while onboarding businesses and journeys into Aldar's ecosystem.
- Leveraged sales networks of Aldar, SODIC and London Square and digital platforms to offer cross-border investment opportunities to customers in the UAE, Egypt and UK.
- Drove additional sales from operations in Abu Dhabi, Dubai and Ras Al Khaimah, and Aldar's brokerage network.
- Developed and piloted a new approach to community living and readiness experience based on hospitality standards.
- Introduced wellness-focused developments such as Verdes by Haven in Dubai and expanded branded luxury living via partnerships with Nobu, Mandarin Oriental, Nikki Beach and Chef Izu Ani, the creative behind global gastronomic icons.
- Achieved a 10% year-on-year increase in ratings on the Dow Jones Sustainability Index, secured the first-ever LEED platinum certification in the UAE and 2-star rating by Fitwel, the world's leading certification system committed to building health for all.
- Mobilised mystery auditors and customer experience professionals prior to community handover to ensure community readiness, from services to amenities and wayfinding.
- Launched Noya British School on Yas Island, Aldar's first mid-market greenfield school bringing world-class education across a wider customer segment.
- Launched the construction of a 34MW rooftop solar photovoltaic (PV) project across 45 assets, set for completion in 2025, targeting 23,000 tonne CO₂e reduction within first year.

STRATEGY CONTINUED

2020 Strategic Framework continued



Growth & expansion

What we said we will do in 2024:

- Strategically deploy capital into our strategic growth sectors and geographies.
- Accelerate focus on alternative real estate investments locally and internationally.
- Continue growth in Abu Dhabi, whilst expanding into Dubai, the Northern Emirates, Egypt and the UK.

What we did in 2024:

- Secured AED 9 billion in sustainability-linked financing and USD 1.5 billion in hybrid notes, enhancing liquidity and strengthening Aldar's capital structure to support growth and strategic expansion.
- Invested in commercial assets and development pipeline in Abu Dhabi and Dubai.
- Implemented strategy to invest AED 1 billion in logistics, including expansion of the Abu Dhabi Business Hub and partnerships to develop facilities with DP World and Mubadala.
- Extended strategic partnership with Mubadala to establish a series of joint ventures to own and manage assets across Abu Dhabi. By early 2025, three of the four joint ventures had reached legal completion: joint ownership of commercial and residential assets in Masdar City, the development of a logistics hub in Al Falah and development of a luxury waterfront community on a prime beachfront location on an undeveloped island off the coast of Saadiyat Island.
- Launched developments in Saadiyat Island and Yas Island, reinforcing Aldar's commitment to community and lifestyle offerings in key destinations in Abu Dhabi.
- Expanded Aldar's presence in Dubai with the launch of Verdes by Haven and Athlon, the logistics partnership with DP World and the strategic acquisitions and develop-to-hold announcements in commercial assets; positioning Aldar as the only company that owns commercial assets onshore in Abu Dhabi and Dubai, as well as offshore in the financial centres of both Emirates – ADGM and DIFC.
- Funded growth plans for SODIC and London Square to establish a solid development pipeline.
- Announced a AED 13.3 billion develop-to-hold (D-HOLD) pipeline of income-generating assets spanning commercial, residential, retail and logistics developments in Abu Dhabi and Dubai, as well as education and hospitality assets.
- Formed a private credit platform in partnership with Mubadala and Ares to target investments in the UK and EU, and invested in a private equity platform alongside Carlyle to hold logistics and storage assets in Europe.

STRATEGY CONTINUED

2020 Strategic Framework continued



People, innovation & digital transformation

What we said we will do in 2024:

- Release our digital transformation through our truly digital platforms.
- Expand our digital backbone to cover Aldar's entire ecosystem.
- Focus on scaling current successful pilots to cover Aldar's value chain, whilst scouting for new start-ups and ideas.
- Launch and implement our culture transformation programme.
- Deliver a seamless, quality assured and digitally enabled journey for projects handed over in 2024.

What we did in 2024:

- Digital platforms for customers: Consolidated customer relationship management platform across the development-to-sell portfolio. Aldar's digital loyalty platform, Darna, revamped and integrated with the Live Aldar ecosystem; enhancing the customer experience and creating a positive impact on Aldar's portfolio of businesses.
- Aldar's digital spine: Launched initiatives to digitise internal processes, including smart technology integration for data-driven decision making and efficiency improvements.
- Enterprise Resource Planning (ERP): Kicked off Aldar's long-term ERP transformation to improve productivity and enable agility.
- End-to-end ecosystem coverage: Integrated internal systems, connecting sales, operations, and customer management to create a streamlined digital ecosystem.
- Ibtikar: Aldar's internal idea generation and sourcing initiative returned in 2024, focusing on elevating advanced technology and infusing transformational AI solutions.
- Global innovation scouting and piloting: This programme sources new technologies that improve core operations focusing on supporting Aldar's Net Zero goals, delivering benefits in water conservation, energy reduction, and lowering CO₂ emissions.
- Culture transformation initiative: New values and purpose introduced alongside a roadmap for a value-based employee recognition programme.
- Diversity & inclusion: Continued to develop a dynamic workforce comprising 54 nationalities, with women and youth representing 40% and 13% respectively, while reinforcing our commitment to Emiratisation.

STRATEGY | 2030 STRATEGY

A blueprint for next-level growth, leadership and enhanced resilience

While successfully advancing the goals of its 2020 Strategic Framework, Aldar adopted a new 2030 Strategy to position the company as a global industry leader, aligned with the UAE's standing as an international lifestyle, business and investment destination.

The strategy positions Aldar as an important partner and engine of progress as the UAE invests in a reimagined future. The country is targeting AED 1.3 trillion in foreign direct investment by 2031¹, with AI transformation delivering AED 335 billion in extra growth in that timeframe², while committing to invest AED 600 billion in clean and renewable energy³. This fundamental transition, accompanied by population growth, is encouraging entrepreneurialism, while driving domestic demand across major sectors, including real estate, retail, hospitality, healthcare, financial services and logistics.

Aldar's strategy aims to capitalise on significant opportunities in this rapidly evolving landscape, leveraging the company's agility and industry leadership. Through strategic initiatives, Aldar seeks to achieve further transformative growth through optimised capital allocation and a technology-enabled delivery model that enables efficiency and significant scale across the core development and investment businesses.

Aldar plans to build resilience by diversifying revenue streams, enabling the company to navigate market cycles effectively. Leveraging strategic partnerships is crucial in supporting rapid growth, ensuring a capacity to grasp new opportunities and maintain a competitive edge.

Signature experiences are at the heart of Aldar's strategy, reflecting the company's commitment to delivering unparalleled customer satisfaction and fostering loyalty through memorable interactions. Product excellence remains a critical pillar of this focus, ensuring that Aldar consistently sets benchmarks for quality. These priorities are supported by key elements such as operational excellence, sustainability, and digital transformation, which serve as enablers of growth and innovation.

Aldar is dedicated to establishing itself as a global leader in sustainability by embedding sustainable practices across its business. Simultaneously, a robust digital-first approach underpins the company's efforts to enhance service delivery, productivity and data-driven decision-making. By aligning these foundational elements with a high-performing organisational culture, Aldar aims to create lasting value for its stakeholders, and achieve its vision of industry leadership and long-term growth.

Translating vision into action

Aldar's vision is to become the regional real estate champion that creates signature experiences for customers and sustainable value for shareholders. To bring this vision to life, the 2030 Strategy sets out four "change themes": Product Excellence; Signature Experience; Capital Management; and Enablers. Under these themes, the company is launching transformation programmes with targeted initiatives to drive rapid progress, creating long-term value for customers and delivering strong financial returns for shareholders.

¹ UAE National Investment Strategy 2031

² UAE National Strategy for Artificial Intelligence 2031

³ UAE Renewable Energy Strategy, UAE Ministry of Climate Change and Environment

STRATEGY | 2030 STRATEGY CONTINUED

2030 Strategy

Driving superior financial returns for shareholders through industry-leading profitability by maintaining a disciplined approach to capital deployment to grow solid, diversified income streams.



Product excellence

→
READ MORE
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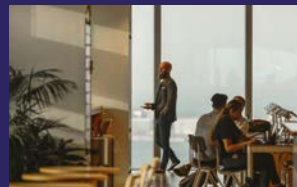
Signature experience

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Capital management

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Enablers

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STRATEGY | 2030 STRATEGY CONTINUED

2030 Strategy continued

Product excellence

Aldar is continuously improving and institutionalising its 'delivery engine' to enable a significant increase in scale, accelerate delivery and enhance quality across the value chain for its core business segments and subsidiaries. The company is focusing on the readiness of all products and their strategic launch to market.

Objectives

- Drive readiness of all products and strategically launch to the market.
- Achieve scalable and optimised delivery engine for all projects.
- Elevate product offering and synergies across all businesses.

What we will do in 2025:

- Deliver products through new construction methods such as modular and 3D, driving scalable, efficient project delivery.
- Develop tailored products to meet market demand and address underserved community segments.
- Optimise the development lifecycle to enable scalability, quality and ahead of time delivery.

STRATEGY | 2030 STRATEGY CONTINUED

2030 Strategy continued

Signature experience

Aldar is adopting a hospitality-driven model for customer experience, prioritising sustainability and a digital-first approach. The aim is to positively impact and elevate the experience for all journeys and touchpoints across the business, ensuring that a deep understanding of customer behaviour and requirements translates into meaningful action.

Objectives

- Maintain a hospitality-first and digital mindset across all customer journeys.
- Swift delivery of personalised and customised products and services to customers.
- Expand our customer reach and deepen loyalty across all businesses.

What we will do in 2025:

- Embed the Emirati hospitality and signature experience framework and standards across the Group to deliver elevated, customer-focused services.
- Drive retention of our customers and unlock additional cross-selling opportunities.
- Deliver B2B/B2C platforms across our portfolios to enable a seamless digital experience.
- Grow Live Aldar and Darna platforms, expanding the user base and digital transactions.

STRATEGY | 2030 STRATEGY CONTINUED

2030 Strategy continued

Capital management

Aldar is pursuing systematic and disciplined growth through a best practice approach to strategic capital allocation, sourcing attractive opportunities with the optimal risk and return profile to meet financial objectives. The company is focused on maximising shareholder value through expansion in its core UAE market and internationally, while unlocking additional value from assets and businesses.

Objectives

- Source, allocate and manage capital strategically to enable growth.
- Leverage value-add partnerships and third-party local and international capital to drive growth.
- Maximise and unlock additional value from our assets and businesses.

What we will do in 2025:

- Strategically source, structure and allocate capital through innovative solutions.
- Ensure consistent and long-term growth in our key markets and asset classes.
- Maximise and efficiently leverage assets to drive sustained growth and value creation.

STRATEGY | 2030 STRATEGY CONTINUED

2030 Strategy continued

Enablers

Aldar is enhancing its competitive edge through world class talent, data analytics and digital enablement. The company is adopting innovative and agile solutions to future proof all the businesses and become the global benchmark on sustainability and long-lasting impact.

Objectives

- Be an agile, innovative and data driven organisation.
- Attract and retain world class talent that embodies Aldar's values.
- Leverage digital-first approach across all operations and processes.
- Embed sustainability practices to become a global benchmark.
- Proactively engage with stakeholders to drive value across businesses.

What we will do in 2025:

- Implement the transformational ERP project across the Group to elevate productivity, enhance data-driven insights, and fuel B2C/B2B growth.
- Foster a people-centric culture by continuously investing in employee well-being and engagement.
- Continue to invest in achieving Net Zero through sustainable design, green construction, energy efficiency and circular economy practices.
- Leverage AI and data analytics to optimise processes and improve outcomes.

GROUP CHIEF FINANCIAL AND SUSTAINABILITY OFFICER'S STATEMENT

Accelerating growth, achieving scale and diversification

Through rigorous execution of strategy, Aldar extended its record-setting growth trajectory in 2024, successfully scaling operations across our core businesses and laying the groundwork for the next phase of expansion.

Group revenue rose 62% year on year to AED 23 billion, with EBITDA increasing 51% to AED 7.7 billion, driving a 47% increase in net profit to AED 6.5 billion. The sustained strength of the market and clear visibility of our future earnings pipeline point to this strong momentum continuing into 2025 and beyond.

Aldar Development's revenue surged 90% year on year to AED 15.7 billion, with EBITDA increasing 75% to AED 4.3 billion, predominately driven by the successful execution of the revenue backlog from new and existing projects. The platform set a fresh record for annual Group sales, which increased by 20% to AED 33.6 billion, supported by 12 launches in the UAE that were met with an exceptional market response that reflects the country's status as a preferred destination for capital, investment, and residence. A significant feature of this success was the strong demand from overseas and expatriate buyers, who collectively accounted for 78% of total UAE sales, facilitated by Aldar's digital ecosystem Live Aldar and an expanding network of international brokers. Looking ahead, Aldar Development is focused on delivering its highest ever Group development



GROUP CHIEF FINANCIAL AND SUSTAINABILITY OFFICER'S STATEMENT CONTINUED

backlog, which reached AED 54.6 billion by the end of 2024, and further activating its prime landbank through a strong pipeline of development launches in 2025 in the UAE, the UK and Egypt.

A similarly dynamic performance was achieved by Aldar Investment, which continues to implement a strategy for expansion and diversification. Revenue increased 21% to AED 7 billion in 2024, with adjusted EBITDA up 20% to AED 2.7 billion. This growth was driven by strong occupancy and rental rates, particularly in the commercial and retail segments, a positive impact from acquisitions over the last few years, and solid contributions from our education, estates and hospitality platforms.

Active asset management remains a core strength and differentiator, and the business will continue to deploy talent and investment to create value across our properties, including the new joint ventures with Mubadala to own retail, commercial and logistics assets. The platform is also focused on prudent balance sheet management, and during the year Aldar Investment Properties ("AIP"), the entity that holds the company's recurring income real estate portfolio, successfully issued its second USD 500 million green sukuk, achieving the tightest credit spread in Aldar's history at 110 basis points.

A key element of Aldar's growth strategy is the rapid growth in our develop-to-hold ("D-HOLD") pipeline which reached AED 13.3 billion. This approach leverages strengths and collaboration across the Group to develop prime assets that will enhance the long-term diversification and income streams of our investment property portfolio. In 2024, we made substantial progress on our D-HOLD strategy across diverse real estate asset classes in the UAE. In Dubai, we initiated the development of two office towers in the emirate's main business and financial district, and entered partnerships with DP World for logistics and Expo City for mixed-use properties. In Abu Dhabi, we broke ground on One Maryah Place – two connected office towers with 98,000 square metres of Grade A space – on the back of growing demand from global corporations and financial institutions in ADGM.

→ READ MORE ABOUT OUR
D-HOLD PIPELINE ON PAGE 65



Sustainability that drives financial gains

Aldar continues to make solid progress on sustainability, and particularly our target to achieve net zero by 2050, enhancing the environmental and efficiency performance of our development and managed assets. Our focus on sustainable, wellness-inspired communities, is resonating strongly with customers, and the business is prioritising construction of greener and more energy efficient developments. Notably, our Athlon development in Dubai was awarded the UAE's first LEED Platinum certification for community planning, in recognition of its integration of energy efficiency, water conservation and other sustainability features – serving as a benchmark for sustainable urban development in the region.

We also made significant progress in resource efficiency. Across our investment property portfolio, we continued to implement energy-efficient technologies and expanded the use of renewable energy, reducing our carbon footprint. Our existing properties have been retrofitted to meet stringent sustainability standards, resulting in lower operating costs and improved tenant satisfaction, with LEED certification expanded to 23% of our operational assets. We have strengthened circular economy efforts, recycling 92% of construction waste and diverting a growing volume of waste away from landfill and towards valuable pathways of reuse. Sustainable design is also a key priority, with 98% green concrete used in new developments and 80% of newly designed buildings achieving a 3 Pearl Estidama rating. In supply chain sustainability, 100% of suppliers for contracts above AED 500,000 were screened on sustainability criteria.

GROUP CHIEF FINANCIAL AND SUSTAINABILITY OFFICER'S STATEMENT CONTINUED

Strong financial foundations

While investing in our engines of growth, we have also taken bold steps to optimise our capital structure and foster financial resilience. Aldar concluded three landmark transactions at the 'PJSC' level in early January 2025 totaling close to USD 4.0 billion that provide long-term support for our growth strategy, and their success underscores our strong standing in the international financial community and investor confidence in the company's fundamentals.

Firstly, Aldar successfully concluded a USD 1 billion hybrid capital issuance, which was oversubscribed by 3.8 times after attracting a wide cross section of international institutional investors. This transaction marked a number of milestones – the largest conventional hybrid ever issued in the Middle East, and the highest rating and tightest credit spread ever achieved by a corporate hybrid in the CEEMEA region. In the process, Moody's reaffirmed Aldar's Baa2 credit rating with a stable outlook and assigned a standalone credit rating of Baa3 to the hybrid notes, reflecting the company's robust financial position, and the innovative structure of the hybrid issuance, which for ratings purposes is treated as equity and debt in equal measure.

This was closely followed by a USD 2.45 billion sustainability-linked syndicated revolving credit facility, with the participation of 15 leading international and regional financial institutions providing a significant enhancement to Aldar's liquidity position to over AED 30 billion. We have also reinforced our long-term partnership with Apollo Global Management ('Apollo') through a private placement of USD 500 million in subordinated hybrid notes, replacing a land joint venture that was part of Apollo's initial USD 1.4 billion investment into Aldar in 2022.

Aldar's strong financial performance in 2024 and the initiatives we have taken to bolster our balance sheet provide solid foundations for the company's next phase of accelerated growth. In the context of the UAE's robust macroeconomic fundamentals and a conducive policy environment for business and investment, we see significant opportunity to ramp up the scale of both the development and the investment businesses through a disciplined approach to capital deployment.

Faisal Falaknaz

Group Chief Financial and Sustainability Officer
of Aldar Properties

USD 1.5bn

Hybrids issuance

USD 2.45bn

Sustainability-linked syndicated revolving
credit facility

AED 30.3bn

Group liquidity

STRATEGIC SPOTLIGHT | D-HOLD STRATEGY

Develop-to-hold (D-HOLD) strategy: Creating a virtuous cycle of value

In 2024 Aldar unveiled a new develop-to-hold (D-HOLD) approach to strengthen its pipeline of income-generating assets in key destinations in the UAE, targeting projects with long-term growth potential connected to the country's strong economic trajectory.

The D-HOLD pipeline has expanded to AED 13.3 billion of properties to be delivered over the next four years, spanning commercial, residential, retail and logistics developments in Abu Dhabi and Dubai, as well as education and hospitality assets. The properties for lease will be transferred to Aldar Investment following completion of development and income stabilisation.

The D-HOLD strategy complements Aldar's ongoing and disciplined acquisition of recurring income assets and accelerates activation of its land bank.

Leveraging its extensive experience in planning and development, active asset management, and strategic partnerships with organisations such as Mubadala, Aldar will work consistently to expand and create value across the D-HOLD portfolio.

The strategy is designed to secure income streams and build a resilient foundation for capital appreciation over the longterm. It demonstrates the increasingly integrated nature of Aldar's business model by drawing on the industry-leading capabilities of the company's Development and Investment teams.

The D-HOLD pipeline: A path to future resilience

The D-HOLD pipeline increased significantly in 2024, through the planned development of multiple value-accretive assets in Abu Dhabi and Dubai that are positioned to deliver attractive yields in line with the company's targeted return thresholds.

TOTAL D-HOLD PIPELINE (AED)

13.3bn

COMMERCIAL D-HOLD (AED)

8.0bn

RETAIL D-HOLD (AED)

2.0bn

LOGISTICS D-HOLD (AED)

0.75bn

MIXED-USE D-HOLD (AED)

1.75bn

EDUCATION D-HOLD (AED)

0.4bn

HOSPITALITY D-HOLD (AED)

0.4bn

STRATEGIC SPOTLIGHT | D-HOLD STRATEGY CONTINUED

2025	2026	2027	2028
Commercial H1 2025 Abu Dhabi, Yas Island Yas Place GLA 25k sqm 	Logistics H1 2026 Abu Dhabi Business Hub expansion GLA increase of 5.5k sqm H1 2026 Dubai, DIP 7 Central expansion GLA increase to 37k sqm	Logistics H1 2027 Dubai, Jebel Ali, NIP Jebel Ali Logistics Park – two modular buildings GLA 79k sqm 	Mixed Use (Commercial, Retail & Residential) H1 2028 Dubai, Expo City¹ 5 mixed-use buildings GLA 86k sqm 
Retail H1 2025 Abu Dhabi, Yas Island Noya Community Retail GLA 5k sqm H1 2025 Abu Dhabi, Yas Island Yas Golf Collection Community Retail GLA 1.4k sqm H2 2025 Abu Dhabi, Saadiyat Island Saadiyat Grove, Central shopping, Boulevards & Community Retail GLA 78k sqm	Logistics H1 2026 Dubai, Jebel Ali, NIP Jebel Ali Logistics Park – one modular building GLA 67k sqm 	Commercial H2 2027 Abu Dhabi, Al Maryah Island Financial District One Maryah Place 2 Grade A towers Combined GLA 98k sqm H2 2027 Dubai, near DIFC SZR Commercial Tower – Grade A tower, boutique hotel, branded residences GLA 88k sqm	Commercial H1 2028 Dubai, DIFC DIFC Tower² GLA 49k sqm 
Logistics H2 2025 Dubai, Dubai South Dubai South Logistics Facility GLA 18k sqm	Retail H2 2026 Abu Dhabi, Saadiyat Island Lagoons Community Retail GLA 12.5k sqm 	Commercial H2 2027 Abu Dhabi, Saadiyat Island Saadiyat Business Park – four Grade A towers GLA 25k sqm	
Education AY 2025/2026 Abu Dhabi, Saadiyat Island Muna British Academy, 2,600 students		Hospitality & Leisure H2 2027 Abu Dhabi, Saadiyat Island Cultural district. Nobu Hotel – 126 keys	

¹ 50:50 JV with Expo City

² To be developed by H&H Development

STRATEGIC SPOTLIGHT | D-HOLD STRATEGY CONTINUED

Abu Dhabi

Commercial

Yas Place, Yas Island

Yas Place, with 25,000 sqm GLA, is being developed to enhance economic activity on Yas Island, complementing the destination's retail and leisure offerings, and the nearby Yas Creative Hub freezone. The project is scheduled for completion in the first half of 2025.

One Maryah Place: Two Grade-A Office Towers on Al Maryah Island

Through a joint venture with Mubadala, Aldar is developing two Grade-A office towers with a combined GLA of 98,000 sqm on Abu Dhabi's Al Maryah Island, catering to the rapid expansion and internationalisation of the Emirate's financial services sector. The buildings are scheduled for completion in the second half of 2027.

Saadiyat Business Park, Saadiyat Island

Consisting of four Grade A office towers with a total gross floor area of 25,000 sqm, Saadiyat Business Park will represent the first development of its kind on Saadiyat Island, creating a commercial hub for a growing community on the island upon its completion in 2027.

Retail

Noya & Yas Golf Collection Community Retail

Noya and Yas Golf Collection on Yas Island will see the opening of community retail in these respective communities, bringing a mix of shopping and F&B facilities to residents. With a combined GLA of 6,400 sqm, the retail assets are scheduled for completion in the first half of 2025.

Saadiyat Grove Mall & Grove Community Retail

The Saadiyat Grove Mall and Grove Community Retail assets, spanning GLA of 78,000 sqm, will introduce a curated blend of centralised, luxury and high street-style shopping facilities, along with dining, entertainment and community spaces for Saadiyat Island's rising population of affluent residents. The properties are scheduled for completion in the second half of 2025.

Lagoons Community Retail

Aligned with Aldar's focus on creating integrated communities, Aldar's upcoming luxurious Saadiyat Lagoons development will include 12,500 sqm of community retail. These retail assets are scheduled for completion in the second half of 2026.

Logistics

Abu Dhabi Business Hub Expansion

A further expansion of the Abu Dhabi Business Hub by 5,500 sqm GLA is scheduled for completion in the first half of 2026, bringing total GLA to 195,000 sqm. Responding to strong demand for logistics, this project follows a previous expansion of 34,000 sqm GLA completed in 2024.

Education

Muna British Academy, Saadiyat Island

A new, purpose-built campus in the Saadiyat Lagoons development on Saadiyat Island is being developed to house the Muna British Academy, which will relocate to the site and expand significantly. The school, which currently serves approximately 750 students, will have the capacity to accommodate over 2,600 students when it opens in the new campus for the 2025–2026 academic year.

Hospitality

Nobu Hotel

A new Nobu-branded hotel on Saadiyat Island responds to strong momentum in Abu Dhabi's tourism industry, which has driven demand for luxury hospitality. The 126-key hotel is scheduled to be completed in the second half of 2027.

STRATEGIC SPOTLIGHT | D-HOLD STRATEGY CONTINUED

Dubai

Commercial

Sheikh Zayed Road Tower (Near DIFC)

Aldar plans to develop a best-in-class office tower on a prime site on Sheikh Zayed Road adjacent to the Dubai International Financial Centre (DIFC), with 88,000 sqm GLA, including a hotel and branded residences. The building is scheduled for completion in the second half of 2027.

DIFC Tower

A 40-floor Grade A commercial tower is being developed in DIFC with a 49,000 sqm GLA. Scheduled for completion in the second half of 2028, the tower will offer flexible, high-quality office and retail spaces, catering to increasing demand for this prime location among multinational and regional firms.

Mixed Use (Commercial, Retail & Residential)

Aldar is jointly developing with Expo City Dubai a major mixed-use complex adjacent to the Dubai Exhibition Centre. Spanning five buildings with a combined GLA of 86,000 sqm, the project will include commercial, retail and residential assets that will cement Expo City's reputation as a sustainable, connected and vibrant business and lifestyle destination.

Logistics

Dubai South Logistics Facility

Aldar is developing an international-standard 'build-to-suit' logistics facility with a total gross leasable area of 18,000 sqm in the Dubai South district, scheduled to be completed in the second half of 2025. Strategically located near Al Maktoum International Airport, the asset will meet demand driven by the UAE's robust international trade and accelerating digital economy.

7 Central Expansion

Acquired by Aldar in 2024 in its first logistics acquisition in Dubai, the 7 Central logistics hub will be expanded to a gross leasable area of 37,000 sqm. The project is scheduled for completion in the first half of 2026.

Logistics Park

Through a new partnership with DP World, Aldar is developing a Grade-A logistics park consisting of three standalone buildings in the flourishing Jebel Ali Free Zone, targeting 3PL, e-commerce and retail tenants. A first phase of 67,000 sqm GLA is scheduled for completion in the first half of 2026, with a second phase of 79,000 sqm GLA following in the first half of 2027.



SUSTAINABILITY SUMMARY

Building Thriving Communities and Brighter Futures



→ [VIEW OUR 2024 SUSTAINABILITY REPORT](#)

Our ambition is to build sustainable places, thriving communities and a brighter, more resilient future for all. This sustainability summary shares highlights from Aldar's journey towards this vision. We invite you to explore the progress we made in 2024, and to discover even more details in our annual sustainability report.

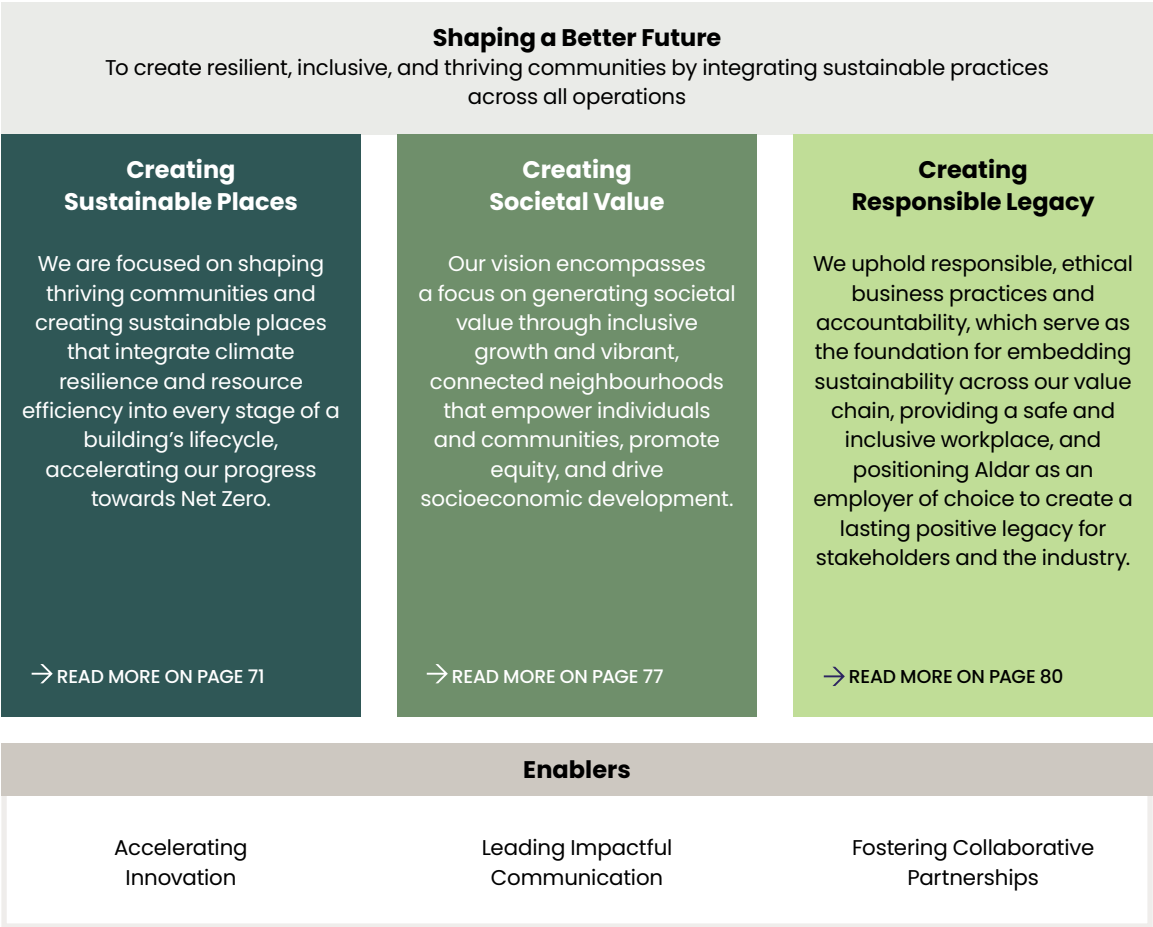
Note: The environmental and social disclosures presented in this section have not been assured at the time of reporting. For the final assured figures, please refer to Aldar's 2024 Sustainability Report.

2024 SUSTAINABILITY SUMMARY CONTINUED

Sustainability strategy

We are shaping a better future for our region, our company, and our stakeholders by creating a business culture with sustainability at its heart and embedding sustainability principles into everything we do.

Our sustainability strategy helps us transform our sustainability ambitions into reality. With a focus on creating sustainable places and societal value, and building a responsible legacy. The strategy serves as a framework for operationalising sustainability principles across the way we operate, collaborate, innovate, and grow. It also drives our contributions to the UAE’s 2031 Vision sustainable development goal and the Net Zero 2050 initiative.



2024 SUSTAINABILITY SUMMARY CONTINUED

Creating Sustainable Places

We create beautiful, sustainable places today for a brighter, more resilient tomorrow. By embedding sustainability principles into every aspect of designing and building our master-planned developments and other assets, we are setting the standard for sustainable communities that enrich lives, conserve resources, protect biodiversity, and advance circularity and Net Zero practices.

Advancing Decarbonisation

Our Net Zero Plan sets forth a comprehensive approach to addressing carbon reduction across the entire lifecycle of our assets, including acquisition and land use, design and development, construction and property management services.

Aligned with the Science Based Targets initiative (SBTi) Buildings Sector Criteria, the plan provides a roadmap of the actions we will take to reach Net Zero.

The roadmap is structured around eight levers of action, designed to systematically reduce emissions across our value chain and investment activities:

1. Low carbon design



2. Low carbon supply chain



3. Green construction



4. Clean energy



5. Resource efficiency and management



6. Tenant initiatives



7. Circular economy



8. Sustainable acquisitions



In 2024, we achieved net-zero market-based Scope 2 emissions by procuring Clean Energy Certificates (CECs) for our operational assets, effectively neutralising emissions from electricity and chilled water consumption. We also began integrating CECs into the design of select new developments to neutralise Scope 2 emissions during their first two years of operation, with plans to expand this approach moving forward as part of our broader decarbonisation efforts.

In a further advancement of our decarbonisation initiatives, we accelerated the expansion of our solar energy solutions in 2024 by launching construction of a new 34-megawatt rooftop solar PV project. Set to complete in mid-2025, the project will span 45 assets and aims to reduce 23,000 tonnes of CO₂e emissions in its first year. Over 20 years, this project will avoid over 560,000 tonnes of CO₂e emissions. We also continued to use solar hybrid solutions as a source of temporary and remote power for our construction sites offices.

Our 2024 performance across the eight levers is summarised into four strategic focus areas, aligned with Aldar's business priorities:

- Sustainable Design and Build
- Optimising Resource Efficiency
- Engaging Our Value Chain
- Nature and Biodiversity

For more detail on the eight levers, please refer to our 2024 Annual Sustainability Report.

Sustainable Design and Build

We are systematically decarbonising our real estate by integrating low carbon design strategies into all new developments, driving energy and water efficiency, supporting healthier living environments, and advancing decarbonisation through green construction practices.

2024 SUSTAINABILITY SUMMARY CONTINUED

Sustainable Building Standards

Estidama

Our design and construction standards set a high regional benchmark for sustainability. In 2024, 80% of all new Aldar developments targeted the Estidama 3 Pearl rating.

34% 

average reduction in Energy Use Intensity (EUI) achieved by design from an ASHRAE 2007 baseline, on weighted GFA basis

41% 

average reduction in Water Use Intensity (WUI) achieved by design from an Estidama baseline, on weighted GFA basis

23% 

of retrofitted assets have achieved LEED O+M Gold or Platinum certification

LEED Certification

Aldar also achieved LEED Operations & Maintenance (O+M) certification for a further 11 assets within its portfolio, including LEED O+M Gold certification for six Aldar Education schools and LEED O+M Platinum certification for five commercial assets. We are on track to certify an additional one million square metres under LEED by 2025.

The Athlon development in Dubai was also awarded the UAE's first LEED for Cities & Communities Platinum certification for community planning, recognising its commitment to sustainability, including energy efficiency, water conservation, and creating a healthy living environment.

Fitwel

100% of Aldar projects launched in 2024 achieved a minimum 2-star Fitwel rating, the leading global certification system dedicated to promoting health through the built environment.

Low carbon material

In 2024, we used green concrete across 98% of our construction sites, closing in on our goal of 100% adoption.

To further strengthen our efforts, we also partnered with CEMEX in the pilot construction of a villa featuring green concrete that incorporates 40% recycled aggregates and achieves up to a 70% reduction in embodied carbon emissions as compared to conventional concrete.

The Sustainable City: A Beacon of Sustainable Design

Developed by Aldar and SEE Holding, the Sustainable City, Yas Island is setting a new benchmark for sustainable urban development by achieving an Estidama 5 Pearl rating. The 5 Pearl rating is the highest available rating under the Pearl Villa Rating System developed and administered by Abu Dhabi's Urban Planning Council.

Powered by solar energy and designed to reduce residents' energy bills by as much as 50%, the community features energy-efficient homes, water conservation measures, green spaces, and biodomes for organic farming. Pedestrian-friendly pathways, communal buggies, and bicycles enhance accessibility, while its integration into Yas Island ensures access to nature, education, and top-tier amenities.



2024 SUSTAINABILITY SUMMARY CONTINUED

Optimising Resource Efficiency

Our smart resource management approach encompasses building design and development, as well as energy efficiency retrofits across our existing portfolio of assets. These include eco-friendly, resource-efficient upgrades focused on reducing our energy, water, and waste impacts, lowering emissions, and driving long-term sustainability.

Managing Energy

As of 2024, we have invested AED 152 million in retrofitting 67 of our properties with new measures designed to optimise energy efficiency, including heating, ventilation, and air conditioning (HVAC) upgrades and the installation of smart lighting and advanced building controls. The retrofits completed in 2024 yielded a 5% reduction in energy consumption.

2x 

increase in wastewater recycling in construction sites

In addition, we partnered with Johnson Controls to launch Abu Dhabi's first Cooling as a Service (Caas) project, an innovative model that makes energy-efficient cooling more accessible and cost-effective. By outsourcing cooling services, tenants pay only for what they use, reducing energy consumption and utility bills. This initiative, starting with the Al Rayyana Complex and Eastern Mangroves, is expected to cut the cooling carbon footprint at these locations by up to 30% annually over the next decade.

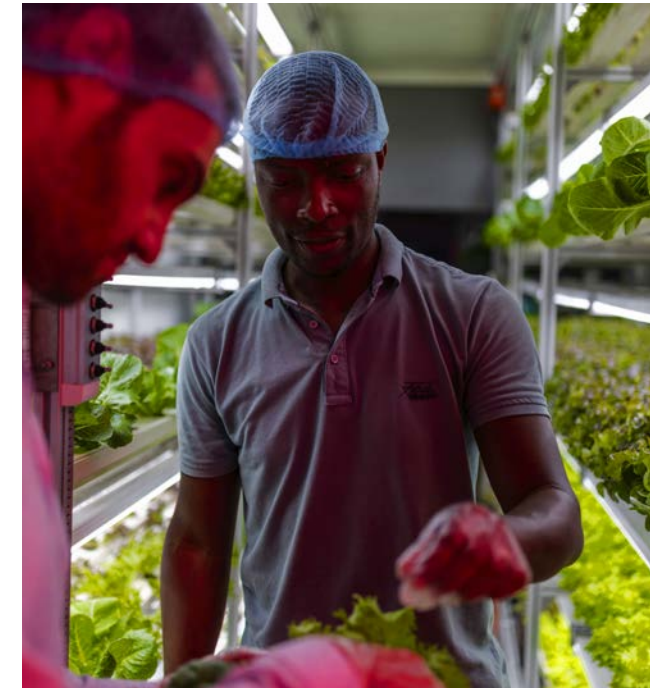
Conserving Water

As a leading developer in one of the world's most water-scarce regions, we actively support the UAE Water Security Strategy 2036. We have clear targets in place for minimising water consumption through responsible conservation and smart water management practices across our operations.

Guided by our Sustainable Construction Policy, we are proactively reducing reliance on freshwater sources during the construction phase by recycling wastewater and using grey water for activities like dust suppression. During the design phase of new developments, we incorporate water-saving fixtures and efficient irrigation systems aligned with Estidama standards to help ensure long-term water efficiency. Across our existing owned and managed assets, we are using retrofits to enhance the conservation of water resources. In 2024, our retrofitting projects yielded a 7% reduction in water consumption compared to 2023.

As a further advancement of our water reduction initiatives, we implemented BiomWeb, a nature-based wastewater

treatment solution which repurposes sewage water for irrigation. In 2024, a total of 25.5 million litres of wastewater was recycled, avoiding 432 tonnes of CO₂ emissions – a 210% increase over 2023. As of 2024, we have installed 12 wastewater recycling systems across our construction projects, strengthening our commitment to sustainable resource management.



2024 SUSTAINABILITY SUMMARY CONTINUED

Streamlining Waste

Our Environmental Management Policy commits Aldar to reducing, reusing, and recycling waste generated throughout a building's lifecycle, beginning with the construction phase.

To maximise the circularity of waste from our construction sites, we collaborate with partners such as Tadweer to segregate and recycle materials including timber, concrete, steel, and asphalt. This approach has enabled Aldar to achieve construction waste recycling rates exceeding 92%. We have attained this rate through continuous engagement with contractors and awareness sessions, ensuring proper segregation and recycling of construction and demolition waste, which is closely monitored via our automated platform.

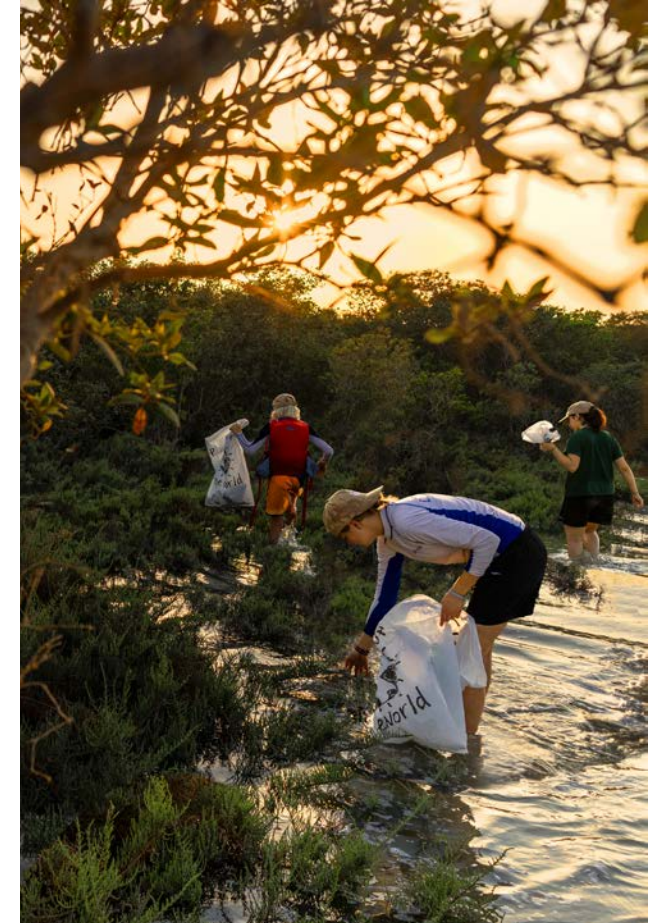
We also work with our tenants and government entities to recycle waste generated from our owned and managed assets. To support this, our Ecoloop waste management facility will process all waste streams from Aldar's communities and operations.

In collaboration with local start-up Nadeera, we are using targeted tenant engagement programmes such as YallaReturn to incentivise residents across our communities – Al Rayyana, Sas Al Nakhl, and Eastern Mangroves – to recycle through digital feedback and rewards.

In 2024, this initiative had 786 active users, where 25 tonnes of recyclable materials were recovered and 613 tonnes of waste were diverted from landfills.

Engaging our Value Chain

We rely on a broad network of suppliers and partners to support an array of critical functions throughout our company, from materials sourcing to contractors. As a major developer and operator of assets across the UAE and internationally, we seek to shape wider sustainability practices across our value chain through collaborative engagement aimed at driving circular procurement, identifying low carbon solutions, building social and economic resilience, and accelerating sustainable innovation.



2024 SUSTAINABILITY SUMMARY CONTINUED

Sustainable Procurement

ESG criteria are embedded throughout our procurement processes, requiring suppliers to uphold fair treatment of workers, safe conditions, and decarbonisation commitments. We have also integrated Environmental Product Declarations (EPDs) into our sustainable procurement strategy for high-impact materials to enhance transparency and reduce the environmental impact of our construction activities. Based upon data from lifecycle analysis of materials we use, EPDs enable us to assess embodied carbon emissions and make informed decisions about the materials we choose. We currently mandate the use of EPDs for the most carbon-intensive materials in our projects, including steel and concrete.

Driving Supplier Engagement in the Net Zero Journey

Aldar actively encourages all its suppliers to join the Net Zero journey by signing the Real Estate Climate Pledge. As of 2024, over 70 suppliers, including 60% of Aldar's highest-spend contractors, have committed to the Pledge, with approximately 50% either setting emissions reduction targets or actively working towards developing them.

50% 

of Gross Leased Area covered by tenant engagement on decarbonisation (retail and commercial) as of 2024

In 2024, we introduced the Aldar Upskilling Programme as part of the Pledge, recognising the need for targeted training to support suppliers – particularly contractors – in advancing their decarbonisation efforts. The programme equips suppliers with the knowledge to measure their carbon footprint, set Net Zero targets, and develop carbon reduction plans, ensuring alignment with Aldar's Net Zero objectives. By strengthening supplier engagement, the programme reinforces the shared responsibility of driving emissions reduction across the value chain.

As part of our sustainable procurement initiatives, we also conduct bi-annual training sessions for all registered suppliers to enhance their understanding of Aldar's sustainable procurement strategy and foster open dialogue for collaboration. Additionally, an annual targeted session supports underperforming suppliers in aligning with Aldar's sustainability goals and improving their performance.

To date, three supplier training sessions have been conducted, providing education on key sustainability initiatives and reinforcing alignment with Aldar's broader decarbonisation and procurement strategy. These sessions have been instrumental in fostering collaboration and strengthening collective efforts towards improved sustainable performance.

Building Awareness Through Tenant Engagement

Through our Tenant Engagement Programme, we are working to empower our tenants across portfolio to adopt sustainable habits that minimise environmental impacts and promote energy-efficient practices. The Programme targets our largest commercial and retail tenants who collectively occupy 30% of our leased space, encouraging energy conservation and sustainable habits. Our Green Leasing programme further supports this endeavour by incorporating eco-friendly provisions into lease agreements, with 50% of gross leased area covered by the programme as of 2024.



2024 SUSTAINABILITY SUMMARY CONTINUED

Nature and Biodiversity

With many of our assets located along Abu Dhabi's coastline, Aldar has an important role to play in embracing and supporting the biodiversity of our unique region. Knowing our region is home to rich marine habitats and endangered species, our goal is to ensure our operations and activities promote ecosystem health and support our most important natural assets.

Partnering to Protect Biodiversity

In 2024, Aldar partnered with the Environment Agency – Abu Dhabi (EAD) to restore and expand mangrove ecosystems on Aldar's land bank. In alignment with the UAE's national goals for carbon sequestration and ecosystem resilience, we are using advanced satellite monitoring technology to estimate the carbon absorption potential of these mangroves, offering data-driven insights into their ecological and climate benefits. To further support these efforts, we have also established a mangrove nursery, boasting an impressive survival rate of over 84%.

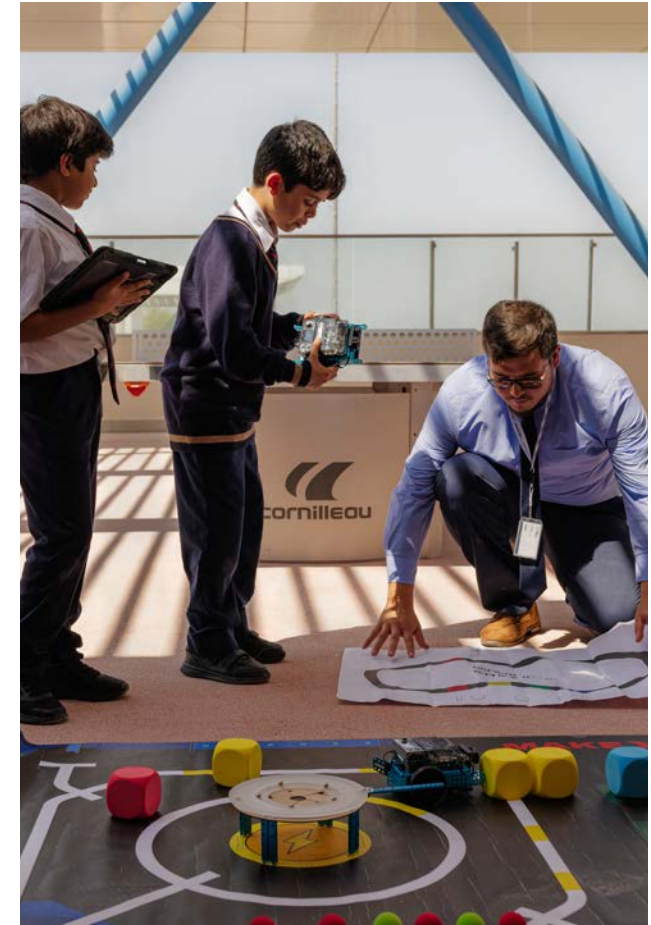
We also joined forces with EAD and Emirates Nature – WWF in 2024 to preserve Abu Dhabi's unique ecosystems while fostering community engagement and environmental awareness. As part of this partnership, we are actively supporting biodiversity research at Saadiyat Marine National Park.

The research involves deploying advanced methods such as environmental DNA (eDNA) surveys and remote underwater surveys to enhance understanding of critical habitats like coral reefs, seagrass meadows, and mangrove ecosystems, and ensure the long-term protection of endangered marine species like the hawksbill sea turtle and dugongs.

Beyond research, the partnership is driving community engagement through citizen science activities and environmental education programmes. By involving residents and visitors in hands-on biodiversity monitoring, Aldar inspires collective action and fosters a deeper connection to the natural world.

Bringing Biodiversity into the Classroom

Aldar's green education is bringing biodiversity to life for students in the UAE. From the earliest stages of education, the programme enables students to delve into the intricacies of ecosystem relationships, understanding the significance of biodiversity and the delicate balance between our planet and its inhabitants. Featuring educational field trips and partnerships with industry experts, the curriculum aligns with UN Sustainable Development Goals and has earned global recognition from The Greening Education Partnership in collaboration with the UAE Ministry of Education.



2024 SUSTAINABILITY SUMMARY CONTINUED

Creating Societal Value

Creating joyful, healthy, inclusive, and resilient communities is our ultimate mission. Through collaboration, partnership, and investments that are aligned with our social impact strategy, we aim to uplift lives, foster vibrant, connected neighbourhoods, and empower people to thrive in the regions we proudly serve.

Customer Centricity

To exceed customer expectations, we are redefining customer centricity in the real estate sector by creating value for all stakeholders and shaping a future where innovation and connection converge. Our approach prioritises continuous customer engagement across multiple channels and touchpoints, enabling us to monitor satisfaction levels, enhance interactions, and drive data-informed decision-making. This commitment to real-time issue resolution has strengthened customer relationships and improved service efficiency. Additionally, the implementation of new onboarding processes and communication enhancements has further elevated the customer experience, contributing to a one-point increase in customer satisfaction and a high index score of 89 out of 100.

Community Outreach and Social Impact

Our community engagement and outreach are prioritised around three areas of focus: Live, Belong, and Sustain. By aligning our activities around these areas, we work to address human needs while driving social and environmental progress.

Aldar's volunteering programme has become a cornerstone of its commitment to social responsibility, offering employees and community members meaningful opportunities to contribute to impactful initiatives. In 2024, Aldar facilitated 18 diverse volunteering activities, addressing key environmental and social challenges, with 802 volunteers dedicating 3,300 hours to make a difference.

53 

Students admitted since 2022

42 

Mainstream students

89% 

customer satisfaction

22 

Students of determination

18mn 

community investment (AED)

Thrive Scholarship Programme

Launched in 2022, Aldar's Thrive Scholarship Programme embodies our commitment to providing quality education and fostering equity within the UAE.

Since its inception, Thrive has supported over 53 students, including 11 students of determination, enabling them to excel academically without financial constraints while fostering a sense of social responsibility.

As Aldar plans to expand the programme, introducing specialised tracks for STEM, arts, and entrepreneurship, and establishing an alumni network, Thrive will continue to shape the leaders of tomorrow while advancing Aldar's role as a catalyst for positive societal change.



2024 SUSTAINABILITY SUMMARY CONTINUED

Live

Motivated by our mission to foster healthy and joyful living, we pledge to integrate our practices and inspire innovation across Aldar's communities and beyond, addressing every human need.

In 2024, we joined the 'Back to School' initiative, organised by Dubai Cares as part of the Volunteer Emirates programme. As the Platinum Sponsor, Aldar contributed 152 volunteers to a team of over 550 dedicated participants, who assembled 10,000 essential school kits for children from low-income families across the UAE.



Belong

We are dedicated to fostering inclusive and accessible communities that celebrate diversity, promote a sense of belonging, and ensure equitable access for all.

Committed to serving populations who need it most, we embrace our responsibility to build communities that prioritise diversity and inclusion, including People of Determination (PoDs).

In 2024, we took this commitment a step further by founding the People of Determination and Elderly Inclusive City Project in partnership with Abu Dhabi's Department of Community Development. Located on Yas Island, this inclusive community for people with disabilities and the elderly is on track to launch in 2025.



Sustain

We seek to build resilient, innovative communities by leveraging solutions that align with the UAE's dynamic ecosystem and support the transition to a knowledge-based society.

Our role in the Emirates Villages project is one such example. The project is an AED 1 billion initiative launched in 2021 to create micro-economies in 10 villages by fostering community engagement, private sector collaboration, and partnerships between federal and local governments.

The first Emirates Villages project, in Qidfa, focuses on boosting tourism, educating youth, and preserving archaeological discoveries, with artifacts now displayed at the Fujairah Museum.



2024 SUSTAINABILITY SUMMARY CONTINUED

Local Socio-Economic Development

By aligning our efforts with the UAE's economic diversification and Emiratisation, Aldar strives to foster resilient, inclusive local economies.

Aldar has embraced and significantly contributed to the In-Country Value (ICV) programme since its launch. Aligned with the ICV objectives of Emiratisation, GDP diversification, and strategic considerations, most of the Group subsidiaries achieved a higher ICV certification score in 2024.

- Aldar Properties PJSC: 71%
- Aldar Projects LLC: 65%
- Aldar Investment Properties LLC: 65%.

Consistent with the primary procurement objective of prioritising local suppliers wherever possible, ICV certification has become an indispensable prerequisite for all Aldar contracts.

Aldar Projects achieved a significant milestone by awarding 100% of its contracts to ICV-certified suppliers. We also significantly contributed to one of the goals of MOIAT by reinvesting AED 9.6 billion into the local economy through contracts awarded to local suppliers in 2024.

By the end of 2024, we had a 43% Emiratisation rate, and we are on track with our commitment to recruit 1,000 Emiratis by 2026.

Supporting the Start-up Ecosystem

Aldar's commitment to purposeful innovation is evident in our support for sustainability-focused start-ups. Our comprehensive innovation strategy includes start-up piloting and employee-driven initiatives to advance sustainable solutions and improve customer experiences.

Through partnerships with venture capital funds and direct innovation scouting, we also support global start-ups, enabling them to localise innovative technology solutions tailored to the UAE and GCC markets. Internally, our Ibtikar programme empowers employees to drive impactful innovation across the Group.

In 2024, 80% of the Group's innovation pilots targeted sustainability, supporting Aldar in achieving its climate action goals.



9.6bn



reinvested into the local economy (AED)

43%



Emiratisation rate



2024 SUSTAINABILITY SUMMARY CONTINUED

Creating Responsible Legacy

Driven by our commitment to integrity and accountability, we have embedded robust governance and responsible, ethical business practices in every corner of our company. Guided by this commitment, we seek to ensure every action we take helps us build a legacy of enduring, positive impact on our people, our stakeholders, and our industry.

Upholding ESG Governance

Effective governance and management of ESG impacts are integral to achieving our sustainability goals and delivering long-term stakeholder value. Anchored at the highest levels of leadership, Aldar's ESG governance framework ensures strategic oversight by senior management and the Board, driving adoption and implementation across all levels of the organisation.

Aldar's Board provides overarching oversight of our ESG governance strategy and management approach. The Board reviews sustainability-related matters quarterly and on an ad hoc basis. Recognising ESG as a principal risk category, all ESG risks, mitigation plans, and risk appetites are also reported directly to the Board.

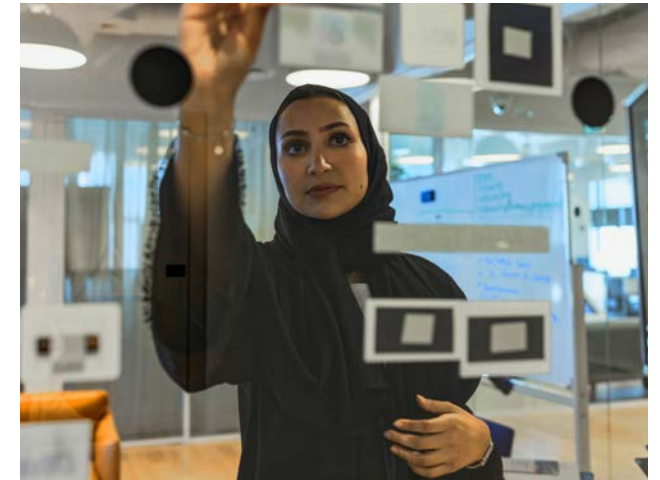
The Group's Executive Management Committee (EMC) holds ultimate responsibility for steering our sustainability strategy, with support from the Chief Financial and Sustainability Officer and the Sustainability Strategic Forum, which enhances strategy development by leveraging expertise across the Group.

Our Corporate Sustainability Department coordinates sustainability efforts across the organisation, ensuring effective implementation of strategies and facilitating decision-making at the Board and EMC levels. In addition, our Enterprise Project Management Office (EPMO) acts as a governance hub, aligning sustainability initiatives with organisational goals, monitoring progress, and reporting directly to senior leadership.

Investing in Our People

We are proud to nurture the next generation of UAE talent and to provide exceptional career opportunities for thousands of individuals across our region. As the driving force behind our success, our employees' talents and dedication are the key to realising our vision of shaping a thriving future.

We take pride in the rich diversity of perspectives our people bring. With our strong workforce spanning different ages, genders, nationalities, and backgrounds, we are uniquely positioned to serve a diverse customer, tenant, and community base while driving innovation to stay ahead of the curve.



2024 SUSTAINABILITY SUMMARY CONTINUED

In keeping with our aim of developing the leaders of tomorrow and maintaining our role as an industry leader, 40% of our workforce were women, and 13% were under the age of 30 in 2024.

Throughout the year, we have strengthened a culture of continuous learning and development, ensuring that employees at all levels are equipped to meet the evolving demands of the business, with a total of 9,047 hours of training delivered.

Sustainability-focused KPIs have also been seamlessly integrated into performance scorecards, with 55% of senior leadership KPIs cascaded across the organisation. This approach empowers every employee to actively contribute to company-wide goals, fostering a shared sense of responsibility while promoting community focus and environmental stewardship in daily operations.

9,047 
hours of training

40% 
women in
the workforce

13% 
youth in the workforce

Health, Safety and Wellbeing

Aldar is committed to ensuring a safe and healthy work environment for all our employees, contractors, and site workers. By fostering a zero-harm culture and prioritising proactive risk management, we create a work environment where physical safety and mental well-being are not simply goals, but core values embedded in every aspect of our company and across our value chain.

Our Occupational Safety and Health (OSH) framework goes beyond compliance, aligning with ISO 45001 and legal standards to enhance workplace safety. Utilising digital tools like the HSE Smart App, we track hazards, analyse trends, and implement proactive corrective actions.

Tailored training programmes strengthen employee awareness and risk perception. Targeted safety measures, including hazard identification and an updated risk register, reflect our commitment to eliminating recurring risks.

Demonstrating our commitment to the highest occupational health and safety standards, we pushed further in 2024, reaching an impressive average of 80 million safe man-hours.

Aldar initiated and organised various OSH campaigns and awareness training programmes such as the 'Safety in Heat Campaign', where we provided hydration stations, shaded rest areas, and comprehensive training to empower workers to identify and respond to heat stress effectively.

Worker welfare

Worker welfare is a core part of Aldar's mission, ensuring ethical labour practices, human rights protection, and worker well-being across our operations and supply chain. Our Worker Welfare Policy establishes a framework of 10 key principles and 23 actionable requirements, promoting a safe, fair, and respectful work environment.

We conduct rigorous assessments and monitoring to detect non-compliance and support contractors in addressing welfare-related issues. In 2024, 100% of Tier-1 contractors underwent audits against labour welfare standards (including accommodation standards). As a result, 19% were identified as medium to high-risk, and all of them took risk mitigation actions.

To enhance worker support, we expanded our grievance mechanism to 38,000 workers across 15 entities, achieving an 84% closeout rate. In 2024, we also integrated worker welfare criteria into Aldar Investments' due diligence, reinforcing our commitment to ethical labour standards.

OPERATING REVIEW

Operating Review

Aldar Group's operating model is centred around two businesses that serve as complementary engines of growth: Aldar Development focuses on master-planned communities and delivering iconic real estate projects, while Aldar Investment manages a diversified portfolio of recurring income-generating properties as well as hospitality, education and property & facilities management businesses.

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OPERATING REVIEW | ALDAR DEVELOPMENT

Record sales highlight the strength and scalability of the Aldar Development platform

Jonathan Emery, CEO of Aldar Development, discusses growth of the business and its strategic priorities.



What were the highlights of Aldar Development's performance in 2024?



This was a busy year on all fronts, and Aldar Development delivered another outstanding operational and financial performance. We set a new annual sales record, launching 12 prime developments in the UAE that resonated strongly with the market, demonstrating our leadership as a destination builder delivering exceptional customer experiences. We also made strong progress in our drive to diversify product and customer segments, strengthening our international businesses through land acquisitions and new project launches. Importantly, we maintained a focus on future growth, adding to our high-quality landbank, most notably through broadening Aldar's strategic partnership with Mubadala. Overall, we ended 2024 in a very strong position, with a good pace of execution against our significant Group development backlog, which has reached AED 54.6 billion, providing strong earnings visibility over the next two to three years.



What do you see as the competitive advantages and strengths of Aldar Development?



Our long-term competitive advantage remains Aldar's highly respected brand and our dominant position in the Abu Dhabi real estate market, which is becoming even more attractive for investors and end-users alike due to the Emirate's development as a major business, investment and lifestyle destination. We have now complemented this market leadership position in the UAE capital by successfully taking the strong Aldar franchise into Dubai and Ras Al Khaimah markets in the UAE, as well as to the United Kingdom and Egypt through our London Square and SODIC subsidiaries. Through this journey we have focused on establishing sales and delivery platforms that are highly efficient and scalable to be able to drive continued growth and transformation in the coming years.

OPERATING REVIEW | ALDAR DEVELOPMENT CONTINUED

I would highlight Aldar's sales platform as a key strength, as it demonstrates an ability to connect customers across geographies to prime products, creating a virtuous circle. By reaching a broad, well diversified base of international and UAE resident buyers and building a detailed understanding of behaviours, we are honing our ability to design and deliver high value developments that match the aspirations of our target customers. By taking a holistic approach to 'placemaking', we are creating distinctive communities that prioritise wellness and community living in vibrant destinations. In turn, this has enhanced Aldar's reputation in the market and led to highly successful launches.

Q What role is digital transformation playing in growth of the business?

A We have invested substantially in our digital platforms, which have given us extensive international reach, and an ability to deliver customer service at scale and pace. Our 'World of Aldar' tool is accessible to brokers and customers across our global network, and has transformed sales and customer outreach by allowing us to showcase and launch products from across our international inventory. This contributed significantly to our successful launches in 2024, by ensuring customers are onboarded in advance and key transactions are processed seamlessly. We will develop the platform further to add and enhance features to provide a complete end-to-end service.

Q What are the biggest challenges currently faced by the business and how are you addressing them?

A In a sense our biggest challenge is a positive reflection of our sizeable development backlog and trajectory of accelerated growth – we need to continuously scale up our delivery mechanism while consistently enriching the customer experience. This requires further investment in digital technology to refine our operating model, drive productivity and deliver rigorous project management. Responsible adoption of AI tools is already playing a role in this progress. The business has introduced a generative AI-based chatbot to assist with customer inquiries, and developed AI-powered solutions to refine sales strategies, fast-track approvals, and streamline project design.

In a cyclical industry such as real estate, we are always closely monitoring demand and supply dynamics and ensuring that we are managing risk and building resilience. By enhancing diversification, across geographies, products and customer segments, Aldar Development is proactively managing market risks to allow us to generate attractive returns throughout the business cycle. Our significant development backlog also provides a high degree of visibility on medium-term revenue streams.

Q How is Aldar Development responding to evolution in the Abu Dhabi and Dubai markets?

A Our core UAE market continues to thrive due to strong end-user demand as well as growing investor interest driven by strong macroeconomic fundamentals and the pro-business reforms implemented by the government in recent years. In the context of robust consumer and business sentiment as well as growing maturity of the real estate market, the Aldar Development business is expanding in a number of exciting directions.

For example, we are in the midst of a fundamental shift in perception of Abu Dhabi, which is increasingly seen as a major global city – and one that offers exceptional value for money, combining a high quality of life with a stable, safe and largely tax-free environment. Beachfront living is now becoming a core theme for our customers, alongside the cultural destination of Saadiyat Island and the leisure destination of Yas Island. So, our offering of high-end developments is being shaped accordingly, and also complemented by branded residences through collaboration with partners such as Mandarin Oriental, Nobu Residences and the Louvre Abu Dhabi.

The Dubai market is larger and highly competitive. However, the expertise and track record of Aldar, in partnership with the institutional standing of Dubai Holding, represents a formidable proposition. We are now delivering on the significant promise of this relationship, with our wellness-focused communities providing a distinctive and highly popular offering.

OPERATING REVIEW | ALDAR DEVELOPMENT CONTINUED

Q What are the key strategic priorities for the business for the next year and beyond?

A We are focused on driving strong and sustainable growth across the business, which means delivering on our development backlog, accelerating the pace of project launches across our key markets in the UAE, the United Kingdom and Egypt, replenishing our land bank and enhancing our operating platform to be able to deliver at elevated scale in the coming years.

In Abu Dhabi, Saadiyat Island continues to gain prominence as a key destination and will be a major focus for the coming year. This aligns with our strategy to leverage our sales platform to deliver prime products that appeal to an increasingly international customer network. In Dubai, we aim to capitalise further on the dynamic market and growing interest from local and resident expatriate customers by strategically replenishing our landbank through partnerships and selective acquisitions. We will continue to supplement our residential developments with a broad array of retail, hospitality and educational facilities, in line with our aim of becoming the nation's leading builder of destinations, thriving communities and one-of-a-kind experiences.

Internationally, we are seeing strong interest from our UAE customers in both the UK and Egypt, while both markets also benefit from strong domestic demand. London Square will ramp up development activity, having acquired 13 land plots during 2024. Meanwhile, SODIC is capitalising on improved macro-economic conditions and pent-up demand in Egypt and will also accelerate the pace of project launches.

Finally, through Aldar's develop-to-hold (D-HOLD) strategy, we are strengthening the integration and performance of both Aldar's Development and Investment businesses, and will develop a diverse mix of high-end residential, retail, commercial and logistics assets that will propel growth and generate income in 2025 and over the long term.



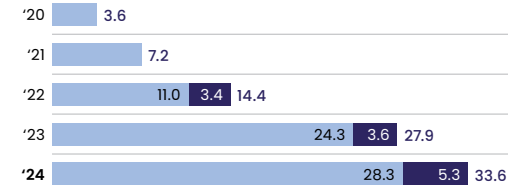
OPERATING REVIEW | ALDAR DEVELOPMENT CONTINUED

Delivering expansion and excellence

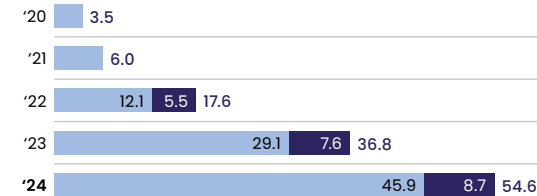
2024 was characterised by exceptional momentum and strategic advancement across Aldar Development's three main divisions: Property Development and Sales, which is responsible for developing and marketing Aldar's land bank; Project Management Services (Aldar Projects), which manages essential government housing and infrastructure projects in the UAE; and International, which oversees SODIC in Egypt and London Square, a UK-based developer acquired in 2023.

Aldar Development revenue surged 90% to AED 15.7 billion, driven by 12 successful launches in the UAE, supported and streamlined by Aldar Development's expanding digital sales platform. The strong participation of overseas and resident expatriate buyers in the launches points to continued confidence in the UAE's economy and value proposition, and the strong response to premium developments underlines the country's emergence as a haven for business, investment and a high quality of life. With a Group development backlog that expanded to AED 54.6 billion at the end of 2024, there is strong visibility into future earnings and a high degree of certainty around Aldar's growth trajectory. Leveraging digitalisation, committed partnerships and deep pools of talent and resources, Aldar Development will continue to scale in 2025 while maintaining its focus on excellence, supporting aspirations to shape Abu Dhabi and the UAE into places of unparalleled business and lifestyle opportunity.

GROUP SALES (AED bn)

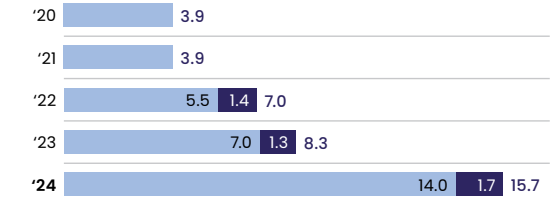


GROUP BACKLOG (AED bn)

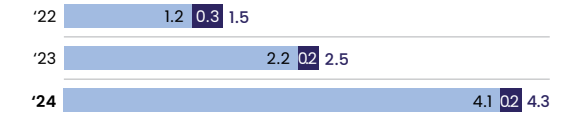


■ UAE
■ International

REVENUE (AED bn)



EBITDA (AED bn)



OPERATING REVIEW | ALDAR DEVELOPMENT CONTINUED

Overview of project launches



January:
Manarat Living II, Saadiyat Island,
Abu Dhabi.



February:
Sama Yas, Yas Island, Abu Dhabi.



March:
Nouran Living, Saadiyat Island,
Abu Dhabi.
Earlsfield, London (London Square).



April:
Source Terraces, Saadiyat Island,
Abu Dhabi.



May:
Athlon, Dubai.



July:
The Arthouse, Saadiyat Island,
Abu Dhabi.
Verdes by Haven, Dubai.
Ogami, Ras El Hekma, Egypt (SODIC).



September:
Yas Riva, Yas Island, Abu Dhabi.
Mamsha Palm, Saadiyat Island,
Abu Dhabi.
**Twickenham Green & Twickenham
Square**, London (London Square).



November:
Mamsha Gardens, Saadiyat Island,
Abu Dhabi.
The Fountain View Residences,
Saadiyat Island, Abu Dhabi.
Faya Al Saadiyat, Saadiyat Island,
Abu Dhabi.
Westminster Tower, London
(London Square).

OPERATING REVIEW | ALDAR DEVELOPMENT CONTINUED

UAE

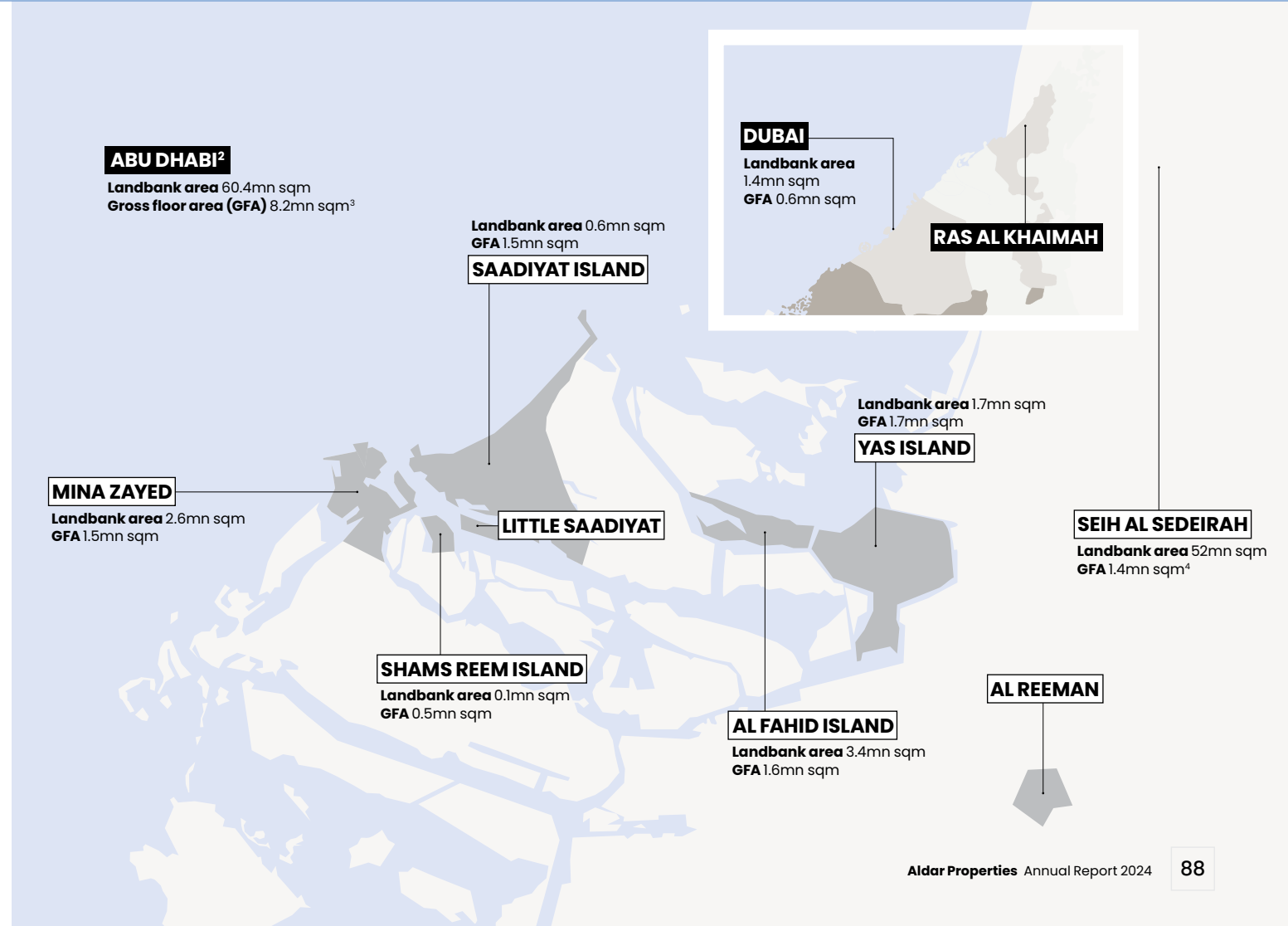
Landbank¹

With a UAE landbank of 61.8 million sqm as at the end of 2024, across key investment zones in Abu Dhabi and Dubai, Aldar Development actively manages this resource to deliver value, through destination master planning, development and strategic investment.

Since 2023, the company has taken steps to strategically replenish its landbank, in Abu Dhabi, through the acquisition of Fahid Island and an island ('Little Saadiyat') between Saadiyat Marina and Reem Island and, in Dubai, through its joint venture with Dubai Holding.

Aldar is making significant progress in activating these areas through new developments, including the planned launches of a luxury beachfront development on Fahid Island and on the final land plot in Dubai during the first half of 2025.

¹ Owned and controlled land
² Excludes Little Saadiyat (Mubadala JV closed in Q1 2025)
³ GFA has not been assigned to all landbank
⁴ GFA assigned only to Al Ghadeer



OPERATING REVIEW | ALDAR DEVELOPMENT CONTINUED

UAE: Setting new records for sales and development backlog

Total sales across the UAE grew 17% year on year to AED 28.3 billion in 2024, propelled by rising demand for existing developments and new launches across Abu Dhabi, Dubai and Ras Al Khaimah. Demonstrating the UAE’s growing appeal as a global investment and lifestyle destination, demand was particularly robust among overseas and expatriate buyers, who accounted for AED 22.2 billion, or 78%, of total UAE sales. Sales to UAE nationals reached AED 6.1 billion, or 22% of UAE sales.

The strong sales pipeline saw the UAE revenue backlog reach a record AED 45.9 billion as at the end of 2024. With an average duration of 30 months, the backlog provides significant ongoing revenue recognition, and a high degree of certainty on earnings over the next two to three years. The success of recent project launches took cash collections for the year to AED 11.0 billion, while cash balances in escrow reached AED 11.4 billion.

2024 was defined by a series of high-quality launches and transactions in Abu Dhabi, Dubai and Ras Al Khaimah that set new market benchmarks and were met with a resounding customer response. In total, 12 projects were launched across the UAE, while the business also maintained a strong focus on sales of existing inventory from previous project launches. Aldar Development sold a total of 7,358 units during the year, compared with 7,000 in 2023, with robust customer demand driving significantly higher pricing and increased revenue.

Abu Dhabi’s status as a beacon for high-end living was underlined with the successful debuts of multiple premium developments. These included the second phase of the Manarat Living development on Saadiyat Island, which completely sold out at launch in January, generating sales of AED 425 million; and Nouran Living, which was launched in March and was 100% sold out by the end of the year, for a net sales value of AED 657 million. Aldar also established a new market benchmark with the AED 137 million sale of a penthouse in the island’s Nobu Residences in early 2024, setting a price record for Abu Dhabi of over AED 96,000 per square metre. In late 2024 Abu Dhabi’s first-ever Mandarin Oriental Residences, developed in collaboration with the leading luxury hotel group, posted a strong sales performance, generating AED 667 million on launch and highlighting Abu Dhabi’s growing appeal to a sophisticated international customer base. In Abu Dhabi, overseas and expatriate buyers made up 73% of the total sales.

In 2024 Aldar Development also significantly expanded its foothold in the Dubai residential market, launching additional developments on the land plots acquired in 2023 through its joint venture with Dubai Holding. While Haven was launched in the later part of 2023, Verdes by Haven and Athlon were launched in 2024. These two projects generated over AED 6.8 billion in sales, with overseas and expatriate buyers accounting for 82% of the total. In Ras Al Khaimah, Aldar continued to see strong demand for the branded residential projects being developed in partnership with Nikki Beach Global on Al Marjan Island, with the project achieving AED 3.3 billion in sales in 2024.

In 2025, Aldar Development will take further steps to enhance the vibrancy of its communities in Abu Dhabi, bringing new community retail and commercial developments to Saadiyat Island and Yas Island. The partnership with Mubadala has expanded Aldar Development’s land bank to include a land plot adjacent to Saadiyat Island, which represents the ideal location for luxury residential development. Aldar will also seek to build on its expanding track record in Dubai by leveraging partnerships and new joint ventures to develop ambitious projects in high-growth areas.

NEW LAUNCHES

12

UNITS LAUNCHED

4,240

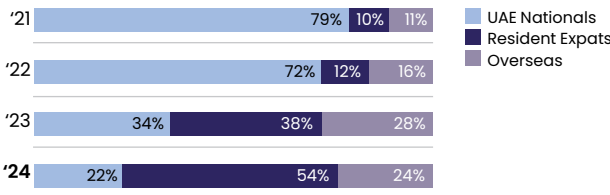
UNITS SOLD

7,358

UNITS HANDED OVER

1,180

SALES DEMOGRAPHIC, UAE



OPERATING REVIEW | ALDAR DEVELOPMENT CONTINUED

INTERNATIONAL

SODIC

New opportunities in a stabilising economy

Aldar Development’s platform in Egypt, SODIC, one of Egypt’s leading real estate companies, generated total sales of over AED 3.5 billion in 2024, driven by the successful launch of Ogami on the North Coast with cross-selling into the UAE market amid improving macroeconomic conditions in Egypt. The company ended the year with a development backlog of over AED 6.3 billion.

With over 25 years’ experience of developing award-winning, large-scale communities in West Cairo, East Cairo, and the North Coast, SODIC caters to Egypt’s growing need for high-quality residential, commercial and retail property. Headquartered in Cairo and listed on the Egyptian stock exchange (EGX) under OCDI.CA, SODIC is one of the few non-family-owned companies traded on the EGX, and boasts a strong and diversified project portfolio.

A growing focus for SODIC is Egypt’s North Coast region, and in September 2024, the company launched a major project – the Japanese-inspired Ogami development along an 800-metre stretch of prime beachfront, which was a resounding success, boosted by robust demand from – and cross-selling into – the UAE market. Ogami will feature an estimated 1,900 homes when the project is fully completed in 2029, with phase one delivered by 2028.

SODIC’s emphasis on luxury living includes a key partnership agreed in late 2023 with the Nobu lifestyle brand to build two branded residences – one on 440 acres of spectacular beachfront terrain on the North Coast close to Ogami, and the other the Nobu Residences in West Cairo, which comprises 102 single family residences and apartments.

In 2025, SODIC’s focus will be on replenishing its landbank to support the development pipeline, while the company continues to implement a strategy to mitigate foreign exchange risk, securing materials in bulk to address future needs and optimise costs. The company will continue to explore potential developments to capitalise on demand from the affluent segment and expatriate Egyptians, as well as hospitality opportunities in the context of rising tourism. It will continue to prioritise the increasingly popular North Coast region, as well as East and West Cairo, which are seeing growing demand for first homes, supported by improving economic conditions.

SALES (EGP)

49.0bn

REVENUE (EGP)

8.6bn

LAND AREA (SQM)

18.6mn

BUILT UP AREA (SQM)

7mn

NEW LAUNCHES

1

OPERATING REVIEW | ALDAR DEVELOPMENT CONTINUED

London Square

Land acquisitions a precursor to increased pace of project launches

London Square, acquired by Aldar in 2023 in the company's first acquisition outside the MENA region, is a leading residential and mixed-use developer operating mainly in Greater London. It has a diversified portfolio and is a registered provider of affordable housing. The acquisition is aligned with Aldar's strategic vision of expanding into key and mature international markets and diversifying revenue streams, and also provides strong opportunities for synergy creation, knowledge sharing, cross-border sales and investment flow.

In 2024, London Square contributed AED 1.0 billion to Aldar Development's annual revenue, with total sales reaching AED 1.7 billion. As at the end of 2024, the revenue backlog stood at AED 2.4 billion with an average duration of 27 months.

During the year, London Square successfully refinanced over GBP 375 million of debt facilities, bringing new banking relationships into the UK and reinforcing the balance sheet. The company acquired 13 sites across London zones 1 to 5 with a gross development value over GBP 2.4 billion, which will provide a robust pipeline of future development opportunities. London Square launched four developments in 2024, including two new home collections in the prestigious

London borough of Richmond upon Thames in the fourth quarter. Comprising a mix of mews-style houses and apartments, the Twickenham Green and Twickenham Square developments demonstrate the strength of Aldar's cross-selling platform, with UAE investors making up 50% of sales as they tapped into a prime UK residential opportunity through a trusted London-based developer.

Substantial progress was made throughout 2024 in the effort to integrate London Square's governance, operational and IT approaches with Aldar. The integration of sales and the introduction of the 'Aldar World' sales platform marked a significant advancement, with a shared CRM system streamlining customer relationship management, improving overall sales efficiency, and paving the way for future cross-selling opportunities by connecting assets to a broad global pool of potential buyers.

In 2025, London Square is fully focused on delivery of projects to activate its development sites. Through further integration of the Aldar support functions, the company continues to recruit best in class talent, enhance training, and improve engagement processes and procedures. The long-term prospects for the UK market remain positive, and the ongoing investments in London Square's operations are creating a resilient platform for future growth.

SALES (GBP)

377mn

REVENUE (GBP)

213mn

LAND AREA (SQM)

461k

BUILT UP AREA (SQM)

578k

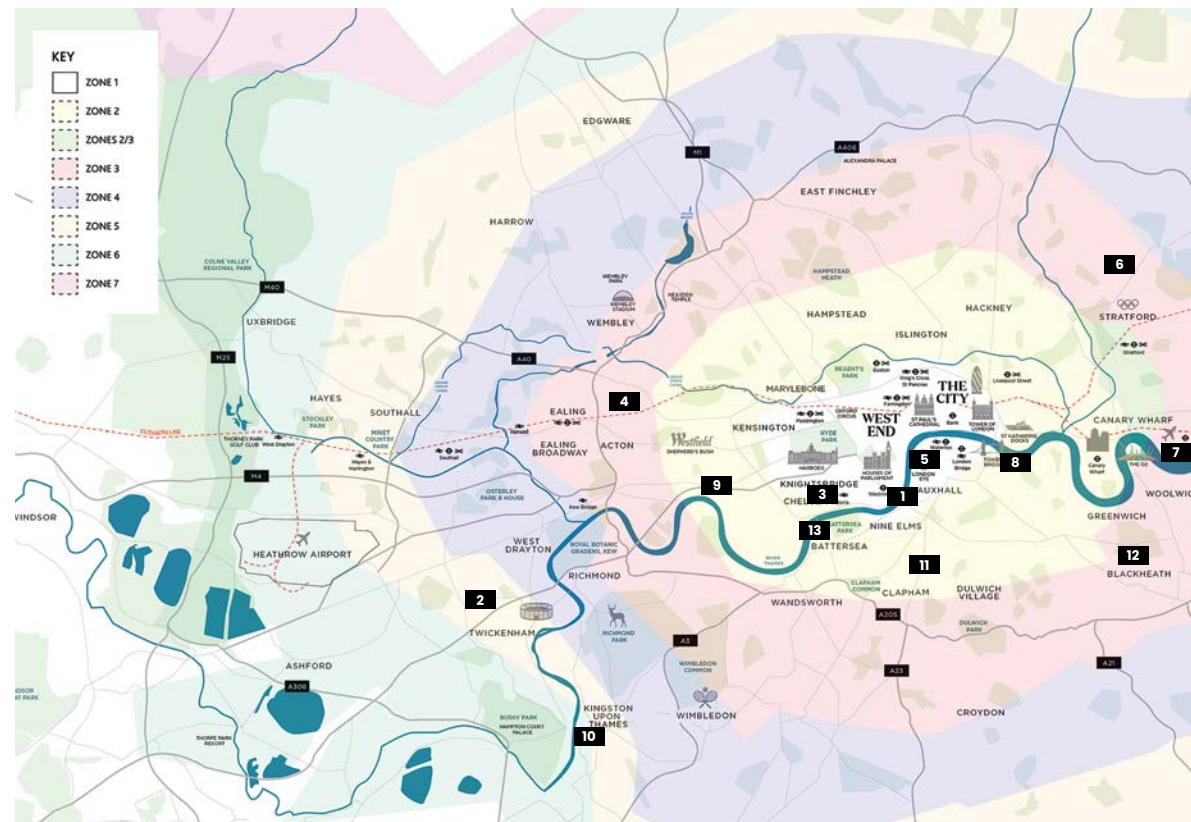
NEW LAUNCHES

4

OPERATING REVIEW | ALDAR DEVELOPMENT CONTINUED

London Square (continued)

London Square acquired 13 sites in 2024, adding GBP 2.4bn+ GDV to BTS & BTR pipeline



- 1 Wyvil Road, Vauxhall**
Zone 1
- 2 Richmond College Campus, Twickenham**
Zone 5
- 3 Tite Street, Chelsea**
Zone 1
- 4 The Phoenix Academy, White City**
Zone 2
- 5 Westminster Tower, Albert Embankment**
Zones 1 & 2
- 6 Stratford Cross, Stratford**
Zones 2 & 3
- 7 Woolwich Central, Greenwich**
Zone 4
- 8 Former Biscuit Factory, Bermondsey**
Zone 2
- 9 Brook Green**
Zone 2
- 10 Surrey County Hall, Kingston upon Thames**
Zone 5
- 11 Brixton, Lambeth**
Zone 2
- 12 Leegate, Blackheath**
Zone 3
- 13 Ransoms Wharf**
Zone 3

OPERATING REVIEW | ALDAR DEVELOPMENT CONTINUED

ALDAR PROJECTS

Strong fee income on substantial project flow

Aldar Projects is the primary business within Project Management Services, which takes innovative third-party projects from initial design through to completion, including carrying out feasibility studies, design and pre-construction work, master planning, and project and programme management. Post-development, Project Management Services also provides end-to-end support for the creation of high-quality built environments, that integrate a progressive approach to sustainability.

In 2024, Project Management Services' revenue rose 86% to AED 2.3 billion, delivering a gross profit increase of 36% to AED 699 million, driven by the increased volume of government housing and infrastructure projects to support Abu Dhabi's expanding population.

During the year, Aldar Projects achieved a number of significant project delivery milestones, handing more than 9,000 plots and 2,500 villas across both government and development projects. Additionally, the organisation delivered five schools and 66 km of roads. Further progress was made on Balghaiylam, an integrated, sustainable residential community in North Yas being developed under a partnership with the Government, a prime example of the close collaboration between Aldar and government agencies to provide a high-quality living experience for the local population. Balghaiylam will create over 1,700 homes for UAE nationals upon completion.

Aldar Projects' growing portfolio was further supported and enhanced by steps in 2024 to advance towards Net Zero targets and optimise team structures. These included initiatives to expand the workforce; and invest in training programmes to enhance technical skills, project management, and leadership, ensuring teams stay current with industry best practices. Strategies to attract and retain top talent were implemented, including competitive compensation and opportunities for professional growth.

With an AED 91 billion backlog to deliver, the steady handover of projects and Aldar Projects' fee-based income structure will provide a strong income pipeline and minimal balance sheet risks, while scale and a strong network of contractors will provide a degree of control over costs.

In 2025, Aldar Projects will continue to enhance supply chain capacity and resilience to accommodate increased production demands; optimise design and delivery workflows to improve efficiency and throughput; and leverage data analytics and artificial intelligence to gain actionable insights that will enhance quality control, streamline project management, and promote cost efficiency.

HOUSING PROJECTS

24,530

Villas (in addition to 13,024 apartments)

ROAD PROJECTS

1,765km

(of roads in 53 locations)

COMMUNITY FACILITIES

677

Community facilities (in addition to 500km of cycle tracks)

OPERATING REVIEW | ALDAR INVESTMENT

Major strategic initiatives power growth and diversification of Aldar Investment

Jassem Saleh Busaibe, Chief Executive Officer of Aldar Investment, discusses the platform's growth trajectory.

Q How has the Aldar Investment platform evolved in recent years?

A Aldar Investment has evolved into a platform that houses multi-faceted businesses. We continue to significantly scale up and diversify the original core Investment Properties business, which owns and manages prime income-generating real estate assets. Importantly, Aldar Investment has built an unrivalled reputation as a regional leader in real estate asset management, through effective deployment of proactive leasing strategies, targeted investments in the tenant experience, and by leveraging strong client and supplier relationships across its network. The portfolio continues to expand through asset acquisitions as well as a develop-to-hold (D-HOLD) pipeline of AED 13.3 billion of real estate that Aldar is developing in order to transfer into Investment Properties as long-term strategic assets that will significantly increase recurring revenue streams.

In recent years, we have also developed Aldar Education, Aldar Hospitality and Aldar Estates into profitable businesses and leaders in their respective fields. This has been achieved through a blend of organic growth and strategic M&A activity, and in the coming years, we will develop these businesses further as distinctive engines of growth. We see high potential for collaboration as well as natural synergies across all of Aldar's platforms as we develop these businesses as industry leaders.

Q How would you characterise the performance of Aldar Investment in 2024? What were the key highlights?

A Aldar Investment continued to deliver a strong financial performance driven by our approach to drive growth and active management across the investment property portfolio, while the education, estates and hospitality platforms all made solid revenue contributions. It was also a key year in terms of strategic initiatives that enhance resiliency of the platform and position it for long-term success.



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

We made strong progress on the expansion and diversification of our investment property portfolio – both geographically and through increased exposure to certain asset classes, particularly logistics and commercial. The D-HOLD strategy, which is an important element of this growth, included expanding the commercial portfolio into the Dubai market, through the development of two landmark towers in the financial district – one in DIFC and one adjacent – as well as a mixed-use development at Expo City. We are also rapidly growing our footprint in logistics and investing to move our hospitality business into the luxury category.

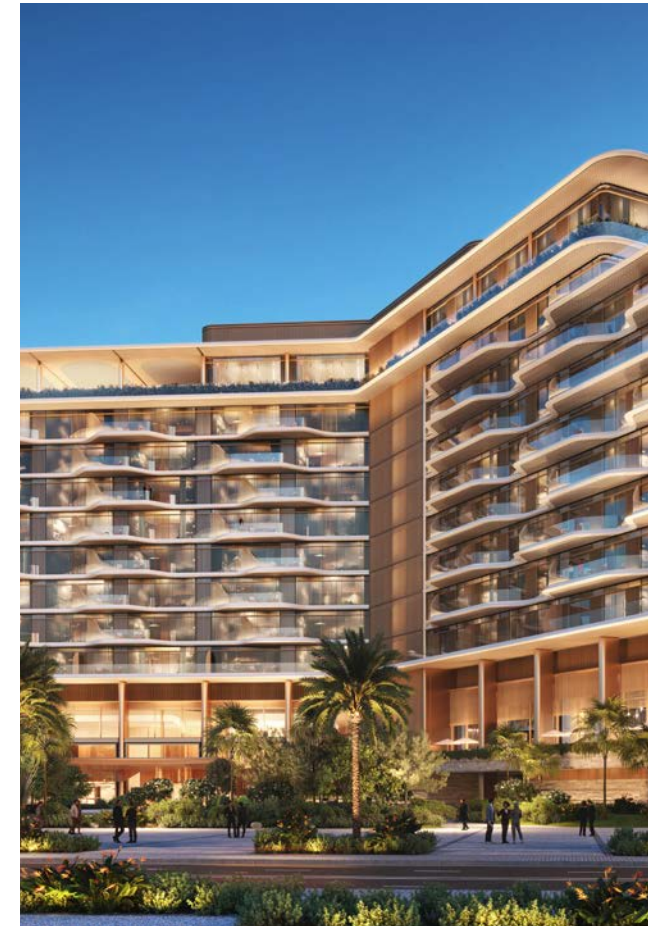
The expansion of Aldar's strategic partnership with Mubadala is fundamental to shaping Abu Dhabi's real estate market in the coming years, and provides us with significant growth opportunities. Key components include the creation of a world-class retail platform, a joint venture focused on income-generating assets in Masdar City, and plans to develop a Grade A industrial logistics park.

Q What are the key areas of growth and investment for the platform?

A We have taken a strategic view on the long-term shape of the Aldar Investment platform and we continue to pursue opportunities accordingly.

In the investment property portfolio, we are addressing our historical underweight positions, particularly in the industrial and logistics asset class – a high-growth sector with attractive yields that will be a backbone of the UAE economy – but also in the commercial segment. We continue to identify and assess potential asset acquisitions, while also working with our colleagues across Aldar on further D-HOLD opportunities that would strengthen and be accretive to our portfolio. In tandem, we will continue to invest in our existing assets, whether it is to enhance energy efficiency and deliver other sustainability initiatives, or to reposition assets as we have successfully done in the retail segment.

We will also continue to invest in our other platforms to build further scale and increase their financial contribution to Aldar. The Hospitality & Leisure platform has initiated a series of major upgrades and brand partnerships to redefine its offering, while we will prudently invest in our Education business, now the second-largest of its kind in the UAE, and Aldar Estates, the region's leading integrated properties and facilities management services provider.



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Actively pursuing diversification and scale

Aldar Investment is a platform that owns and manages recurring income-generating assets, a hospitality portfolio, as well as education and integrated property and facilities management platforms, with a total of AED 42 billion in assets under management.

The platform comprises four main segments:



Investment Properties, which houses Aldar's core asset management business including over AED 26 billion of prime real estate assets across the retail, residential, commercial and logistics sectors.

→ READ MORE ON PAGE 98



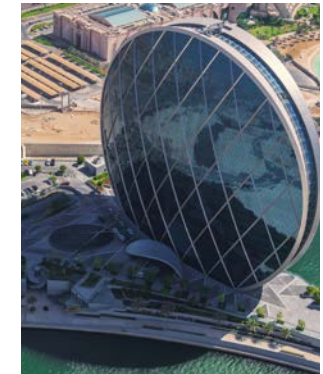
Hospitality & Leisure, which owns an AED 5.0 billion portfolio of over 3,900 hotel keys and leisure assets principally located in Abu Dhabi and Ras Al Khaimah.

→ READ MORE ON PAGE 110



Aldar Education, the leading private education provider in Abu Dhabi and the second-largest in the UAE, with 31 owned and managed schools across the country and a student base totalling 37,000.

→ READ MORE ON PAGE 113



Aldar Estates, the region's largest integrated property and facilities management platform.

→ READ MORE ON PAGE 115

OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

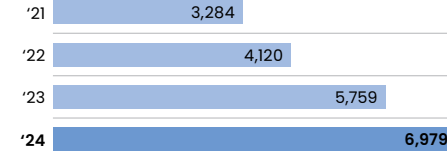
Aldar Investment achieved strong growth across its business lines in 2024, with total revenues rising 21% to AED 7.0 billion and adjusted EBITDA up by 20% to AED 2.7 billion.

* Revenue figures, referenced on pages 97 to 117, exclude Pivot.

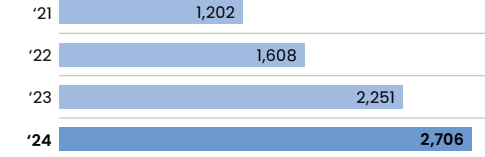
** Adjusted EBITDA figures, referenced on pages 97 to 117, exclude Pivot and are adjusted for fair value movements (excluding amortisation of leasehold assets), recognition/reversal of impairments and one-off gains/losses on acquisitions.



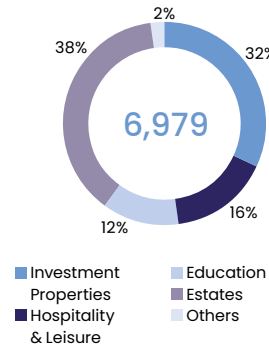
REVENUE (AED mn)



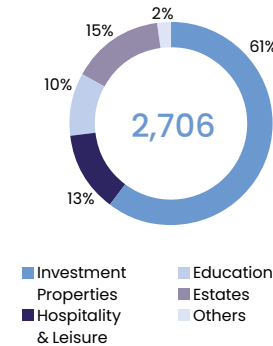
ADJ. EBITDA (AED mn)



REVENUE SPLIT



ADJ. EBITDA SPLIT



ASSETS

87
across 5 sectors

ASSETS UNDER MANAGEMENT (AED)

42bn

OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Investment Properties

The Investment Properties platform delivered an exceptional financial performance in 2024, with revenues rising 6% year-on-year to AED 2.3 billion, and adjusted EBITDA growing 9% to AED 1.6 billion. This was driven by the active management and expansion of the platform's high-quality asset base, supported by positive macroeconomic tailwinds in the UAE that have driven demand and rental rates across all asset classes, while acquisitions over recent years also made meaningful contributions to the bottom line.

Occupancy across the portfolio stood at 95% at the end of the year, supported by proactive leasing strategies, efforts to manage the tenant mix and investments to improve the end-user experience.

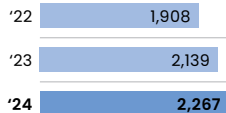
Steps were also taken throughout 2024 to enhance the balance sheet, with the Aldar Investment Properties (AIP) entity – which owns the recurring income-generating property portfolio – raising AED 2.3 billion in senior unsecured financing via a sukuk and committed revolving credit facilities, extending the average maturity of AIP's debt to 5.9 years.

The USD 500 million, 10-year green sukuk, which was part of AIP's USD 2 billion Trust Certificate Issue Programme established in 2023, marked the second green sukuk raised, following an inaugural USD 500 million issuance in May 2023. The new issuance, priced with a 5.5% coupon, achieved the tightest credit spread ever secured by Aldar Investment Properties at 110 basis points and was four times oversubscribed, attracting strong interest from both regional and international investors.

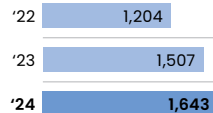
Aldar initiated a buy-back of the sukuk maturing in September 2025, providing existing investors with the opportunity to participate in the new issuance, with Aldar utilising the proceeds to repay existing revolving facilities and extend its debt maturity profile. In August, Moody's affirmed AIP's Baa1 credit rating with a stable outlook. During the year, AIP repaid three term loans for AED 1.2 billion and all secured debt, resulting in 100% unsecured debt on its balance sheet, significantly improving access to capital and liquidity.

In the year ahead the Investment Properties business will continue to pursue its strategic priorities of expanding and enhancing the quality and diversification of its portfolio by exploring potential acquisitions, and identifying further opportunities to expand the D-HOLD pipeline.

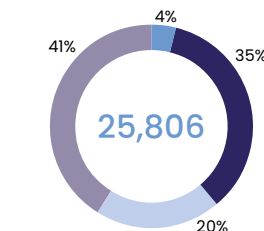
REVENUE (AED mn)



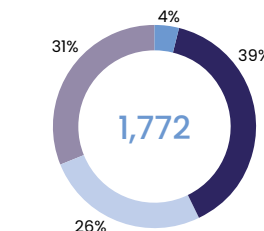
ADJ. EBITDA (AED mn)



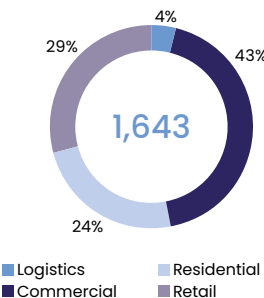
GAV (AED mn)



NOI (AED mn)



ADJ. EBITDA SPLIT (AED mn)



ALDAR INVESTMENT PROPERTIES

Baa1

Moody's Credit Rating

OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Investment Properties (Commercial)

Strong demand for Grade A space drives occupancy and rental rates

The commercial portfolio reported 10% year-on-year growth in revenue to AED 854 million, with adjusted EBITDA rising 20% to AED 700 million driven by strong demand for Grade A office space and increased rental rates. Overall occupancy across the portfolio of 14 operating assets reached 98% at the end of the year, with six properties fully occupied and the remainder at over 90% occupancy.

The business continued to cement its position as Abu Dhabi's leading provider of premium Grade-A office space to top-tier domestic and international tenants, including government-related entities (GREs), which accounted for 42% of leased space. Aldar also marked its entry into the Dubai commercial market through four landmark transactions: acquisitions of a tower in DIFC and 6 Falak in Dubai Internet City; the development of an iconic Grade A office tower on Sheikh Zayed Road; and a mixed-use joint venture with Expo City Dubai. At the end of 2024, the portfolio totalled 469,000 sqm of gross leasable area (GLA), with the weighted average unexpired lease term standing at 3.7 years.

NO. OF ASSETS

14

LEASABLE AREA (SQM)

469k

OCCUPANCY

98%

WAULT (YRS)

3.7

GAV (AED)

9,151mn

REVENUE (AED mn)

'22 548

'23 780

'24 854

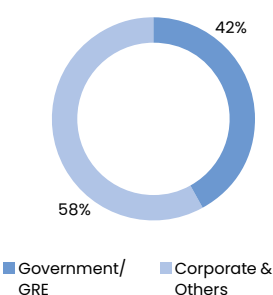
ADJ. EBITDA (AED mn)

'22 337

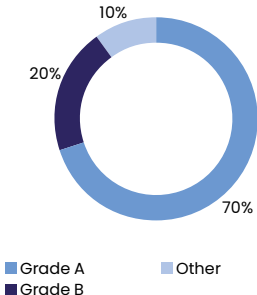
'23 582

'24 700

TENANT SPLIT



OFFICE TYPE SPLIT



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Abu Dhabi's growth as a business and financial centre continued to drive strong demand for premium office space, and Aldar Investment remained focused on maximizing value across its portfolio and expanding its asset base in the UAE capital. In 2024, Al Maryah Tower in Abu Dhabi's financial centre, ADGM, was completed and became fully operational and was met with strong tenant demand, with occupancy rising to 90% at year-end. Meanwhile, the four ADGM Towers, reached 97% occupancy in 2024, two years after they were acquired by Aldar at 77% occupancy, due to successful implementation of a proactive leasing strategy. Aldar's other key commercial assets, the HQ building and International Towers, were both fully occupied as at year end.

Expansion of Abu Dhabi footprint

The commercial footprint in Abu Dhabi is set to expand further through Aldar's D-hold strategy. The company announced a 25,000 sqm business park on Saadiyat Island, which is scheduled for completion at the end of 2027, which will help to activate Abu Dhabi's cultural district as a business hub in close proximity to the main financial centre. Meanwhile, Yas Place, a 25,000 sqm commercial block adjacent to the Yas Plaza hotels, is scheduled for completion in the first half of 2025.

The close partnership with Mubadala is also bringing a number of new commercial assets into Aldar's portfolio. In 2024, the company broke ground on One Maryah Place, a two-tower Grade A office building being developed in partnership with Mubadala.

The commercial development, located in the ADGM free zone, is scheduled for completion in 2027 and will offer approximately 98,000 sqm of premium space. It targeted LEED Gold certification and an Estidama 3 Pearl rating. In addition, Aldar and Mubadala entered a joint venture to own and operate a diversified portfolio at Masdar City, including nine completed income-generating commercial properties with a GLA of 88,000 sqm and 99% occupancy, five land leases with a GLA of 197,000 sqm, one commercial development under construction with a GLA of 38,000 sqm and another mixed-used commercial-residential development also under construction.



Capitalising on prime commercial assets in Abu Dhabi's financial centre

The acquisition from Mubadala Investment Company (Mubadala) in July 2022 of **four prime Grade A commercial towers in Abu Dhabi Global Market (ADGM)** on Al Maryah Island, one of the region's fastest-growing financial centres, has been an overwhelming success. The transaction included the four main office towers in ADGM – Al Sila, Al Sarab, Al Maqam and Al Khateem – with a total net leasable area of 180,000 sqm, along with car parks serving the office towers. Aldar has deployed an effective asset management and leasing strategy, which has driven a rapid increase in occupancy to 97% at the end of 2024, from 77% when the asset was acquired, as well as higher rental rates.

With the financial centre attracting a growing number of global businesses, Aldar acquired Al Maryah Tower in December 2022 and the tower became operational in 2024, with strong tenant demand driving occupancy rapidly to 90% by year-end. Aldar is also developing further properties within ADGM through a joint venture with Mubadala, with two high-rise office towers with a total gross leasable area (GLA) of 98,000 sqm under construction and scheduled for completion in 2027.



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Landmark entry into Dubai's commercial market

Aldar entered the Dubai commercial market through a number of bold transactions that established a strong presence in key hubs in the Emirate including the financial district, Dubai Internet City and Expo City.

In July 2024, Aldar grasped an opportunity to develop an iconic Grade A office tower on Sheikh Zayed Road adjacent to the Dubai International Financial Centre (DIFC) to cater to demand from companies seeking a prime location and for service providers connected to the DIFC ecosystem. The tower, spanning 88,000 sqm of net leasable area, will integrate premium office spaces with a luxury boutique hotel and branded residences, catering to the needs of high-profile tenants and visitors. Strategically positioned on one of the last remaining prime freehold plots in the area, the tower is scheduled for completion by the end of 2027.

Further strengthening its presence in Dubai, Aldar also acquired 6 Falak, a newly built Grade A office building in Dubai Internet City (DIC), from Sweid & Sweid. The 9,100 sqm asset, completed in March 2024, is fully occupied and hosts a roster of blue-chip tenants, including Roland Berger, Merck, and IFS. As one of the last remaining freehold properties in DIC, 6 Falak represents a valuable addition to Aldar's growing commercial portfolio.

In the rapidly developing area of Dubai, Aldar and Expo City Dubai announced a strategic 50:50 joint venture in October 2024 to develop an AED 1.75 billion mixed-use project to advance Expo City Dubai's transformation into a premier

business and lifestyle hub. Strategically located near Al Maktoum International Airport and the Dubai Exhibition Centre, the five-building development will offer 103,000 sqm of commercial, residential and retail space. As a core component of Expo City Dubai's new master plan, the project capitalises on the district's legacy as a global events destination, following the success of Expo 2020 and COP28. Aldar will be the asset manager of the properties upon completion.

In December 2024, Aldar announced the landmark acquisition of an AED 2.3 billion commercial tower in DIFC, marking one of the largest commercial tower transactions registered in the district. Acquired from H&H Development, the 40-floor Grade A tower is set for completion in 2028, positioning Aldar as the only company with commercial assets onshore in Abu Dhabi and Dubai as well as offshore in the preeminent financial free zones of the two emirates, DIFC and ADGM. Designed by Herzog & de Meuron and targeting LEED Platinum certification, the tower will offer flexible, high-quality office and retail spaces, catering to the increasing demand for this prime location among multinational and regional firms.



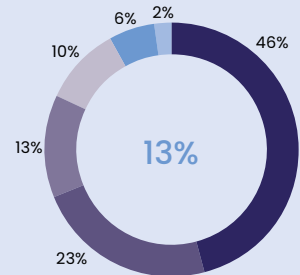
OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Commercial

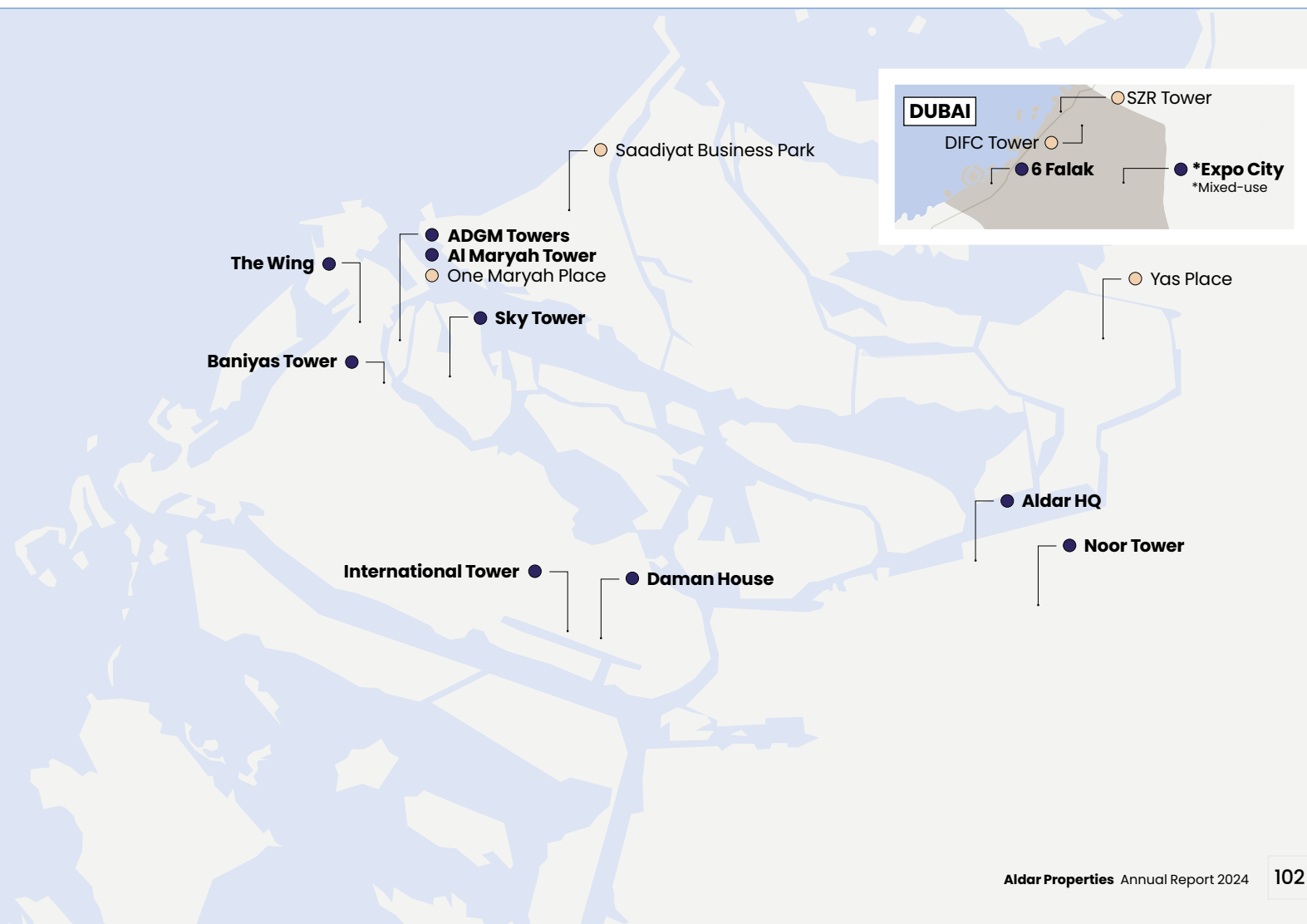
Abu Dhabi & Dubai

● Existing
● D-HOLD

LOCATION SPLIT (EXISTING ASSETS)



■ Al Maryah Island
■ Abu Dhabi Mainland
■ Khalifa City
■ Al Raha Beach
■ Al Reem
■ Dubai



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Investment Properties (Retail)

Strong performance for a platform in transformation

Aldar's retail properties delivered a 6% year-on-year increase in revenue to AED 765 million, while adjusted EBITDA rose 10% to AED 485 million in 2024, driven by a strong performance by Yas Mall's appeal as a premier shopping and entertainment destination in Abu Dhabi. During the year, Aldar continued to implement an AED 500 million redevelopment initiative for Al Hamra Mall in Ras Al Khaimah and Al Jimi Mall in Al Ain, temporarily reducing the scale of retail operations, with a moderate impact on income. Excluding the assets under development and one-off income, the retail portfolio's adjusted EBITDA rose 13% to AED 428 million.

Aldar's track record of value enhancement across its retail assets continued to yield strong results. Having been revitalised through an AED 500 million repositioning programme completed in 2022, Yas Mall achieved a 10% year-on-year increase in tenant sales, with footfall 18% higher, as occupancy reached 99% as at the end of 2024.

Al Hamra Mall became fully operational in the third quarter of 2024 following a redevelopment programme that upgraded interior and exterior spaces, enhanced the retail and dining mix, and added new entertainment options. The mall is now set to play a central role as a vibrant community hub and lifestyle destination in Ras Al Khaimah's growing tourism and hospitality sector, complementing Aldar's investments in the Emirate's hospitality and residential sectors. A similar programme to enhance the customer experience at Al Jimi Mall in Al Ain was commenced, with new anchor tenants, premium brands and food concepts to be added by completion in 2025.

In a major initiative that will reshape the retail landscape in Abu Dhabi, Aldar and Mubadala plan to establish an AED 9 billion retail platform in 2025 with a view to increasing its scale significantly in the coming years. By bringing together two of Abu Dhabi's most prominent retail destinations – Aldar's Yas Mall and Mubadala's Galleria Luxury Collection – the venture is creating a retail powerhouse with approximately 260,000 sqm of prime gross leasable area (GLA).

NO. OF ASSETS

36

LEASABLE AREA (SQM)

520k

OCCUPANCY

97%

Excluding Remal Mall (a non-core asset)

WAULT (YRS)

4.0

GAV (AED)

10,522mn

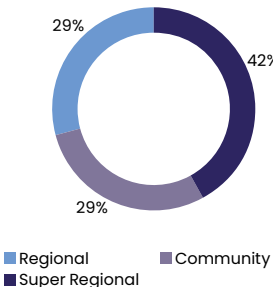
REVENUE (AED mn)



ADJ. EBITDA (AED mn)



ASSET TYPE SPLIT



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Yas Mall, a super-regional shopping mall known for its extensive retail offering, will be complemented by Galleria's dominance in the luxury retail sector. The integration of these assets under Aldar's strategic management is designed to unlock significant operational efficiencies, including cost savings, procurement synergies, and strengthened relationships with global retail brands through enhanced negotiating power. By consolidating the management of the office towers and Galleria Luxury Collection within ADGM under Aldar, the company also expects to drive additional value through control and enhanced streamlining and coordination of operations.

In 2025, the retail portfolio is due to expand through the transfer of income-generating D-HOLD assets, with community retail at Aldar's Noya and Yas Golf Collection developments due for completion in the first half of the year, and Saadiyat Grove's 51,000 sqm GLA of retail in its central shopping boulevards and community retail, scheduled to be operational in the second half. The following year, community retail at the Saadiyat Lagoons development will be added to the portfolio.

Repositioning of Yas Mall drives increased income and capital values

Yas Mall, Aldar's flagship retail asset, continues to perform exceptionally well, reinforcing its position as Abu Dhabi's premier shopping and entertainment destination. In 2024, the super-regional mall achieved 99% occupancy, a 10% year-on-year rise in tenant sales, and an 18% increase in footfall.

This strong performance is the direct result of an AED 500 million refurbishment programme completed in 2022, which has subsequently driven a significant increase in income and capital value and ensured the mall's sustained appeal to residents and visitors. The project expanded the mall's F&B offering by 40%, introducing a variety of F&B brands in addition to a new food hall and outdoor terraces, whilst enhancing the tenant mix through the introduction of new concept and experiential stores.

By optimising the use of space, 15,000 sqm of commercial offices were created, with Aldar choosing to move its corporate headquarters to the site to allow for additional leasing at its HQ building. A number of sustainability enhancements were made, including the introduction of a customised composter to transform food waste into bio-soil, and the replacement of 60,000 lamps with LED lighting, helping to reduce Yas Mall's carbon footprint by 59 tonnes per year.

The mall represents a 'pull factor' for Aldar's residential communities on Yas Island and complements the island's broader tourism and leisure offering, which includes the Formula 1 circuit, SeaWorld Abu Dhabi, Warner Brothers World Abu Dhabi, Yas Waterworld, Yas Beach and Yas Links Golf Course. Following completion of a joint venture with Mubadala, Yas Mall and the Galleria Luxury Collection on Maryah Island will form the centrepiece of a jointly-owned world-class retail platform managed by Aldar.



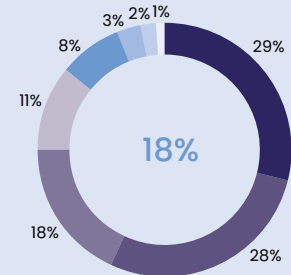
OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Retail

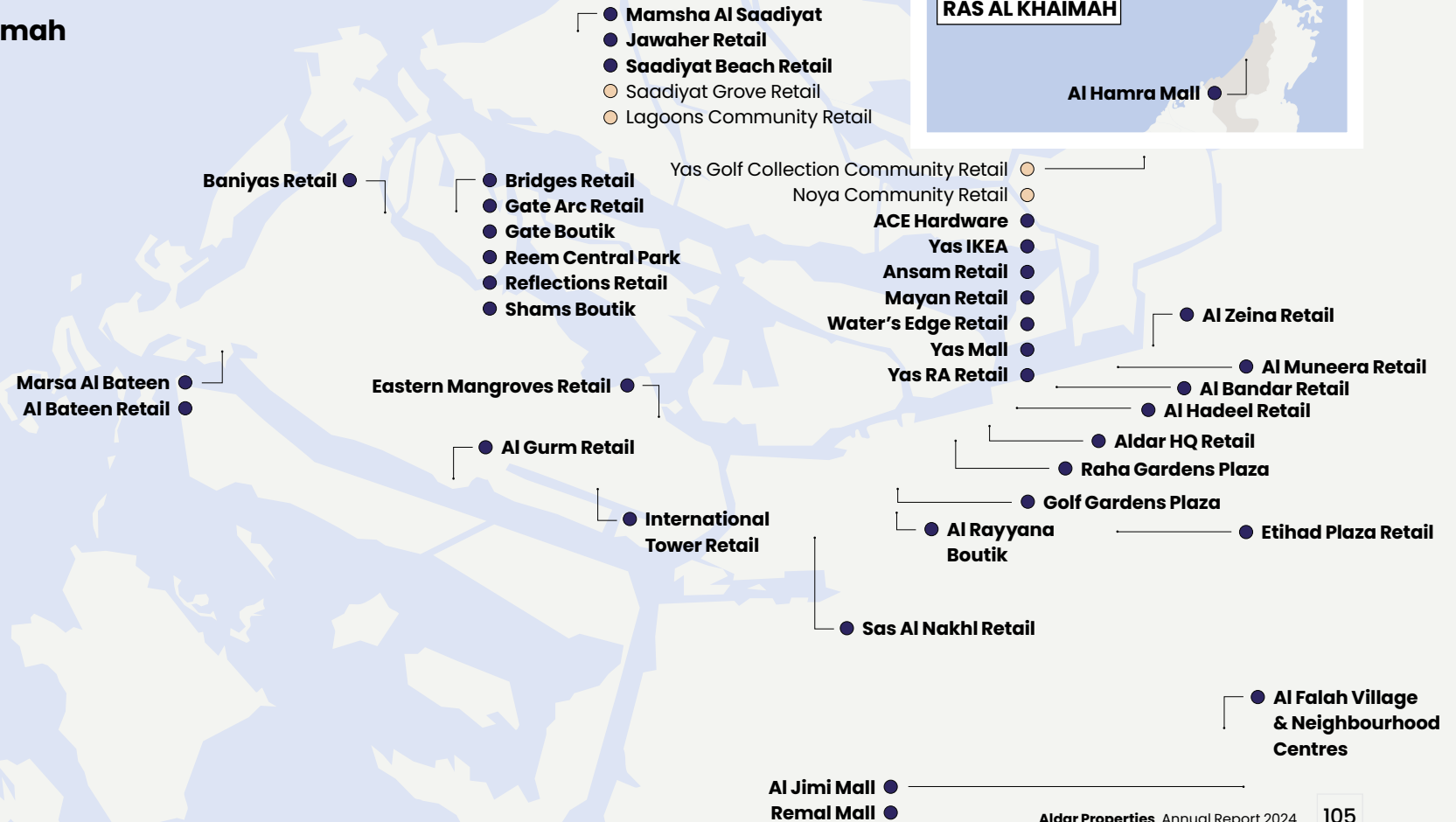
Abu Dhabi & Ras Al Khaimah

● Existing
○ D-HOLD

LOCATION SPLIT (EXISTING ASSETS)



■ Khalifa City
■ Al Reem
■ Yas Island
■ Al Raha
■ Ras Al Khaimah
■ Abu Dhabi Mainland
■ Others
■ Saadiyat Island



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Investment Properties (Residential)

A stable and growing portfolio

The residential portfolio achieved strong renewals and higher rental rates, with occupancy standing at 99% at the end of 2024 and residential bulk leases remaining healthy at 63% of total leases. Due to a one-off gain from the termination of a bulk lease in the prior year, adjusted EBITDA decreased 12% year on year to AED 395 million in 2024. Revenue declined 1% to AED 572 million, and excluding the one-off gain, adjusted EBITDA was flat year on year, reflecting the completed re-leasing of the 420 bulk lease units. Meanwhile the portfolio has continued to conduct strata sales over the year with AED 276 million in net sales across 249 units.

The residential segment of Aldar's investment property portfolio now includes over 7,300 units, primarily in Aldar-developed communities in Abu Dhabi, including Al Rayyana, The Gate and Sas Al Nakhil. Ranging from studio apartments to standalone villas, the units are leased to individual tenants and through bulk agreements with corporate clients, including government-linked entities.

Aldar continues to expand the portfolio through a combination of acquisitions and greenfield developments. This includes three fully occupied residential blocks at Masdar City and a mixed-use commercial-residential development currently under construction at the site, as well as new mixed-use developments at Expo City.

NO. OF ASSETS

13

LEASABLE AREA (SQM)

800k

OCCUPANCY

99%

WAULT (YRS)

2.3

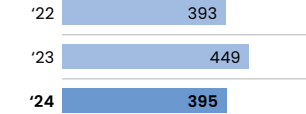
GAV (AED)

5,195mn

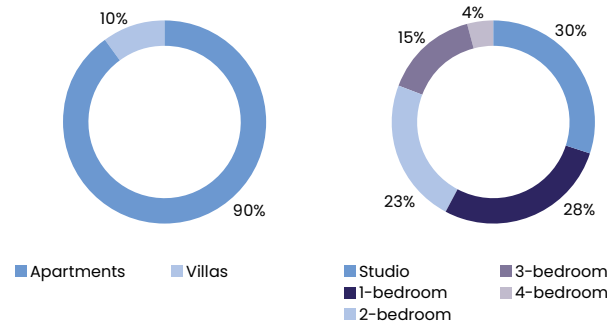
REVENUE (AED mn)



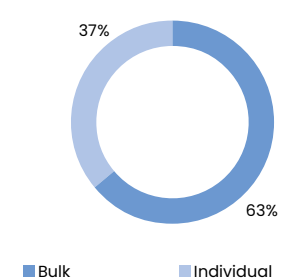
ADJ. EBITDA (AED mn)



UNIT TYPE SPLIT



LEASE TYPE SPLIT



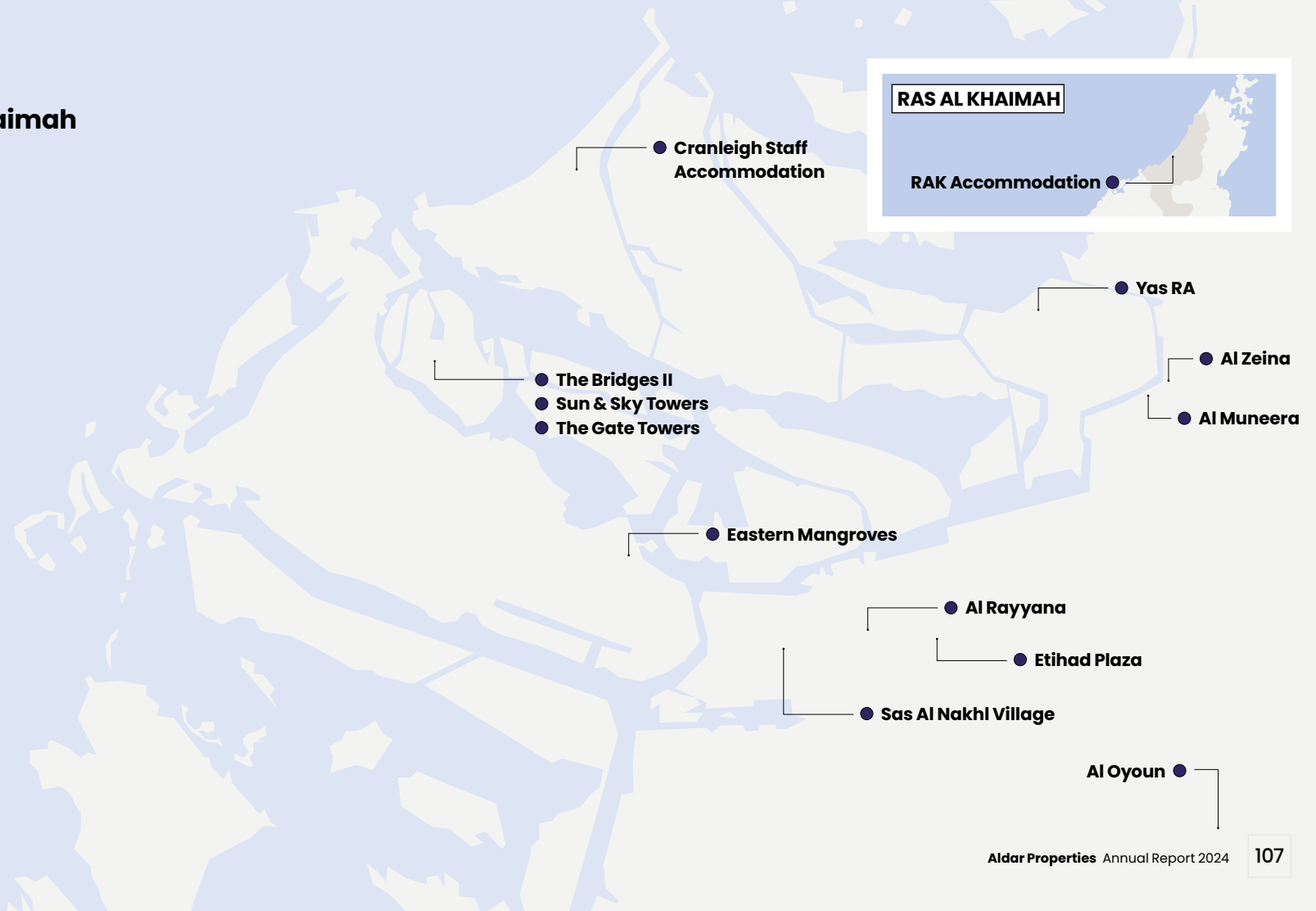
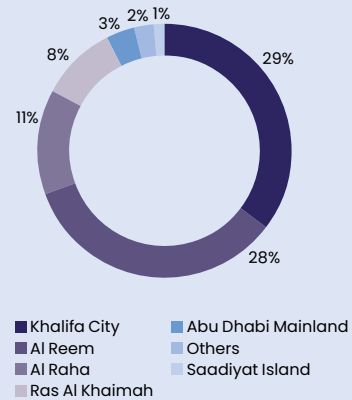
OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Residential

Abu Dhabi & Ras Al Khaimah

● Existing
● D-HOLD

LOCATION SPLIT (EXISTING ASSETS)



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Investment Properties (Logistics)

Effective execution of AED 1 billion investment programme

The logistics platform reported a 21% increase in revenue to AED 76 million in 2024, with a 19% year-on-year rise in adjusted EBITDA to AED 61 million, driven by steady income from the Abu Dhabi Business Hub and a positive contribution from the newly acquired 7 Central property in Dubai.

As a priority area for expansion, the logistics portfolio continued to develop at pace in 2024 as Aldar took decisive action to build a meaningful presence in the sector in the UAE, which is characterised by limited supply, rising rental rates and a robust growth outlook. In January 2024, Aldar announced an AED 1 billion programme to invest in the sector, principally through greenfield development, as well as select asset acquisitions, and proceeded to complete a number of transactions during the course of the year.

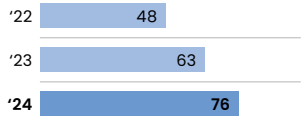
Marking its first logistics acquisition in Dubai, Aldar announced in January 2024 the acquisition of the 7 Central logistics hub as well as an adjacent plot which, once developed, will almost double the current gross leasable area (GLA) of 19,000 sqm.

The facility is strategically positioned in one of Dubai’s most established industrial areas, Dubai Investments Park. Separately, Aldar also took steps to initiate development of a Grade A build to suit logistics facility on a plot in the Dubai South district, strategically located near Al Maktoum International Airport and Amazon, Noon and DHL facilities.

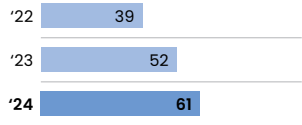
Aldar also continued to build on the foundations of its acquisition of a 70% equity interest in the Abu Dhabi Business Hub in 2022, a strategically located warehousing, industrial, and office complex in Industrial City Abu Dhabi. With its warehouses fully leased at its current capacity of 166,000 sqm to diverse institutional tenants, Aldar expanded the facility by a further 34,000 sqm of gross leasable area (GLA) in 2024.

Aldar announced a major strategic partnership with DP World, the port operator and global logistics provider, to develop and lease a 146,000 sqm Grade A logistics park at National Industries Park (NIP) in Jebel Ali, Dubai, which will be delivered in two phases, completed in the first half of 2026 and the first half of 2027 respectively. This landmark project provides Aldar with long-term access to prime logistics assets in a strategically positioned location near Jebel Ali Port and Al Maktoum International Airport, with excellent connectivity to major highways. Catering to the growing demand for warehousing, eCommerce, and third-party logistics (3PL) facilities, the development will feature three modular buildings designed to accommodate single or multiple tenants with flexible unit sizes.

REVENUE (AED mn)



ADJ. EBITDA (AED mn)



NO. OF ASSETS

3

LEASABLE AREA (SQM)

240k

OCCUPANCY

89%

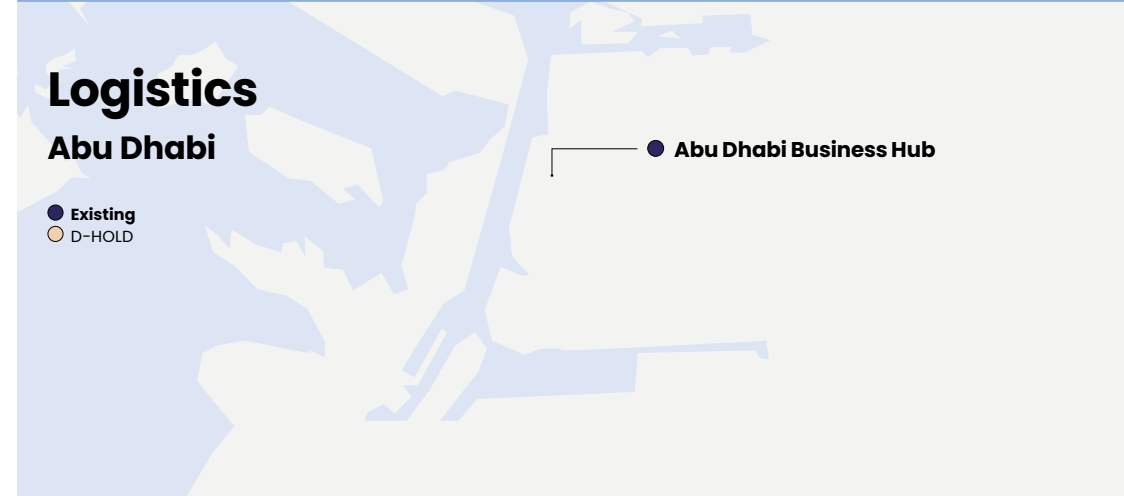
WALT (YRS)

3.9

GAV (AED)

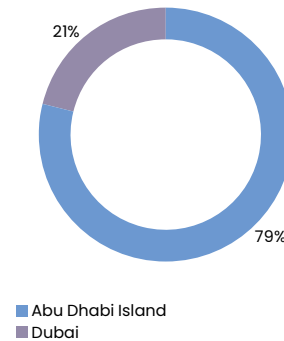
938mn

OPERATING REVIEW | ALDAR INVESTMENT CONTINUED



With the growth of the UAE's logistics sector bolstered by substantial investment into transportation and infrastructure, to support diversification of the economy, Aldar is taking a strategic view on the sector and positioning itself to be at the centre of future growth in trade and commerce. The logistics joint venture with Mubadala, a key part of the broader partnership sealed in late 2024, will see Aldar develop a 1.2 million sqm (GFA) park in Al Falah, strategically positioned on a 2.3 million sqm land plot near Zayed International Airport and along the E11 motorway linking Abu Dhabi to Dubai, with easy access to Khalifa Port.

LOCATION SPLIT (EXISTING ASSETS)



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Hospitality & Leisure

Moving into the luxury arena

Aldar's Hospitality & Leisure portfolio extended its strong post-COVID recovery in 2024, achieving occupancy of over 73%, with average daily rates and revenue per available room (RevPAR) rising 5% and 9% year-on-year. With the business commencing a transformation programme across key assets, revenue remained flat at AED 1.1 billion and EBITDA declined by 9% to AED 350 million due to a reduction of available rooms.

The current portfolio includes 13 hotels and resorts spanning the five to three-star categories with over 3,900 rooms and suites, as well as golf clubs, beach clubs, marinas and other leisure assets. It will be further expanded with the planned launch in 2027 of a 126-key Nobu-branded hotel on Saadiyat Island, Abu Dhabi.

With Abu Dhabi's appeal as a high-end destination travel and leisure destination increasing, Aldar took the strategic decision in 2024 to reposition its hospitality portfolio through an AED 1.5 billion investment programme aimed at transforming key assets into luxury resort-style properties. The majority of the works will be carried out in phases through 2025 and 2026, involving temporary closures of all or parts of the hotels.

OCCUPANCY

73%

ADR (AED)

659

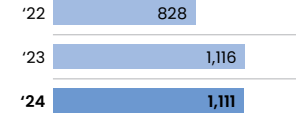
REVPAR (AED)

478

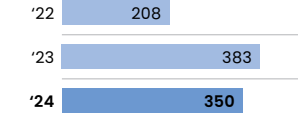
NUMBER OF KEYS

3,949

REVENUE (AED mn)



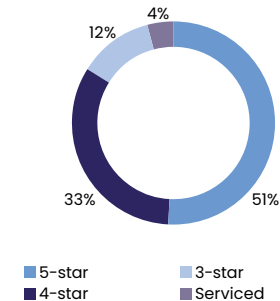
EBITDA (AED mn)



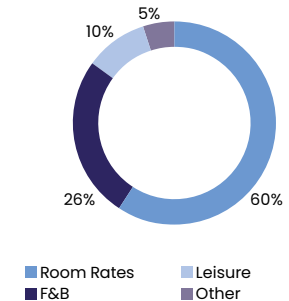
H&L REVENUE SPLIT (AED mn)



HOTEL TYPE BY KEYS



HOSPITALITY REVENUE SPLIT

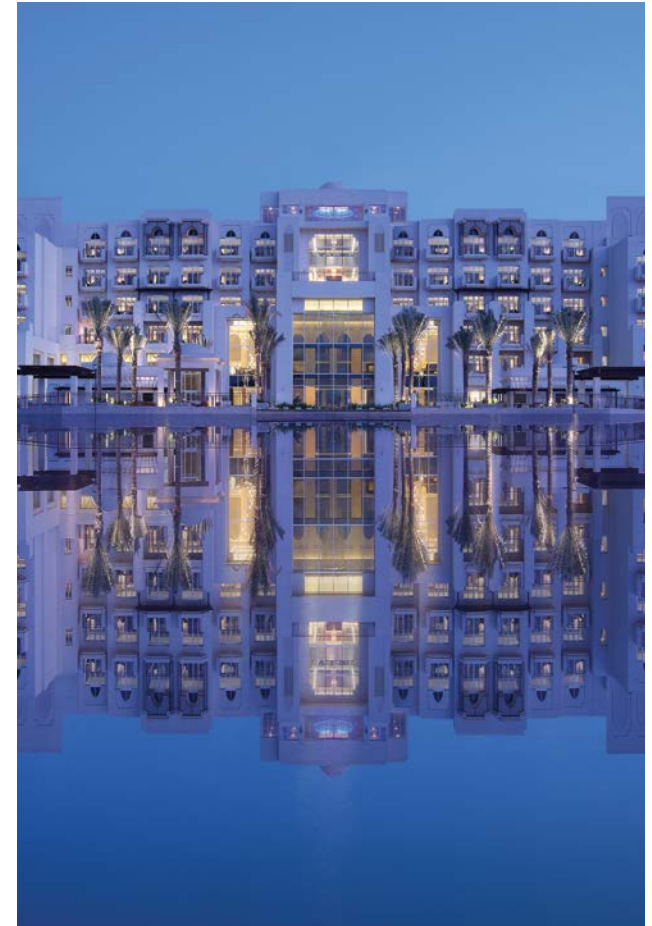


OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

As part of the investment strategy, the Yas Plaza hotels will be redeveloped into a fully integrated resort under IHG's Vignette Collection, representing the brand's largest property worldwide. This transformation will introduce beachfront suites and a private beach, reinforcing Yas Island's position as a premier leisure and entertainment destination. Additionally, the Eastern Mangroves hotel is undergoing a comprehensive upgrade and rebrand under the Waldorf Astoria banner, introducing luxury suites and a revitalised marina and retail offering.

In the ultra-luxury segment, Nurai Island is being significantly refurbished and expanded, including the addition of more luxury villas and a beach club. Meanwhile, in the Al Dhafra region, Aldar is repositioning its desert resort as a high-end retreat under the IHG Vignette Collection, incorporating luxury suites and upgraded dining and wellness facilities.

Beyond Abu Dhabi, Aldar's hospitality assets in Ras Al Khaimah, including Rixos Bab Al Bahr and DoubleTree by Hilton Resort & Spa Marjan Island, are also undergoing phased renovations to upgrade guest rooms, public spaces, and entertainment facilities.



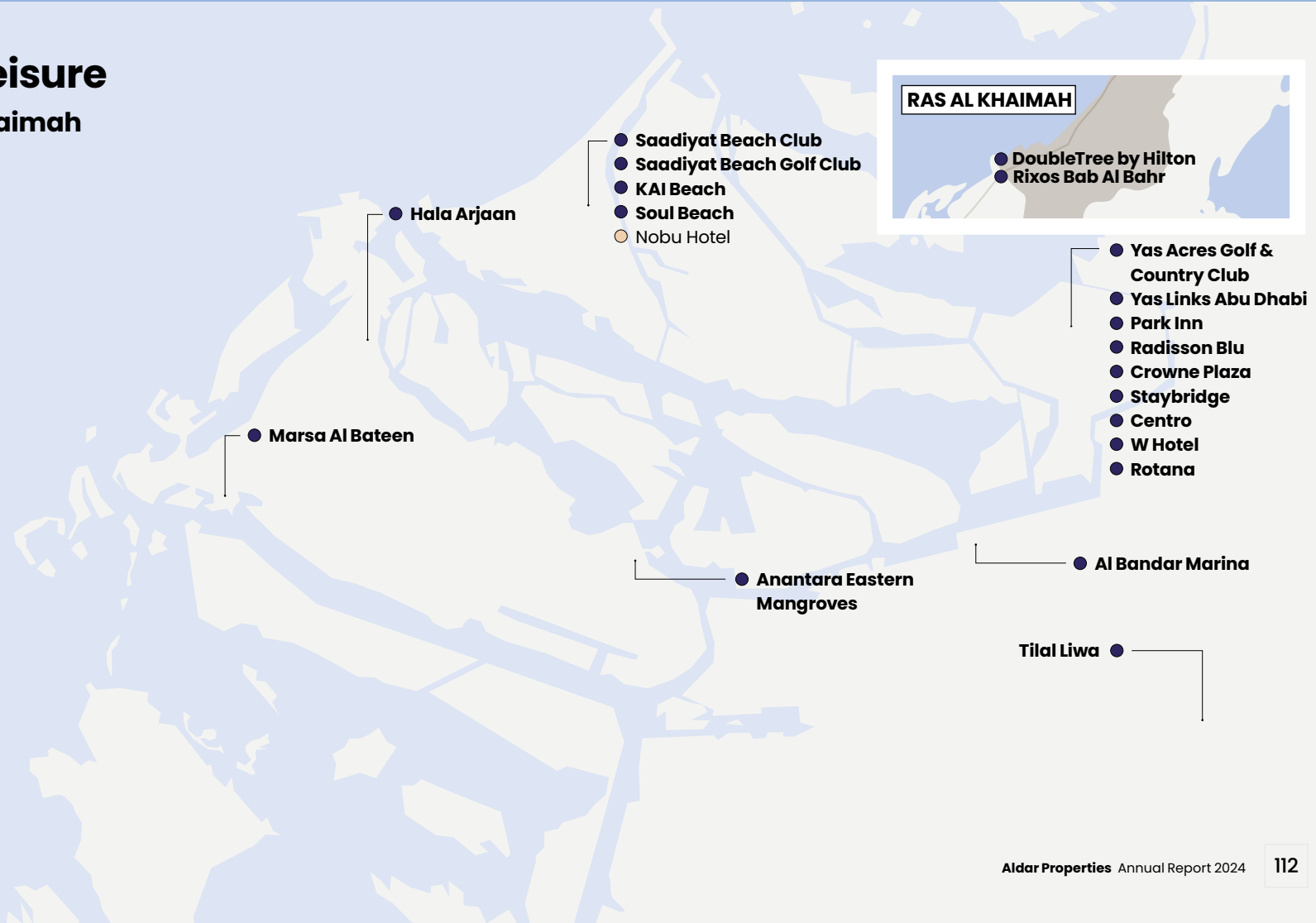
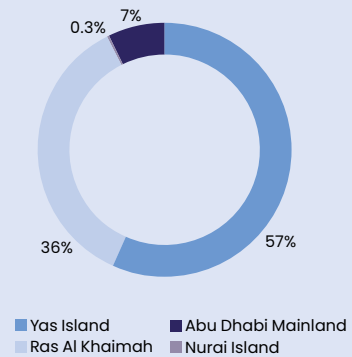
OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Hospitality & Leisure

Abu Dhabi & Ras Al Khaimah

● Existing
○ D-HOLD

LOCATION SPLIT (EXISTING ASSETS)



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Education

Growing leadership in the private school sector

Aldar Education revenue increased 26% to AED 862 million, while EBITDA increased 36% to AED 266 million in 2024, supported by recent acquisitions, a 12% increase in new enrolments across operated schools and increased tuition fees.

With a total student body exceeding 37,000 at 12 owned and 19 operated schools, Aldar Education is the UAE’s second largest private education provider. Growth has been complemented over the last two years by an AED 1.33 billion investment programme comprising brownfield and greenfield developments as well as the acquisitions of Kent College in Dubai and Virginia International Private School in Abu Dhabi in 2023, and of Al Shohub Private School in Abu Dhabi in 2022.

In 2024, Aldar Education focused on educational institutions integrated into Aldar’s expanding communities. This included completion of the expansion of Cranleigh Abu Dhabi with the opening of a dedicated pre-prep campus with a student capacity of nearly 800 students. The Noya British School in the Noya community, with a capacity for 3,000 students, also opened, marking the first mid-market greenfield Aldar school on Yas Island operated by Aldar Academies. In addition, the relocation of the Yasmina British Academy to a larger, state of the art campus was also completed, raising capacity to 4,400 students from 2,400.

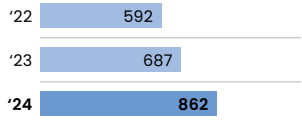
In parallel, the former campus was transformed into a K-12 facility to house the new Yasmina American School, which will start to accept students in September 2025.

Another greenfield project, Muna British Academy on Saadiyat Island, continued to make good progress and is also on track to open for the 2025–2026 academic year.

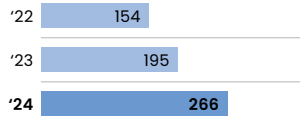
Aldar Education continues to invest in technology, operational excellence and customer experience, introducing an online payment gateway for parents across all operated schools, and digitalising the admissions process. Steps have also been taken across the portfolio to enhance safety systems, standards and accreditations.

Aldar Education will continue to prioritise delivery of the highest standards of education and consistency across all schools through strategic planning and robust quality assurance. A new operating structure is being introduced to improve efficiency and governance while achieving education goals, with a strategic roadmap created to drive future growth.

REVENUE (AED mn)



EBITDA (AED mn)



SCHOOLS

31

12 operated schools
19 managed schools

STUDENTS

37k

16k operated schools
21k managed schools

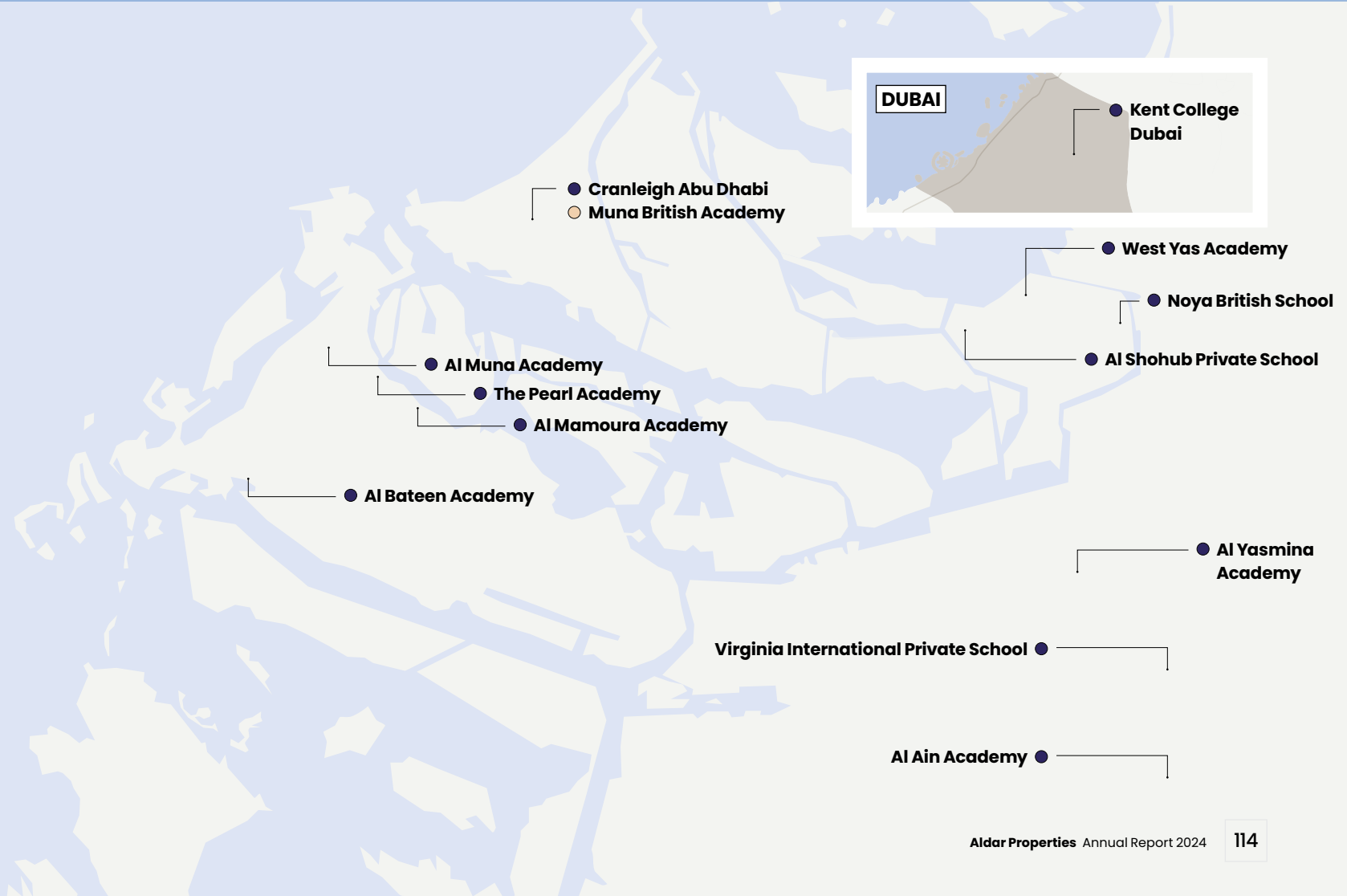
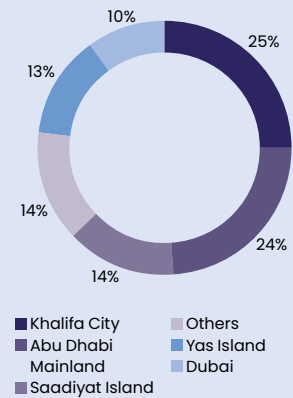
OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Education

Abu Dhabi & Dubai

● Existing
○ D-HOLD

LOCATION SPLIT (EXISTING ASSETS)



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Estates

The region’s largest property and facility management platform

In 2024, Aldar Estates reported a 51% increase in revenue to AED 2.6 billion and a 103% surge in EBITDA to AED 400 million, primarily driven by strategic mergers and acquisitions that have created the region's leading integrated property and facilities management platform. The business now manages over 155,000 residential units, providing high quality management services for Aldar-developed communities and third-party clients, with a total gross leasable area (GLA) of over 2 million sqm.

The platform has significantly increased scale and broadened its offering through a series of transactions over the last two years. In late 2023, Aldar Estates acquired FAB Properties and merged with Eltizam – both leading providers of property and facilities management services – having previously acquired a number of specialist service providers. These included Basatin Landscaping Services, Spark Security Services, mechanical, electrical and plumbing services firm Mace Macro Technical Services, energy efficiency consultants Pactive Sustainable Solutions and SAGA International Owner Association Management Service.

PROPERTY MANAGEMENT

155k

residential units

PROPERTY MANAGEMENT (SQM)

2.3mn

commercial & retail GLA

FACILITY MANAGEMENT (AED)

690mn

total orderbook

INTEGRATED COMMUNITY (AED)

528mn

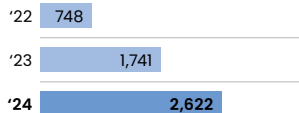
services total orderbook

VALUATION & ADVISORY (AED)

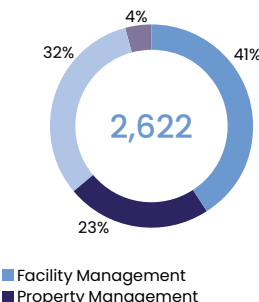
47mn

deal pipeline

REVENUE (AED mn)



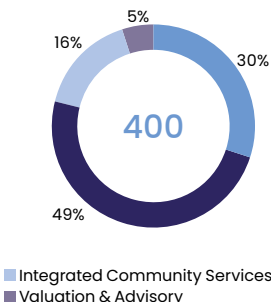
REVENUE SPLIT (AED mn)



EBITDA (AED mn)



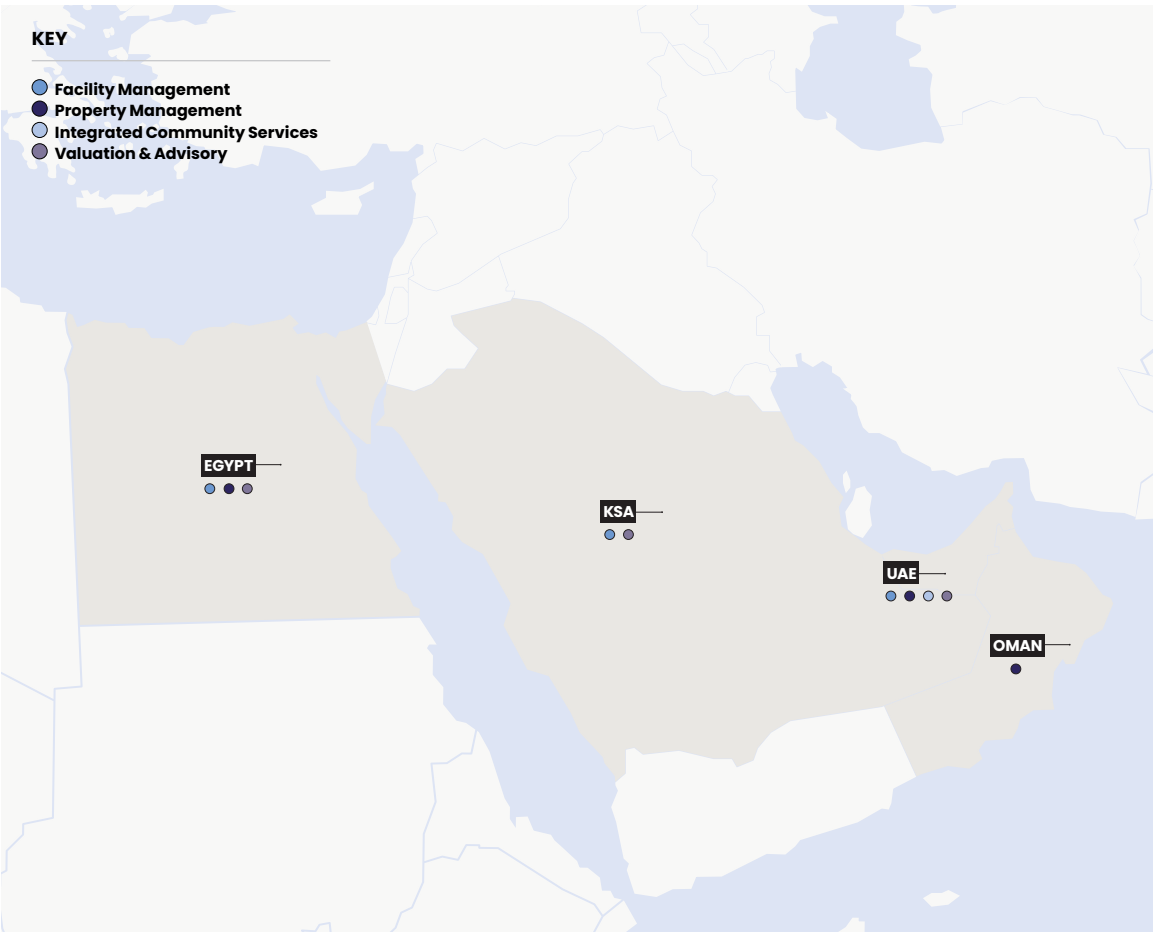
EBITDA SPLIT (AED mn)



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Following this intensive period of M&A activity, Aldar Estates made strong progress on integration in 2024, deploying a new operating model, organisational structure and governance processes, and a unified enterprise resource planning (ERP) system. As part of this process, the company introduced an operating structure that consists of four key verticals: Property Management; Facilities Management; Integrated Community Services; and Valuation and Advisory.

Looking ahead, Aldar Estates will continue to focus on digital transformation, sustainability and delivering premium services, while expanding its service offering in Saudi Arabia to increase both market share and wallet share. This will accelerate progress towards the goal of creating a regional champion offering integrated services and solutions for any touchpoint in the built environment.



OPERATING REVIEW | ALDAR INVESTMENT CONTINUED

Others

Private credit and equity: A diversification play in mature real estate markets

Aldar's strategy for accelerated growth includes achieving limited exposure to mature markets outside its home region to diversify revenue streams and create synergies with the business in the UAE. A key area of focus is high-growth alternative real estate classes, and Aldar has taken steps to enter the arena of private credit and other real estate investments.

A partnership established by Aldar, Mubadala Investment Company and Ares Management to invest USD 1 billion in private real estate credit opportunities in the United Kingdom and Europe was activated, with Aldar committing USD 400 million. Aldar's commitment includes an investment of USD 100 million into a pre-existing European private real estate credit fund, which focuses on senior secured debt with a first lien on physical real estate assets, including office, multifamily residential, industrial, retail and hospitality. The platform, which is 50% owned by Mubadala, 30% by Aldar and the remaining 20% by Ares, has reviewed over 500 deals, with origination driven by the Ares' European coverage team.

In early 2024, Aldar announced that it was adding further weight to its international expansion with an AED 407 million investment in logistics and storage assets in Europe through a partnership with global investment firm Carlyle. The agreement saw Aldar become a strategic investor in the Carlyle Europe Realty (CER) platform, in addition to taking a majority stake in a co-investment platform, which includes an income-producing portfolio of 14 warehouses located across key logistics hubs in the United Kingdom. The portfolio comprises 900,000 sqft of gross leasable area (GLA) and is fully occupied with substantial reversion potential. Aldar has also invested alongside Carlyle and other investors into a portfolio of self-storage facilities in Western Europe.

Within the logistics and self-storage investments, Aldar will leverage its development and asset management expertise to help shape the portfolios, and the partnership model will pave the way for Aldar to gain further exposure to the segment alongside Carlyle.



RISK MANAGEMENT

Risk Management

RISK MANAGEMENT

Implementing robust risk management practices

Aldar has an established Enterprise Risk Management (ERM) function to ensure effective management of all risks that have the potential to hinder the Company from achieving its strategic objectives.

A dedicated ERM team is responsible for helping the Company's business units to identify and assess risks utilising a standardised, enterprise-wide methodology, and subsequently put in place control plans for existing and emerging risks. It regularly conducts comprehensive reviews of best practices and benchmarks against other companies in the market in order to ensure its risk management processes are relevant and aligned with best-in-class practices.

Primarily, a bottom-up approach is used for risks identified at a business unit level, whilst enterprise-wide risks are addressed using a top-down approach that synergises operational expertise and strategic input. The areas of focus comprise organisation-wide ground risks as well as long-term emerging risks identified through horizon scanning. Through the development of Aldar's risk appetite pertaining to each of its relevant risk categories, standardised risk ratings are calculated based on the likelihood and impact of the risk, at both inherent and residual levels. The enterprise-wide methodology enables the Company to evaluate and prioritise identified risks based on the relevant risk appetite. Pre-defined criteria and mandates guide the escalation mechanism for identified risks and mitigation plans to different hierarchical committees. The ERM team continuously monitors risks, liaises with risk owners on agreed mitigation plans and follows up until the risk level falls below the approved risk appetite of that relevant category. Risks that exceed the approved risk appetite are escalated as per the Delegation of Authority (DOA) for management decision on whether to eliminate, transfer, accept or address the risk accordingly.

Risk assessments and analysis of risk exposure occur on a continuous and needs basis, whilst top risks are reported to management on a quarterly basis.

The ERM process at the organisation is audited by the Internal Audit Department and is enhanced through the department's continuous improvement practices to ensure it remains compliant with international standards and best practices.

Aldar has Board-approved ERM Policy and Procedure documents in place, which are periodically reviewed and updated. Meetings of the various mandated committees are convened periodically, which helps to improve and mature the function over ongoing iterations.

The ERM team is also responsible for Business Continuity Management, which aims at ensuring the Company's ability to continue the delivery of its operations at pre-defined, acceptable levels following a disruptive incident. Business Continuity Plans are developed for identified time-critical processes, which include personnel, facility, technology and third-party requirements.

Aldar's Board and Management firmly believe in continuous improvement and will continue to build on this solid foundation to strengthen risk management, providing them with an effective support tool to make informed and objective risk-based management decisions.

RISK MANAGEMENT CONTINUED

Aldar's ERM framework is linked and adapted to its business operating model, using the widely-accepted COSO ERM framework as its foundation.

Risks are classified into the following **six categories**:

Risk category	Description
Strategic	Risks related to strategy selection, execution or modification, leading to Aldar Group's inability to achieve overall objectives.
Financial	Risks related to the ability of Aldar Group to achieve its budget and prevent financial loss es.
Operational	Risks related to operational delays resulting from inadequate or failed internal processes, people, systems or external events.
Legal and Compliance	Risks related to legal or regulatory implications, material financial loss or reputational damage that Aldar may suffer because of its failure to comply with laws, regulations, rules, related self-regulatory organisation standards or codes of conduct.
Sustainability/ESG	Risks related to an environmental, social or governance event or condition that may cause an actual or potential material negative impact on the business and/or value of investments.
Image and Reputational	Risks related to Aldar's image and reputation domestically and globally that may lead to loss of business.

Risk Management Procedure

Initiate Risk Management Exercise

Create risk management plan

Types of Risks to be Assessed

Departmental risks
Project risks

Adjacency risks
Strategic risks

Risk Assessment and Prioritisation

Determine likelihood of occurring
Determine impact on the organisation
risk matrix of impact vs. likelihood
Map risks to respective appetites
(Minor, Low, Moderate, High, Severe)

Validate the risks with the respective department heads

Building and Monitoring Mitigation Plans

Agree on mitigation plans and time frames

Report Final Results to Management

Strategic risks and risks that are higher than the approved risk appetite, along with their current mitigations, are presented by the Group ERM team to the MC for endorsement and reported to the ARCC and BoD on a quarterly basis

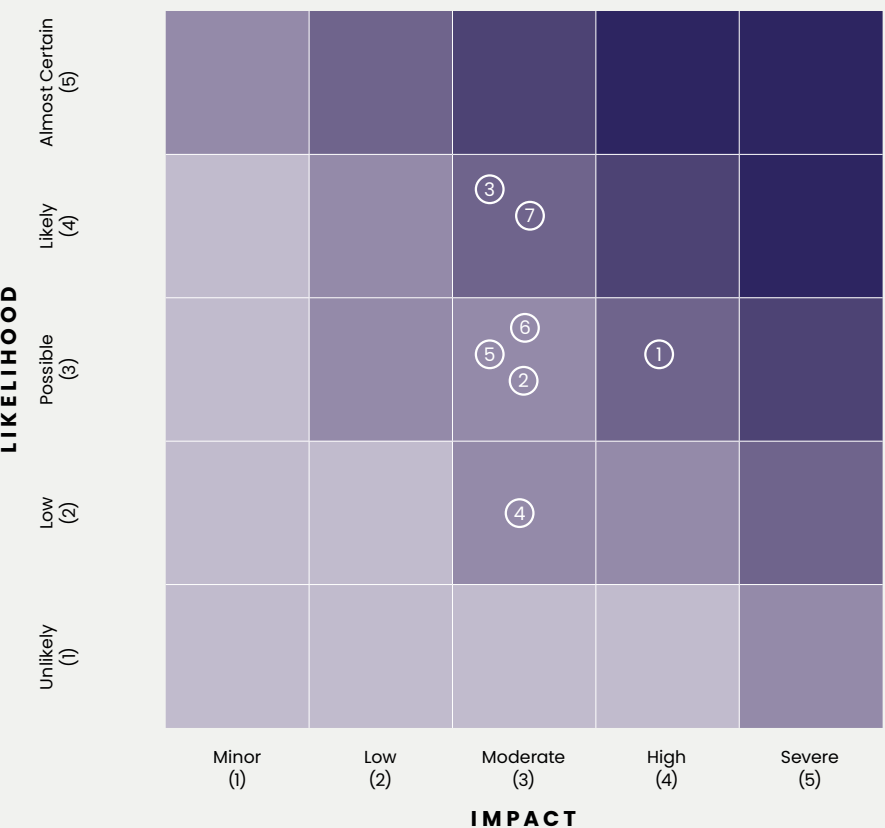
MC = Management committee

ARCC = Audit, risk and compliance committee

BoD = Board of Directors

RISK MANAGEMENT CONTINUED

Risk matrix



Risk type	
①	Market cyclicalitiy
②	Expansion in new geographies
③	Supply chain pressures
④	Failure to achieve Aldar's sustainability/ ESG strategic objectives
⑤	Health and safety
⑥	Information systems and cyber threat
⑦	Challenges originating from an increase in Aldar's brand exposure

Risk level	
Severe	20–25
High	15–19
Moderate	10–14
Low	5–9
Minor	1–4

RISK MANAGEMENT CONTINUED

Risk No.	Type	Description	Consequences	Mitigation Plan
① Market cyclicalities	Strategic	Aldar's ability to respond effectively to changing local and regional market conditions.	- Potential negative impact on launching of new developments and performance of asset portfolio. - Potential negative impact on sales revenue, cash flows, asset valuations, debt/capital and credit rating.	The Board mitigates market risk through a review of the Group's strategy on a regular basis and discussions are held to determine whether the strategy is still appropriate or requires updating. The Company is actively implementing risk treatment plans: Development Projects - Ensuring accurate and appropriate business plans are in place to anticipate customer preferences. - Launching projects in phases to reduce cashflow exposure. - Enhancing market readiness to capitalise on any opportunity via infrastructure enabled lands. - Expanding fee-based projects portfolio. - Actively pursuing geographical expansion. Asset Portfolio - Combined focus on tenant selection and trading performance, e.g., proactive leasing, targeted marketing initiatives and asset upgrades. - Full merchandising strategy in retail assets: zoning and category optimisation, sustainable pricing and innovative repurposing. - Continued focus on corporate deals to provide long-term revenue visibility and de-risk residential portfolio revenue streams. - Sustainability initiatives leading to cost savings through energy audit and energy saving initiatives. - Product diversification. - Enhancing customer experience through cross-selling across asset classes and introduction of loyalty programmes.
② Expansion in new geographies	Strategic	Geographical concentration from operating solely in Abu Dhabi.	Exposure to Abu Dhabi as a single market will potentially constrain Aldar's ability to grow and achieve its strategic objective to deliver sustainable returns for shareholders.	The Company recognises the inherent risk of geographical concentration of its operations and is steadily mitigating it by: - Entering joint ventures within the wider UAE, GCC and international markets. - Developing regional and international sales and marketing capabilities to expand the investor pool. - Actively pursuing geographical expansion. - Targeting investments in alternative asset classes. - Acquiring and enhancing the capabilities of real estate development platforms in Egypt and the UK.

RISK MANAGEMENT CONTINUED

Risk No.	Type	Description	Consequences	Mitigation Plan
③ Supply chain pressures	Strategic	Continued market growth within the region has increased pressure on contractors/vendors available in the market, constraining the capacity required for further developments.	Potential difficulties in obtaining contractors, vendors and materials that conform to Aldar's standards at anticipated costs.	With an increasing number of projects being undertaken within the region during an upward market cycle, Aldar has put in place mitigations to address supply chain related risks through multiple avenues, ensuring that potential disruptions or issues are controlled in a manner which minimises losses and maintains its ability to deliver on quality and within schedule: - Opening up avenues and encouraging new vendors to undertake projects of various sizes at Aldar. - Building close partnerships with contractors/vendors to put in place mechanisms to enhance capabilities and avenues for growth. - Engaging in partnerships with material providers which can be leveraged by contractors to ensure project success. - Focusing on collaboration between Aldar's Quality team and contractors/PMCs to leverage expertise and ensure product quality and uniformity across projects. - Developing multi-staged quality and inspection processes to ensure products are delivered to customers with minimal snagging.
④ Failure to achieve Aldar's sustainability/ ESG strategic objectives	Strategic	Aldar's ability to minimise the impact of its operations on the environment, whilst maximising its positive societal influence and conducting business with the highest governance standards.	- Potential negative impact on long-term sustainable growth. - Potential loss of trust and engagement from key stakeholders.	Aldar's Board and Management mitigate ESG risk by establishing the appropriate governance across the Group, allocating the right level of resources, and taking proactive measures whilst developing a Group-wide understanding of key ESG risks: Environmental - Refined the net zero approach in line with the Science Based Target initiative (SBTi) Guidance for the Buildings sector and reviewing decarbonisation levers. - Focused on and allocated investments to advance the portfolio-wide energy management project. - Announced strategic sustainability projects throughout the year, including a solar power initiative covering 45 properties, which are progressing as planned. EcoLoop continues to drive innovation by transforming Aldar's waste into valuable resources through a dedicated Circular Park in Abu Dhabi. Social - Launched the third cycle of the Thrive Scholarship Programme, breaking down educational barriers for low-income families. - Partnered with the Department of Community Development to transform Yas Island into an Accessible City for People of Determination (POD) and the elderly. New designs to be aligned with SAHEL Rating System, which addresses accessibility in the built environment. - Launched Games of Hope: an inclusive sports event that invites all children with different abilities. - Sponsored retail space for locally-owned (NGO) businesses. Governance - Reinforced sustainability and community outreach processes have been reinforced over the past year, providing a platform for greater focus and governance. - Revamped its ESG policies and developed additional business-focused ESG policies to continue journey in enhancing ESG maturity and capability.

RISK MANAGEMENT CONTINUED

Risk No.	Type	Description	Consequences	Mitigation Plan
5 Health and safety	Operational	Serious (OSH Occupational Safety and Health) incident.	Potential material impact on the Company's vision and brand locally and internationally with consequential financial implications due to project delays from potential civil suits.	Aldar has an established integrated, health and safety strategy and implementation plan, encompassing the following components: - OSH Management System framework that has been implemented across all projects, accompanied by project-specific OSH plans and procedures based on the scope and nature of activities. - All stakeholders involved in a project, i.e., project management consultants (PMCs), consultants and principal contractors, must register with OSHAD-SF (Abu Dhabi Public Health Center) and obtain all required permits. - They must adhere to the Aldar OSH policy and standards and conduct hazard identification and risk management to prevent or reduce the risk of an incident, in line with legal requirements. - Produce monthly OSH statistics to monitor performance and trends across the projects and portfolio of assets, and develop lessons learnt and analyse trends to ensure and promote best practices. - Proactive integration between Aldar's OSH Management System and project teams for effective implementation of the OSH proactive monitoring programmes, i.e., internal and external OSH audits, OSH Committee meetings and periodic inspections. - Raising staff awareness by conducting periodic OSH trainings and campaign programmes for each project, updating and communicating the Company's OSH Management System and regulatory requirements, maintaining an OSH legal compliance and risk register, and issuing OSH alerts, circulars, etc., to foster a positive safety culture and drive continuous improvements. - Monitor and assess contractors and partners on worker welfare practices, including practices on site, accommodation facilities and transportation arrangements. - Identify and manage employee grievances through the implementation of mechanisms such as the worker welfare mobile application.

RISK MANAGEMENT CONTINUED

Risk No.	Type	Description	Consequences	Mitigation Plan
6 Information systems and cyber threat	Operational	System vulnerabilities and control weaknesses exploited by malicious actors over the internet.	If digital assets are not adequately protected from cyber threats, it can lead to disruption of business operations, financial losses and loss of reputation.	The information security and compliance function continues to assess and strengthen the security and compliance readiness of Aldar's IT function. The unit is responsible for the following, among others: - Comprehensive information security policy framework to mitigate cyber threats. - Ensuring that the IT risk management framework and all policies are aligned with COBIT, ISO 27001 and NIST. - ISO/IEC 27001 certification, which recognises the existence of systems and processes to protect Aldar's corporate and client information assets. This certification is reinforced through annual audits. - Surveillance audit conducted by the lead auditors annually. - Robust security architecture and up-to-date security technologies to prevent cyber threats and detect security incidents. - Advanced threat protection based on artificial intelligence (AI) and machine learning (ML), deployed on user endpoints and networks to detect and neutralise sophisticated threats. - Vulnerability management programme in place to identify and mitigate system weaknesses from a hacker's perspective. - Email security controls enhanced further by the introduction of security controls based on AI and ML. - User authentication framework strengthened further by implementing multi-factor authentication and tightly mapped to users' devices. - Digital risk protection and dark web monitoring to identify and mitigate potential threats before they materialise. - Identity and access management (IdAM) for internal users, and customer identity and authentication management (CIAM) based on multi-factor authentication, including UAE PASS, to safeguard customer data. - Implementation of information classification and labelling, with all users required to classify their information/data stored in files. - Data leakage prevention controls to prevent sensitive data from being inadvertently or maliciously exfiltrated. - Specific tools deployed to detect cyber threats and anomalies based on AI and ML, without human intervention. - DNS security controls in place to proactively identify, block, and mitigate targeted threats that exploit the domain name system (DNS). - Security monitoring system, including data loss prevention controls, in place to correlate security events and trigger alerts. - Breach and attack simulation tools to proactively test defences against real-world threat scenarios. 24/7 security operations centre to monitor and respond to security alerts. Organisation-wide mandatory security awareness training programme in place. - Disaster recovery (DR) strategy to ensure business continuity in the event of a cyberattack. DR tests are conducted on a yearly basis.
7 Challenges originating from an increase in Aldar's brand exposure	Strategic	Increased international expansion and branding place Aldar at higher risk of hostile actions, unjustified claims, and cyber attacks, while also being targeted by unqualified vendors/partners.	Potential material impact caused by higher rates of attacks and claims, and engagement with unqualified vendors/partners.	Aldar safeguards its brand, reputation and organisation through the enforcement of mitigations on multiple fronts. In order to shield itself from malicious attacks, Aldar puts in place stringent and fortified IT cyber security mechanisms which are governed by its cyber security framework. The project team implements a multilayered approach on the ground to ensure that all on-site activities are conducted under a stringent governance structure, ensuring alignment and transparency across all on-site teams. A comprehensive pre-qualification process is undertaken for all potential vendors and contractors, which aims to identify partners that are able to deliver as per Aldar's quality standards and requirements. This is followed by a detailed and rigorous technical evaluation process to ensure that only the most capable partners are engaged.

RISK MANAGEMENT CONTINUED

ERM reporting committees

Aldar's ERM framework specifies three levels of reporting. The ERM team raises strategic risks and risks higher than the defined risk appetite to the Management Committee, Audit, Risk and Compliance Committee and Board of Directors.

The ERM team continually liaises with the risk owners and periodically reports to the relevant committees.

Scope of Organisational Risk Coverage

Top-down	Management Committee (MC)	Audit, Risk and Compliance Committee (ARCC)	Board of Directors (BoD)
Identification, assessment, mitigation and oversight of risk at entity level	- Reviews high and critical risks - Evaluates the existing action plans and the proposed mitigation plans - Assists in identification of principal and emerging risks - Reviews and endorses internal controls in treatment plans for operational effectiveness - Makes requisite recommendations to the ARCC	- Reviews high and critical risks - Monitors the effective functionality of the risk management department	- Sets the tone and fosters a culture that supports effective risk management - Approves ERM framework - Approves the entity's risk appetite - Reviews high and critical risks
Bottom-up	Business units and risk owners		
Identification, assessment and mitigation of risks at a business unit and functional level	- Identify and assess risks - Monitor the risks - Establish effective and timely mitigation plans for identified risks - Report on newly identified and emerging risks - Report on strategic risk status on quarterly basis		

RISK MANAGEMENT CONTINUED

ERM operating structure

The ERM operating structure extends across various vertical levels of the organisation, ensuring that process and business owners at the functional level are provided with the know-how to work closely with the ERM department to identify risks. Abdulrahman Albeshri, Senior Vice President of Risk, heads the Risk Management Department at Aldar Group, reporting directly to the Director of Strategy and Transformation.

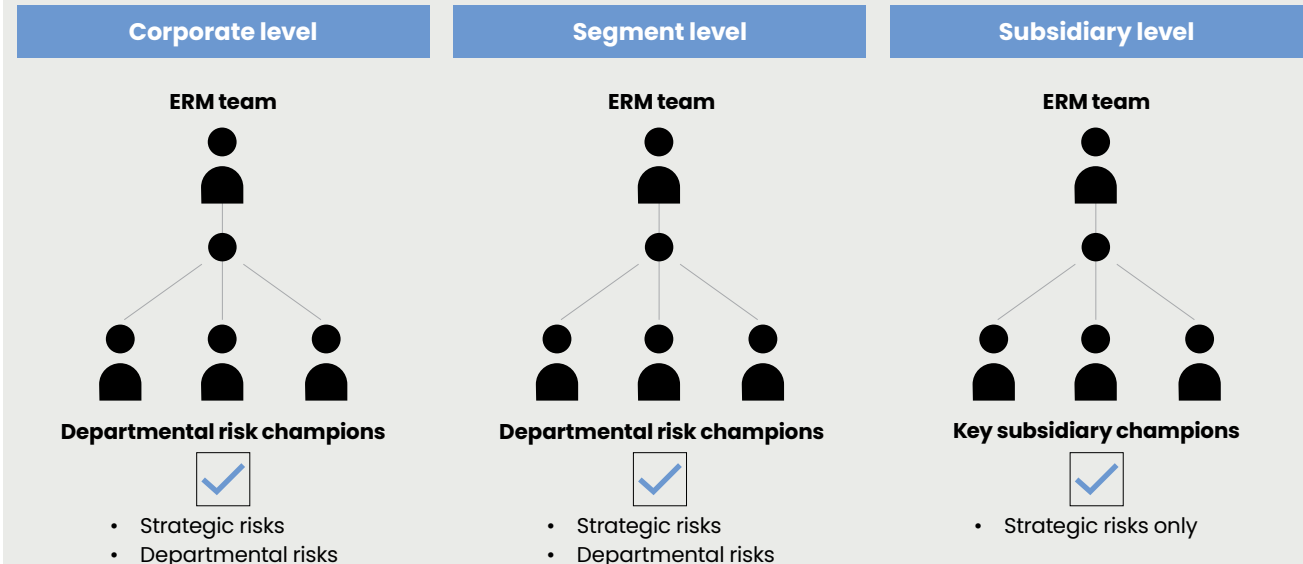
Strategic risks are reported to the Group MC (endorsers), ARCC (approvers) and BoD to ensure complete alignment and allow for strategic direction and decision-making at the highest level when required. The risk appetite and ERM framework are endorsed by the Group MC and ARCC and ultimately approved by the BoD. In addition, the ARCC and BoD are responsible for monitoring and oversight of the Risk Management Department and its practices.



ERM alignment across Aldar Group

Aldar's ERM framework is formulated at Group level and cascaded down to all segments and subsidiaries to ensure consistency and standardisation. Risk champions throughout the organisation are empowered through robust risk training and consistent dialogue with the ERM team, enabling them to identify and manage risks in a timely manner.

Employees are given direct communication channels to their respective ERM teams, which allows for constant or immediate risk escalation when required. An ERM section on the internal online company portal is regularly updated, giving employees access to ERM related news and training materials. Whilst the corporate and segment levels report on both departmental and strategic risks, subsidiaries focus on reporting strategic risks only.



EPRA REPORTING DISCLOSURES

EPRA reporting disclosures as of 31 December 2024

Aldar Properties PJSC (“Aldar” or the “Group”) presents below the key performance indicators as defined by the European Public Real Estate Association (EPRA) and as calculated in accordance with its recommendations. We have presented the following metrics for the years ended 31 December 2024 and 31 December 2023:

- EPRA earnings
- EPRA net asset value
- EPRA yield
- EPRA vacancy rate
- EPRA cost ratios
- EPRA LTV
- Like-for-like rental growth
- Capital Expenditure

The EPRA Best Practice Recommendations (“BPR”) identify several key performance measures for disclosure by public real estate companies and have been widely adopted in Europe. The EPRA performance measures aim to encourage more consistent and widespread disclosure and are deemed to be of importance for investors in listed property companies (predominantly REITs and companies whose major business activity involves the ownership of income-producing real estate). As a leading regional property owner, asset manager and developer, Aldar deems the EPRA BPR to be a suitable and relevant disclosure framework.

The EPRA measures presented herein, are calculated in accordance with the EPRA BPR Guidelines. Aldar has been a member of EPRA since 2018 and is publishing EPRA disclosure in this report for the years ended 31 December 2024 and 31 December 2023. Aldar is the first real estate company in the GCC region to voluntarily adopt the EPRA BPR disclosure.

The following category of indicators are presented:

- “EPRA earnings” indicates the underlying recurring earnings from Aldar Investment, the asset management business of the Group.
- “Adjusted EPRA earnings” and “EPRA net asset value” indicate the overall Group financial performance and position.
- “EPRA yield”, “EPRA vacancy rate” and “EPRA cost ratio” indicate the financial performance of the Investment Properties sub-segment of the Group.
- “EPRA LTV” indicates the gearing of the shareholder equity within the Group.
- “Like-for-like rental growth” compares the growth of the net rental income of the portfolio that has been consistently in operation, and not under development.
- “Capital Expenditure” indicates the capitalised expenses for the financial period within the Group.

(AED millions)	31 December 2024	31 December 2023
EPRA Earnings	1,111	1,126
– per share (AED)	0.14	0.14
Adjusted EPRA Earnings	5,075	3,624
– per share (AED)	0.65	0.46
EPRA NAV Metrics		
EPRA Net Reinstatement Value (EPRA NRV)	52,599	39,656
– per share (AED)	6.69	5.04
EPRA Net Tangible Assets (EPRA NTA)	50,870	37,821
– per share (AED)	6.47	4.81
EPRA Net Disposable Value (EPRA NDV)	51,458	38,709
– per share (AED)	6.54	4.92
EPRA NIY (%)	7.2%	7.0%
EPRA ‘topped up’ NIY (%)	7.4%	7.1%
EPRA vacancy rate (%)	5.0%	6.4%
EPRA cost ratio (incl. direct vacancy costs) (%)	17.1%	20.1%
EPRA cost ratio (excl. direct vacancy costs) (%)	16.2%	18.9%
EPRA LTV (%)	12.0%	17.5%
Like-for-like rental growth – investment portfolio	25,509	24,186
Like-for-like rental growth – rental income	2,341	2,155
Like-for-like rental growth – rental income %	9%	9%
CapEx on cash basis	2,075	1,933

EPRA REPORTING DISCLOSURES CONTINUED

Adjusted EPRA earnings

The EPRA earnings measure represents the performance of recurring activities which relate specifically to the Group's asset management business segment, Aldar Investment. EPRA earnings for the year ended 2024 were AED 1,111 million (AED 0.14 per share) consistent with AED 1,126 million (AED 0.14 per share) for the previous year.

Adjusted EPRA earnings is presented to capture the contribution of Aldar Development business segment, which represents a significant portion of Aldar's overall activities. We believe the adjusted EPRA earnings is an appropriate indicator as it represents the full business and is therefore comparable with Aldar's reported IFRS earnings, earnings per share and Aldar's share price.

Adjusted EPRA earnings amounted to AED 5,075 million (AED 0.65 per share) for the year ended 31 December 2024 (31 December 2023: 3,624 million, AED 0.46 per share).

	EPRA Earnings (AED '000)	31 December 2024	31 December 2023
	Earnings per IFRS income statement	5,596,252	3,922,263
	Adjustments to calculate EPRA Earnings, exclude:		
(i)	Changes in value of investment properties, development properties held for investment and other interests	841,477	600,157
(ii)	Profits or losses on disposal of investment properties, development properties held for investment and other interests	81,286	23,962
(iii)	Profits or losses on sales of trading properties including impairment charges in respect of trading properties	4,312,806	2,586,706
(iv)	Tax on profits or losses on disposals	-	-
(v)	Negative goodwill/goodwill impairment	-	-
(vi)	Changes in fair value of financial instruments and associated close-out costs	-	-
(vii)	Acquisition costs on share deals and non-controlling joint venture interests	-	(33,453)
(viii)	Deferred tax in respect of EPRA adjustments	(88,191)	(46,049)
(ix)	Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	-	-
(x)	Non-controlling interests in respect of the above*	(661,898)	(334,872)
	EPRA Earnings	1,110,771	1,125,812
	Basic number of shares	7,862,629,603	7,862,629,603
	EPRA Earnings per Share (EPS)	0.14	0.14
	Company specific adjustments:		
(a)	Profit from development business (including impairment of development assets)	3,964,280	2,498,350
	Adjusted EPRA Earnings	5,075,051	3,624,162
	Adjusted EPRA EPS (AED)	0.65	0.46

* Adjustment X also includes NCI earnings not attributable to the Aldar Investment business.

EPRA REPORTING DISCLOSURES CONTINUED

EPRA net asset value

EPRA net asset value measures the value of Aldar based on changes in equity and changes in the value of asset portfolios, liabilities, and property development. Aldar's EPRA net asset value figures are based on the fair value of the Group's assets (including the fair value of certain land plots which are carried at nominal value on the consolidated statement of financial position). The three EPRA net asset value metrics are listed below:

EPRA Net Reinstatement Value (EPRA NRV)

Assumes that entities never sell assets and aims to represent the value required to rebuild the entity. Aldar's EPRA NRV stood at AED 52,599 million as of December 31, 2024 (AED 6.69 per share), +33% on the previous year.

EPRA Net Tangible Assets (EPRA NTA)

Reflects the fair value of the Group's tangible assets and liabilities when traded. Aldar's EPRA NTA amounted to AED 50,870 million (AED 6.47 per share), +35% on the previous year.

EPRA Net Disposal Value (EPRA NDV)

Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability. Aldar's EPRA NDV totaled AED 51,458 million (AED 6.54 per share), +33% on the previous year.

- We would note that the net asset values presented here are conservative estimates of the EPRA net asset values as they exclude certain key value elements. Certain assets are included at their respective book values instead of fair value. These mainly include school properties and intangible assets.
- DWIP and Inventories are recorded at expected selling price (estimated values).

EPRA Net Asset Value Metrics
(AED '000)

IFRS Equity attributable to shareholders

Include/Exclude:

Hybrid instruments

Diluted NAV

Include:

Revaluation of IP

(if IAS 40 cost option is used)

Revaluation of IPUC

(if IAS 40 cost option is used)

Revaluation of other non-current investments

Revaluation of tenant leases held

as finance leases

Revaluation of trading properties

Diluted NAV at Fair Value

Exclude:

Deferred tax in relation to fair value gains of IP

Fair value of financial instruments

Goodwill as a result of deferred tax

Goodwill as per the IFRS balance sheet

Intangibles as per the IFRS balance sheet

Include:

Fair value of fixed interest rate debt

Revaluation of intangibles to

fair value

Real estate transfer tax

NAV

Fully diluted number of shares

NAV per share

	31 December 2024			31 December 2023		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
IFRS Equity attributable to shareholders	34,892,931	34,892,931	34,892,931	31,065,101	31,065,101	31,065,101
Include/Exclude:						
Hybrid instruments	-	-	-	-	-	-
Diluted NAV	34,892,931	34,892,931	34,892,931	31,065,101	31,065,101	31,065,101
Include:						
Revaluation of IP	-	-	-	-	-	-
(if IAS 40 cost option is used)	-	-	-	-	-	-
Revaluation of IPUC	-	-	-	-	-	-
(if IAS 40 cost option is used)	-	-	-	-	-	-
Revaluation of other non-current investments	1,850,283	1,850,283	1,850,283	1,162,822	1,162,822	1,162,822
Revaluation of tenant leases held	-	-	-	-	-	-
as finance leases	-	-	-	-	-	-
Revaluation of trading properties	15,790,703	15,790,703	15,790,703	7,484,001	7,484,001	7,484,001
Diluted NAV at Fair Value	52,533,917	52,533,917	52,533,917	39,711,924	39,711,924	39,711,924
Exclude:						
Deferred tax in relation to fair value gains of IP	107,456	107,456	-	-	-	-
Fair value of financial instruments	-	-	-	(8,311)	(8,311)	-
Goodwill as a result of deferred tax	(41,960)	(41,960)	(41,960)	(47,741)	(47,741)	(47,741)
Goodwill as per the IFRS balance sheet	-	(1,132,120)	(1,132,120)	-	(1,132,169)	(1,132,169)
Intangibles as per the IFRS balance sheet	-	(597,228)	-	-	(702,925)	-
Include:						
Fair value of fixed interest rate debt	-	-	97,728	-	-	176,901
Revaluation of intangibles to	-	-	-	-	-	-
fair value	-	-	-	-	-	-
Real estate transfer tax	-	-	-	-	-	-
NAV	52,599,413	50,870,065	51,457,565	39,655,872	37,820,778	38,708,915
Fully diluted number of shares	7,862,629,603	7,862,629,603	7,862,629,603	7,862,629,603	7,862,629,603	7,862,629,603
NAV per share	6.69	6.47	6.54	5.04	4.81	4.92

EPRA REPORTING DISCLOSURES CONTINUED

EPRA net initial yield (NIY) and 'topped-up' NIY

The table below represents the adjustments to Aldar's net yields that are required to obtain EPRA yields. The calculation is applied to Aldar's Investment Properties segment that includes retail, residential, commercial and logistic use properties. Aldar's EPRA NIY for 2024 is 7.2%, an increase from 7.0% in the prior year.

Aldar's 'topped-up' NIY, which captures notional rent expiration of rent-free periods or other lease incentives has increased to 7.4% from 7.1% in prior year.

	31 December 2024	31 December 2023
EPRA NIY and 'topped-up' NIY (AED '000)		
Investment property – wholly owned	28,529,885	26,217,542
Investment property – share of JVs/Funds	–	–
Trading property (including share of JVs)	–	–
Less: developments	3,021,026	2,031,761
Completed property portfolio	25,508,859	24,185,781
Allowance for estimated purchasers' costs	573,949	544,180
Gross up completed property portfolio valuation	B 26,082,808	24,729,961
Annualised cash passing rental income	2,182,464	1,996,466
Less: Property outgoing	297,340	277,664
Annualised net rents	A 1,885,124	1,718,802
Add: notional rent expiration of rent free periods or other lease incentives	44,809	41,818
Topped-up net annualised rent	C 1,924,202	1,760,620
EPRA NIY	A/B 7.2%	7.0%
EPRA "topped-up" NIY	C/B 7.4%	7.1%

EPRA vacancy rate

EPRA vacancy rate is defined as the ratio between the estimated rental value of vacant space and the estimated rental value of the entire Investment Properties. Properties under development are not included in the calculation of this ratio.

		31 December 2024	31 December 2023
EPRA Vacancy Rate (AED '000)			
Estimated Rental Value of vacant space (AED '000)	A	125,504	146,602
Estimated rental value of the whole portfolio (AED '000)	B	2,491,400	2,303,394
EPRA Vacancy Rate	A/B	5.0%	6.4%

Across the Investment Properties portfolio, which includes residential, retail and commercial office, and logistics, the EPRA vacancy rate has reduced to 5.0% in 2024 from 6.4% in 2023 due to an overall increase in occupancy.

EPRA REPORTING DISCLOSURES CONTINUED

EPRA cost ratios

Aldar's EPRA cost ratios are based solely on its Investment Properties segment, which includes retail, residential, commercial and logistic use assets. Aldar's cost ratios decreased during the year due to cost efficiencies.

EPRA Cost Ratios (AED '000)		31 December 2024	31 December 2023
Include:			
Administrative/operating expense line per IFRS income statement		386,918	412,428
Net service charge costs/fees		–	–
Management fees less actual/estimated profit element		–	–
Other operating income/recharges intended to cover overhead expenses less any related profits		–	–
Share of Joint Ventures expenses		–	–
Exclude (if part of the above):			
Investment property depreciation		–	–
Ground rent costs		–	–
Service charge costs recovered through rents but not separately invoiced		–	–
EPRA Costs (including direct vacancy costs)	A	386,918	412,428
Direct vacancy costs		19,179	23,462
EPRA Costs (excluding direct vacancy costs)	B	367,739	388,966
Gross Rental Income less ground rents – per IFRS		2,266,939	2,054,245
Less: service fee and service charge costs components of Gross Rental Income (if relevant)		–	–
Add: share of Joint Ventures (Gross Rental Income less ground rents)		–	–
Gross Rental Income	C	2,266,939	2,054,245
EPRA Cost Ratio (including direct vacancy costs)	A/C	17.1%	20.1%
EPRA Cost Ratio (excluding direct vacancy costs)	B/C	16.2%	18.9%

EPRA REPORTING DISCLOSURES CONTINUED

EPRA LTV Loan-to-Value (LTV) is a widely used KPI in corporate reporting. The EPRA LTV's aim is to assess the gearing of the shareholder equity within a real estate company. To achieve that result, the EPRA LTV provides adjustments to IFRS reporting. The decrease in LTV from the prior year is mainly being driven by the increase in cash and properties held for sale. The summary table below illustrates the EPRA LTV.

	31 December 2024			31 December 2023		
	Group	Non-controlling Interests	Combined	Group	Non-controlling Interests	Combined
EPRA LTV (AED '000)						
Include:						
Borrowings from Financial Institutions	9,525,295	299,334	9,225,961	6,576,212	574,919	6,001,293
Commercial paper	-	-	-	-	-	-
Hybrids (including Convertibles, preference shares, debt, options, perpetuals)	1,815,647	215,535	1,600,111	1,815,647	215,535	1,600,112
Bond Loans	6,861,162	814,489	6,046,674	5,502,954	653,256	4,849,698
Foreign Currency Derivatives (futures, swaps, options and forwards)	-	-	-	-	-	-
Net Payables	5,207,685	2,124,253	3,083,432	11,678,677	3,888,820	7,789,857
Owner-occupied property (debt)	-	-	-	-	-	-
Current accounts (Equity characteristic)	-	-	-	-	-	-
Exclude:						
Cash and cash equivalents *	15,135,993	1,369,919	13,766,074	11,718,158	361,904	11,356,254
Net Debt	A	8,273,796	2,083,692	13,855,332	4,970,626	8,884,706
Include:						
Owner-occupied property	6,709,415	98,653	6,610,762	6,513,316	1,520,248	4,993,068
Investment properties at fair value	28,529,885	3,367,681	25,162,204	26,217,542	3,203,210	23,014,332
Properties held for sale	31,039,824	1,906,008	29,133,816	22,121,445	1,833,257	20,288,188
Properties under development	-	-	-	-	-	-
Intangibles	1,771,308	289,721	1,481,587	1,882,835	285,952	1,596,883
Net Receivables	-	-	-	-	-	-
Financial assets	1,127,748	92,276	1,035,472	971,594	109,375	862,219
Total Property Value	B	69,178,180	5,754,339	57,706,732	6,952,042	50,754,690
LTV	(A/B)	12.0%	36.2%	9.8%	24.0%	71.5%
						17.5%

* Cash and cash equivalents include the full cash and bank balances.

Like-for-like net rental growth

The table below compares the growth of the net rental income of the portfolio that has been consistently in operation, and not under development, during the two full preceding periods, showing the company's performance from one year to another. Domestically, Aldar's investment portfolio and rental income have increased by AED 1,305 million and AED 183 million respectively. Internationally, Aldar's investment portfolio and rental income have increased by AED 18.1 million and AED 3.7 million respectively. This represents a total increase of AED 1,323 million in Aldar's investment portfolio generating an increase in rental income of AED 187 million.

	31 December 2024			31 December 2023			Growth	
Like-for-like net rental growth (AED '000)	Investment Portfolio	Rental Income	Rental Income %	Investment Portfolio	Rental Income	Rental Income %	Portfolio	Income
Segment								
Local								
Retail	10,383,470	830,018	8%	9,193,430	728,612	8%	1,190,040	101,406
Residential	4,843,612	572,293	12%	5,300,748	577,652	11%	(457,136)	(5,359)
Commercial	9,151,240	846,470	9%	8,634,429	779,745	9%	516,811	66,725
Logistics	937,000	80,796	9%	881,711	60,764	7%	55,289	20,032
International	193,536	11,731	6%	175,463	8,027	5%	18,073	3,704
Total	25,508,859	2,341,307	9%	24,185,781	2,154,799	9%	1,323,078	186,508

CAPITAL EXPENDITURE

The table below shows the property-related expenses that have been capitalized from the investments made during the year on a proportionate basis. Total capitalized investment property-related expenses rose to AED 2,075 million in 2024, up from AED 1,933 million in the previous year, primarily driven by an increase in the acquisition and completion of investment properties.

Capital Expenditure (CapEx) (AED '000)	31 December 2024	31 December 2023
Acquisitions	265,200	176,367
Development	1,188,412	1,369,411
Investment properties	621,744	387,614
Capitalised interest (if applicable)	-	-
Total CapEx	2,075,356	1,933,392
Conversion from accrual to cash basis	-	-
Total CapEx on cash basis	2,075,356	1,933,392

GOVERNANCE

Governance

GOVERNANCE

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BOARD OF DIRECTORS



**H.E. MOHAMED KHALIFA
AL MUBARAK**

CHAIRMAN

H.E. Mohamed Khalifa Al Mubarak is Chairman of Aldar Properties PJSC. Formerly the Chief Executive Officer and Chief Portfolio Management Officer at Aldar, His Excellency has been integral to the development of Aldar's operational businesses, as well as to the organisation's fast-growing sales and leasing, property and asset management, and facilities management units. Before joining Aldar, he worked with the corporate and investment bank Barclays Capital in London, focusing on investment and finance in the MENA region. His Excellency is a member of the Executive Council of the Emirate of Abu Dhabi and is the Chairman of numerous public and private sector organisations, including the Department of Culture & Tourism of Abu Dhabi, Miral Properties Asset Management LLC, Image Nation, and Aldar Academies LLC.

His Excellency holds a dual specialisation in economics and political science from Northeastern University, USA.



**WALEED AHMED ALMOKARRAB
AL MUHAIRI**

FIRST VICE-CHAIRMAN

H.E. Waleed Ahmed Almokarrab Al Muhairi is the Deputy Group CEO of Mubadala Investment Company and has strategic oversight of the company's broad investment portfolio. His Highness is also the Chief Executive Officer of the alternative investments and infrastructure platform, and leads Mubadala's healthcare, real estate and infrastructure, and capital investment portfolios. He currently serves as Chairman of Cleveland Clinic Abu Dhabi and is a member of the Board of Trustees of Cleveland Clinic in the United States. His Excellency is also the Chairman of Waha Capital PJSC and a board member of First Abu Dhabi Bank PJSC, Tamkeen Abu Dhabi Company, Noon.com Company, Investcorp Holding, and Hub71 Platform.

His Excellency holds a master's degree in Public Policy from Harvard University, USA, and a BSc in Foreign Service from Georgetown University, USA.



**MOHAMED HASSAN
AL SUWAIDI**

SECOND VICE-CHAIRMAN

H.E. Mohamed Hassan Al Suwaidi is the Minister of Investment of the UAE and also serves as the Managing Director and Chief Executive Officer at Abu Dhabi Developmental Holding Company PJSC (ADQ). His Excellency is a member of the Board of Directors of the Emirates Investment Authority. He also holds the position of Chairman of Abu Dhabi National Energy Company (TAQA). In addition, His Excellency is a board member of the Abu Dhabi Pension Fund, Advanced Technology Research Council, Emirates Nuclear Energy Corporation, and Al Dahra Holding.

His Excellency holds a bachelor's degree in Accounting from United Arab Emirates University.



**SOFIA ABDELLATIF
LASKY**

BOARD MEMBER

Sofia Abdellatif Lasky has been with IHC since April 2020, and brings considerable experience in asset management, mergers and acquisitions, private equity, portfolio management, alternative investments, funds, valuation, financing, capital markets and corporate structuring through her 18-year tenure at Royal Group. She has overseen the acquisition of numerous companies in a variety of core industries, including real estate, contracting, food processing, preventive healthcare, and capital investments. Her contribution towards the growth of companies within Royal Group has been invaluable.

Mrs. Lasky holds a bachelor's degree in Management Information Technology from the United Kingdom and has held and continues to occupy a position on the Board of Directors of a number of companies, including Alpha Dhabi Holding (ADH), National Corporation for Tourism & Hotels and Aldar Properties. She has also served as a Board Member of Macquarie Capital Middle East LLC NCTH.

BOARD OF DIRECTORS CONTINUED



**KHALIFA ABDULLA
AL ROMAITHI**

BOARD MEMBER

Khalifa Abdulla Al Romaithi is an Executive Director leading the UAE Real Estate sector at Mubadala Investment Company. In his role, Mr. Al Romaithi is responsible for a number of UAE real estate assets including Al Maryah Island, Galleria Mall, and Masdar City. Mr. Al Romaithi has 21 years of experience across real estate, transportation, infrastructure, energy and insurance sectors. He is a board member of Aldar Properties, Chairman of the Board of Directors of Emirates Driving Company PJSC and a board member of Abu Dhabi National Takaful Co. PJSC (Takaful).

He holds a bachelor's degree in Business Administration with a major in Finance from the University of Portland, USA.



**ALI SAEED ABDULLA
SULAYEM AL FALASI**

BOARD MEMBER

Ali Saeed Abdulla Sulayem Al Falasi has been Chief Executive Officer of Hydro Properties since 2009. He previously worked as the under-secretary of operations of the Private Department of Sheikh Zayed Bin Sultan Al Nahyan, supervising all department activities. Mr. Al Falasi is a board member of Risco LLC, Sorouh Real Estate PJSC, and The International Commercial Bank, as well as numerous other companies in the industrial, real estate, finance, and trading sectors. He is a member of the audit committee of Royal Group.

He holds a master's degree in Business Administration from the University of Sharjah, a BSc in Production and Operations Management from California State University, USA, and a BA in Accounting from UAE University.



**HAMAD SALEM MOHAMED
AL AMERI**

BOARD MEMBER

Hamad Salem Mohamed Al Ameri is the Managing Director & Chief Executive Officer of Alpha Dhabi Holding PJSC. He brings significant experience from the construction industry and the fields of business growth, investment and management. Mr. Al Ameri is currently the Chairman of the Board of Directors of Abu Dhabi National Hotels Company PJSC, Vice Chairman of the Board of Directors of National Marine Dredging Company PJSC and a member of the Boards of Directors of Pure Health Holding PJSC and ADC Acquisition Corporation PJSC, as well as several other private companies.

He has a bachelor's degree in Civil Engineering from the American University in Dubai and a master's degree in Business Administration from the Canadian University Dubai.

EXECUTIVE MANAGEMENT



TALAL AL DHIYEBI

GROUP CHIEF EXECUTIVE OFFICER,
ALDAR PROPERTIES

Talal Al Dhiyebi is the Group Chief Executive Officer at Aldar Properties, the UAE's leading real estate developer, investor, and manager. Under his leadership, Aldar has bolstered its presence by expanding its geographic footprint outside of Abu Dhabi to the neighbouring emirates of Dubai and Ras Al Khaimah, and internationally to Egypt and the UK. Talal chairs the boards of a number of Aldar businesses, including Aldar Estates, SODIC, and London Square, and is Vice-Chairman of Aldar Education. Talal also serves on the boards of numerous companies, including Abu Dhabi Transport Company, Ethara, Miral Asset Management, National Projects Office, Sandooq Al Watan, the UAE's national fund focused on social contribution, NMDC Energy, Edamah, the real estate arm of Bahrain Mumtalakat Holding Company and the Abu Dhabi Hospitality Academy – Les Roches, and is a member of the executive committee of Sorbonne University Abu Dhabi. Talal holds a degree in Electrical Engineering from the University of Melbourne, Australia.



FAISAL FALAKNAZ

GROUP CHIEF FINANCIAL & SUSTAINABILITY
OFFICER, ALDAR PROPERTIES

Faisal Falaknaz is the Group Chief Financial and Sustainability Officer at Aldar Properties. In his role, Faisal is responsible for a broad remit that covers finance, corporate finance, investor relations, treasury, group digital services, and sustainability. He also sits across the Group's various executive management committees and boards. Prior to his current role, Faisal served as Chief Financial Officer of Aldar Investment. A seasoned finance and investment professional, Faisal has held several senior roles working for sovereign wealth funds and public companies such as Mubadala Investment Company and Emaar Properties. His experience includes M&A and asset management, having deployed capital across the US and Europe as Vice President of Global Real Estate Investments at Mubadala Investment Company. Faisal holds a Master of Business Administration from The Wharton School of the University of Pennsylvania, as well as a Bachelor of Science in Finance from the American University of Sharjah. Faisal is also a CFA charter holder.



BAYAN HASSAN AL HOSANI

CHIEF PEOPLE AND COMMUNICATIONS
OFFICER, ALDAR PROPERTIES

Bayan Al Hosani is the Chief People and Communications Officer at Aldar Properties. In her capacity, Bayan is responsible for leading Aldar's talent agenda and advancing its marketing and communications strategy as the company continues to push ahead on its transformational growth journey. Bayan's career with Aldar started in 2005, and through her hard work and dedication she became the first female member of the Executive Management team.

Over her time with Aldar, Bayan has played a key role in developing and strengthening the company's position as an employer of choice in the UAE and the real estate sector in general. She has also spearheaded Aldar's Emiratisation strategy, with the company on track to create 1,000 jobs for UAE nationals by 2026 in alignment with the NAFIS programme launched in 2021. Bayan serves as a member of the Board of Directors of Aldar Education. She holds a degree in Business Administration from the Higher Colleges of Technology and is a certified professional of the Chartered Institute of Personnel and Development (CIPD).

EXECUTIVE MANAGEMENT CONTINUED



JONATHAN EMERY

CHIEF EXECUTIVE OFFICER, ALDAR DEVELOPMENT

Jonathan Emery is the Chief Executive Officer at Aldar Development and is responsible for all development activities across the company.

Throughout his 30+ years in the global real estate industry, Jonathan has held senior positions at leading developers including UK Managing Director at Hammerson, Managing Director of Development and Communities at Majid Al Futtaim, and most recently at Lendlease, a multinational construction, property and infrastructure company, where he was both CEO of the firm's global residential practice and Managing Director of Property for Europe. Prior to that he was their Managing Director of Development for Australia.

Jonathan is a graduate of Nottingham Trent University in the United Kingdom, and has attended a number of other academic institutions including Henley Management College, Harvard, INSEAD. He has also been a visiting professor at Yale University.



JASSEM SALEH BUSAIBE

CHIEF EXECUTIVE OFFICER, ALDAR INVESTMENT

Jassem Saleh Busaibe is the Chief Executive Officer at Aldar Investment. He has held a number of high-profile roles at several private and public sector companies in Abu Dhabi. Prior to joining Aldar, he was the Chief Finance Officer at SENAAT and previously served as CEO of Arady Properties.

Jassem was also formerly Senior Vice President of Private Equities at the Abu Dhabi Investment Company, Invest AD, and spent seven years at the Abu Dhabi Investment Authority (ADIA), where he worked as a Portfolio Manager focusing on European Equities.

Jassem Busaibe is a CFA charter holder and holds an MSc in Finance from London Business School, UK.



EMMA O'BRIEN

GENERAL COUNSEL, ALDAR PROPERTIES

Emma O'Brien is the General Counsel at Aldar, and is responsible for the company's legal and governance affairs.

Emma joined Aldar in 2014, having previously practised in a number of international law firms, both in the UAE/Abu Dhabi and the UK/London. She has advised on a wide range of transactions including mergers and acquisitions, international arbitrations, public-private partnerships, and major development projects.

Emma is a graduate of the universities of Birmingham and the West of England in the United Kingdom, and a Solicitor of the Senior Courts of England and Wales.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

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Introduction

Being committed to the Chairman of the Securities and Commodities Authority’s Board of Directors’ Decision No. (3/R.M.) of 2020 concerning Approval of the Joint Stock Companies Governance Guide (as amended by the Chairman of the Securities and Commodities Authority’s Board of Directors’ Decision No. (02/R.M.) of 2024), Aldar Properties PJSC (the **Company**) annually issues a Corporate Governance Report, which reflects the Company’s strict compliance with governance rules, and clearly demonstrates the joint efforts of the Company’s Board of Directors, Executive Management and employees in upholding this objective.

The Company’s Board of Directors holds that a robust corporate governance framework is a cornerstone of the Company’s long-term sustainable growth. The Board is committed to enhancing value, which directly and consistently benefits shareholders, while respecting the interests of all stakeholders, including employees, suppliers, customers, business partners, and the communities in which the Company operates.

Shareholders represent the highest authority in the governance structure. The Company’s Articles of Association define the framework within which the Company, as a public joint stock company, must operate. The Company’s governance framework takes into account the application of the principles and standards established by the Securities and Commodities Authority (SCA) and Abu Dhabi Securities Exchange (ADX), as well as Federal Decree-Law No. (32) of 2021 on Commercial Companies, as amended, in establishing the Company’s policies, requirements, and expectations.

1 Governance Application in the Company

The Board of Directors is accountable to the Company’s shareholders for ensuring that the Company’s objectives are in line with the expectations and aspirations of its shareholders. The Board is also responsible for ensuring the effectiveness of the Company’s management, with a focus on aligning the Company’s objectives with the legislative requirements and codes of business conduct established by SCA and ADX.

The first step in adopting an effective governance system was the preparation and development of the governance framework to serve as an efficient mechanism for its optimal application. As part of the continuous monitoring efforts to assess the effectiveness of the Company’s governance framework, the Board of Directors periodically reviews and, where necessary, adjusts the components of the governance framework to ensure that it remains consistent with regulatory controls and the ever-changing business environment.

The diagram below outlines the governance framework and the key elements derived from the application of the corporate governance system.



As shown above, the application of the governance framework is a multi-level process, including the Board of Directors, Executive Management, and internal control systems.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

1 Governance Application in the Company continued

The Board of Directors carries out periodic reviews with respect to the application of governance standards and systems within the Company, paying particular attention to compliance with applicable legal and regulatory requirements for such systems, and adopting leading international standards in this field. Below is an overview of the governance elements at the level of the Board of Directors, Executive Management, internal control systems, and Compliance Officer.

1-1 Governance Elements Related to the Board of Directors

The key elements of the governance of the Company at the level of the Board of Directors involve a set of regulations that define the general framework for the objectives, responsibilities, and operating framework of the Board and its Subcommittees. These elements include the following:

- Charter of the Board of Directors
- Charter of the Audit, Risk & Compliance Committee
- Charter of the Nomination & Remuneration Committee
- Charter of the Executive Committee
- Code of Business Conduct
- Delegations of Authority
- Enterprise Risk Management (ERM) Framework

1-2 Governance Elements Related to the Executive Management

The Executive Management implements the Company's strategy and carries out its daily operations in accordance with the business plan approved by the Board of Directors. The executive management has the authority to manage the Company's affairs and business, taking into account the protection of shareholders' interests, the adoption of international best practices, and the practical needs of daily operations. In addition to the Delegations of Authority, the key elements of governance at the Executive Management level include a set of regulations that define the overall framework for the objectives, responsibilities and tasks of the Executive Management, as follows:

- Charter of the Executive Committee
- Charter of the Investment Management Committee
- Charter of the Tender Committee
- Code of Business Conduct

1-3 Governance Elements Related to the Internal Control Systems

The Board of Directors has set the rules and regulations of the Company's business to make all employees aware of the importance of the internal control systems, to ensure their continuous engagement in the success of the systems.

The key elements of the internal control systems include:

- Development and approval of policies, charters, and regulations that govern the Company's activities and operations at all department and division levels, in coordination with the Company's Business Excellence framework
- Oversight by the external auditor and the internal audit function
- Shareholders of the Company and the General Assembly Meeting
- The Company's sustainability and corporate social responsibility (CSR) initiatives
- The Company's Whistleblower Policy
- Continuous market disclosure
- The corporate governance framework
- Operational audits

2 Transactions and Trades of Board Members and their Direct Relatives in the Company's Shares during 2024

The Board of Directors (along with all employees and insiders of the Company) firmly believes in the importance and necessity of compliance with rules and regulations that govern their transactions and trades in the shares and securities of the Company. They are obliged to make necessary declarations and disclosures in this regard on a timely basis, based on the adoption of the principle of equal opportunities, and not to use any undisclosed internal information for personal interest or to avoid potential harm as a result of any undisclosed material information. This will, in turn, enhance the confidence of investors and shareholders and encourage them to further consider and study the Company's projects and invest in its shares, assets, and current and future projects.

Accordingly, and with the disclosures submitted by the Board Members in mind, the following table shows the shares and securities held by the Board Members and their first-degree relatives (their spouses and children) in the Company's capital as at 31 December 2024, and the trades carried out by them in the Company's shares during 2024.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

2 Transactions and Trades of Board Members and their Direct Relatives in the Company's Shares during 2024 continued

Name	Position	Shares held as at 31 December 2024 (Share)	Shares Owned by First-Degree Relatives in the Company's Capital (Share)	Total Sales Transactions (Share)	Total Purchase Transactions (Share)
H.E. Mohamed Khalifa Al Mubarak	Chairman	1,275	–	–	–
H.H. Waleed Ahmed Almokarrab Al Muhairi	First Vice-Chairman	431,466	–	–	–
H.E. Mohamed Hassan Al Suwaidi	Second Vice-Chairman	–	–	–	–
Mr. Khalifa Abdulla Al Romaithi	Member	1,665	–	–	–
Mr. Hamad Salem Mohamed Al Ameri	Member	1,665	–	–	–
Mr. Ali Saeed Abdulla Sulayem Al Falasi	Member	211,580	–	–	–
Ms. Sofia Abdellatif Lasky	Member	–	–	–	–

3 Board of Directors

The role of the Board of Directors is to oversee the management of the Company's business and affairs through its executive management. The Board of Directors is responsible for monitoring the efficacy of the Company's corporate governance framework, as well as monitoring and overseeing the management and control environment within the Company. The Board has delegated certain of its authorities to its committees (the Audit, Risk & Compliance Committee, the Nomination & Remuneration Committee, and the Executive Committee, as stated below). These committees function in accordance with the charters and regulations adopted by the Board.

The Board has also delegated the day-to-day management tasks of the Company to the Chief Executive Officer, in accordance with the defined limits of authority for this purpose, for a renewable three-year term. These delegations are documented within the Delegations of Authority, which undergo periodic review to ensure an appropriate balance between control levels, risk management,

and the operational requirements of the Company. This review also ensures the Delegations of Authority remain aligned with evolving requirements, developments, and changes in the Company's activities and operations. A comprehensive review of the Delegations of Authority was conducted and approved by the Board of Directors in its meeting No. (02/2021) held on 10 May 2021. This was followed by a series of subsequent evaluations and periodic reviews, the most recent of which was conducted by the Board in its meeting No. (05/2024) held on 11 December 2024.

3-1 Chairman of the Board of Directors

His Excellency Mohamed Khalifa Al Mubarak serves as Chairman of the Company, pursuant to a resolution of the Board of Directors in its meeting No. (03/2022) held on 11 April 2022, following the re-election and restructuring of the Company's Board of Directors pursuant to a resolution issued by the shareholders at the General Assembly Meeting, also held on 11 April 2022. The Chairman is responsible for leading the Board and ensuring the effective discharge of its duties and responsibilities. The Chairman also serves as a key liaison between the Board and the Executive Management, fostering ongoing collaboration.

In particular, the Chairman has the following duties and responsibilities:

- Ensuring the effective operation of the Board of Directors, its fulfilment of responsibilities, and the timely discussion of all key and relevant issues.
- Preparing and approving the agenda of each Board meeting, taking into consideration any matters proposed by members for inclusion on the agenda. The Chairman may delegate this task to a Board member or the Board Secretary under his supervision. The Chairman must ensure that sufficient time is given for discussion of all agenda items, particularly strategic matters. The Chairman is responsible for ensuring that members receive accurate and clear information.
- Encouraging the full and effective participation of all members to ensure that the Board acts in the best interests of the Company and fulfils its responsibilities to achieve the Company's objectives.
- Taking appropriate measures to ensure effective communication with shareholders and to convey their views to the Board of Directors.
- Holding periodic meetings with the non-executive members of the Board without the presence of the Company's executive officers.
- Facilitating the effective contribution of Board members, particularly non-executive members, fostering constructive relationships between executive and non-executive members, and promoting a culture that encourages constructive criticism.
- Ensuring that all Board Members receive the necessary information and that it is clear, accurate, and not misleading, enabling them to fulfil their responsibilities.
- Ensuring the Board of Directors undergoes an annual evaluation.
- Ensuring that the performance of members of the Executive Management Team and the Board of Directors is evaluated at least annually.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

3 Board of Directors continued

3-1 Chairman of the Board of Directors continued

- Ensuring that Board Members attend, when appointed, an induction programme.
- Ensuring that Board Members receive appropriate training programmes.
- Ensuring that the Board is afforded sufficient time for deliberation and decision-making.
- Representing the Company before third parties in accordance with the Commercial Companies Law and the Company's internal regulations.
- Considering any matters raised by the Board Members or the external auditor, consulting with the Board Members and the Chief Executive Officer in the preparation of the Board's agenda, and ensuring that minutes of meetings are properly kept on record.
- Ensuring the proper operation of the Board of Directors and its committees in compliance with applicable laws and regulations.
- Ensuring that the Board Members obtain the requisite approval from the relevant regulatory authority for trading in the Company's shares, in accordance with established and applicable rules, regulations, and policies.
- Ensuring that a Vice Chairman is elected by the Board of Directors.
- Ensuring that each Board Member submits a declaration of interest at each Board meeting to avoid conflict of interest issues.
- Ensuring that the Board Members disclose all information and transactions requiring disclosure pursuant to applicable capital market regulations.
- Including in the Board of Directors' report a section setting forth any business or contracts in which any Board Member has a direct or indirect interest, the information provided by such Board Member with respect thereto, and the relevant findings in the external auditor's report in this respect.
- Promoting and upholding corporate governance standards and codes of business conduct at both the Board of Directors and Company levels.
- Ensuring that effective communication channels with shareholders and other stakeholders are in place.

3-2 Competencies of the Board of Directors

The Board has established a list of matters under its control, in addition to the duties and responsibilities outlined in the Company's Memorandum and Articles of Association, Federal Decree-Law No. (32) of 2021 on Commercial Companies, as amended, and the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (3/R.M.) of 2020 concerning Approval of the Joint Stock Companies Governance Guide (as amended by the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (02/R.M.) of 2024). These matters are of a strategic nature and characterised by high sensitivity. At the same time, such matters exceed the limits of the powers vested in the Executive Management of the Company. The Board of Directors shall be held liable for concealing any material information or any material misrepresentation, regardless of whether such action results in harm to third parties.

Matters under the Board's control include:

- Taking the necessary measures to ensure compliance with the provisions of applicable laws, regulations, decisions, regulatory requirements.
- Adopting the strategic directions and principal objectives of the Company, and overseeing their implementation. These include: (1) the Company's overall strategy and key business plans, and their ongoing review; (2) the risk management policy and its ongoing review; (3) overseeing the Company's optimal capital structure, financial strategies and objectives, and approving annual budgets; (4) supervising major capital expenditures, asset acquisitions, and disposals; and (5) conducting the periodic review and approval of the Company's organisational and functional structures.
- Taking all necessary measures to establish an effective internal audit function for the Company's operations. This includes the drafting of a clear, Board-approved policy governing the internal audit function and monitoring departmental and divisional compliance with established regulations and procedures. Furthermore, the Board has established detailed, written internal audit systems and procedures that delineate duties and responsibilities in accordance with the Board-approved policy and the general requirements set out in relevant legislation.
- Establishing a dedicated Internal Audit and Compliance Department to monitor compliance with the provisions of applicable laws, regulations, decisions, and regulatory requirements, as well as the policies, systems, and internal procedures established by the Board of Directors.
- Establishing written procedures to regulate potential conflicts of interest for Board Members, senior executive management, and shareholders, and outlining the measures to be taken in cases of misuse of the Company's assets and facilities, and misconduct arising from transactions with related parties.
- Ensuring the maintenance of sound and effective internal controls over administrative, financial, and accounting systems, including those governing the preparation of financial statements.
- Developing, implementing, and maintaining a comprehensive framework for internal control and risk management, tailored to the Company's operations and aligned with recognised international standards and best practices, and ensuring its ongoing effectiveness through: (1) developing an appropriate control environment within the Company; (2) designing and implementing internal control procedures for the Company; (3) ensuring the provision of relevant information and the preparation of internal reports; (4) supervising the performance and assessing the efficacy of the internal control systems, and, when necessary, implementing corrective actions; and (5) enabling the external auditor to provide an opinion on the effectiveness of the internal control and risk management systems.
- Developing, approving, and implementing clearly defined eligibility criteria and nomination procedures for Board membership, subject to ratification by the General Assembly Meeting.
- Developing a clear delegation of authority policy within the Company, specifying the authorised individuals and the scope of their delegated powers.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

3 Board of Directors continued

3-2 Competencies of the Board of Directors continued

- Developing a policy to govern the relationship with stakeholders, ensuring the fulfilment of the Company's obligations towards them, the protection of their rights, and the provision of necessary information, while fostering positive relations with them.
- Developing a code of business conduct for Board Members, employees, auditors, and individuals entrusted with certain tasks of the Company.
- Implementing procedures to apply the Company's governance rules, and reviewing and evaluating adherence to them on an annual basis.
- Developing a professional development programme for all Board Members to enhance their knowledge, skills, and expertise relevant to their roles, to ensure their active and effective participation in Board deliberations, and compliance with any training or qualification programmes mandated by the regulatory authority or the market.
- Briefing newly appointed Board Members on all departments and divisions of the Company and providing them with all necessary information to ensure that they clearly understand the Company's requirements and operations, are fully aware of their responsibilities, and are properly equipped to effectively perform their duties, in accordance with the Company's requirements and applicable regulatory standards.
- Developing and putting in place robust procedures designed to prevent individuals with access to confidential insider information from exploiting such information for personal or financial gain.
- Establishing a clear mechanism for shareholders to submit complaints, inquiries, and proposals, including proposals for the inclusion of specific topics on the General Assembly Meeting's agenda, ensuring their timely review and appropriate decision-making.
- Adopting clear and transparent principles for granting incentives, rewards, and benefits to Board Members and senior executive management, aligned with the Company's strategic interests and objectives.
- Developing a comprehensive disclosure and transparency policy and ensuring implementation in accordance with the requirements of the regulatory authorities.
- Developing a dividend distribution policy that aligns with the interests of shareholders and the Company, and obtaining all necessary regulatory approvals in compliance with applicable laws and regulations.
- Ensuring the availability of resources necessary to achieve the Company's objectives.
- Ensuring the protection of shareholders' interests and the Company's assets.
- Ensuring the establishment of a compliance function to monitor adherence to applicable laws, regulations, resolutions, and regulatory authority requirements, as well as the internal policies, rules, and procedures established by the Board.
- Defining the Company's risk tolerance, including setting specific objectives, maximum risk limits, thresholds, or key risk indicators (KRIs) related to the acceptable level of risk.
- Overseeing the Company's human resources policies.
- Ensuring the accuracy, completeness, and timeliness of all disclosures and communications made by the Company in compliance with applicable disclosure and transparency policies and regulatory requirements.
- Proposing a Board of Directors' remuneration policy for approval by the shareholders.
- Conducting assessments of the Board of Directors' performance, including its committees and individual Board Members, evaluating their effectiveness, and implementing corrective actions, where necessary.
- Ensuring effective communication between the Board of Directors and stakeholders through a robust Investor Relations Department.
- Establishing specialised committees under the Board of Directors in accordance with resolutions that define their duration, powers, duties, and responsibilities, as well as the approach followed by the Board in monitoring these committees.
- Developing a framework of internal policies, procedures, and guidelines to govern all aspects of the Company's operations and activities.
- Monitoring the application and continuous update of corporate governance rules.
- Evaluating and monitoring the performance of executive management against established objectives and an approved budget.
- Appointing and terminating the members of the Executive Management and Senior Management.
- Reviewing and approving all transactions with related parties.
- Evaluating and approving major projects and investments within the Board of Directors' delegated authority.
- Conducting reviews of the Company's overall performance, evaluating the effectiveness of its operations and the performance of the Board Subcommittees, and taking appropriate corrective actions if performance does not align with the established plans.
- Approving the internal procedures, policies, and guidelines for the management of the Company's affairs, and clearly defining the executive management's delegated authority.

Board Members shall at all times act in good faith in the best interests of the Company, prioritising the Company's interests over their own personal interests and the interests of any other parties. They recognise the importance of performing their duties and managing the Company's affairs with the highest standards of integrity and ethical conduct, thereby maintaining and enhancing public trust in the Company. Furthermore, they must refrain from any actions that give rise to, or may give rise to, a conflict of interest with the Company. If a conflict of interest arises, the Board Members are required to disclose it immediately in writing to the Board of Directors and to abstain from any decision-making process relating to the matter giving rise to the conflict of interest.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

3 Board of Directors continued

3-3 Formation of the Board of Directors

The Board of Directors of the Company currently includes seven members:

S/N	Members	Position
1	H.E. Mohamed Khalifa Al Mubarak	Chairman
2	H.H. Waleed Ahmed Almokarrab Al Muhairi	First Vice-Chairman
3	H.E. Mohamed Hassan Al Suwaidi	Second Vice-Chairman
4	Mr. Khalifa Abdulla Al Romaithi	Member
5	Mr. Hamad Salem Mohamed Al Ameri	Member
6	Mr. Ali Saeed Abdulla Sulayem Al Falasi	Member
7	Ms. Sofia Abdellatif Lasky	Member

Remarks:

- The current Board of Directors assumed its duties and responsibilities in accordance with the decision issued by the General Assembly Meeting of the Company held on 11 April 2022.
- H.E. Mohamed Khalifa Al Mubarak was elected Chairman of the Board of Directors of the Company by virtue of the Board of Directors' decision passed in its meeting No. (03/2022), held on 11 April 2022, following the election of the Board of Directors by a resolution of the General Assembly Meeting of Shareholders, also held on 11 April 2022. The election of the Chairman was conducted by secret ballot.
- H.H. Waleed Ahmed Almokarrab Al Muhairi was elected as the First Vice-Chairman, and H.E. Mohamed Hassan Al Suwaidi was elected as the Second Vice-Chairman, by virtue of the Board of Directors' decision passed in its meeting No. (03/2022), held on 11 April 2022, following the secret ballot elections of the Board of Directors by a resolution of the General Assembly Meeting of Shareholders in its meeting, also held on 11 April 2022

In this regard, it should be noted that the membership of the Board of Directors has consisted mostly of independent members since the incorporation of the Company in accordance with the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (3/R.M.) of 2020 concerning Approval of the Joint Stock Companies Governance Guide (as amended by the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (02/R.M.) of 2024), and the Charter of the Board of Directors, which was approved by the Board of Directors.

All Members of the Board are non-executive, with the majority being independent. The Board has adopted a policy on the independence of Members, under which each Member's independence is assessed annually. This falls under the responsibilities of the Nomination & Remuneration Committee, in accordance with the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (3/R.M.) of 2020 concerning Approval of the Joint Stock Companies Governance Guide (as amended by the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (02/R.M.) of 2024). Accordingly, any conflicts of interest or relationships that may arise and risk compromising Members' independence must be reported, and relevant procedures must be implemented if the Board finds any deficiency or deterioration in Members' ability to remain independent.

The Board of Directors is structured under a unitary governance system. The table below shows the classification of the Board Members based on their executive/non-executive and independent/non-independent status, as well as the year of their appointment.

Member	Position	Status		Year of appointment
		Independent	Executive	
H.E. Mohamed Khalifa Al Mubarak	Chairman	Yes	No	2017
H.H. Waleed Ahmed Almokarrab Al Muhairi	First Vice-Chairman	Yes	No	2016
H.E. Mohamed Hassan Al Suwaidi	Second Vice-Chairman	Yes	No	2022
Mr. Khalifa Abdulla Al Romaithi	Member	Yes	No	2021
Mr. Hamad Salem Mohamed Al Ameri	Member	No	No	2015
Mr. Ali Saeed Abdulla Sulayem Al Falasi	Member	No	No	2013
Ms. Sofia Abdellatif Lasky	Member	Yes	No	2022

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

3 Board of Directors continued

3-4 Membership of the Board Members in other Companies and Public Bodies

The following table shows Board Members' other current positions in supervisory, governmental, economic and commercial bodies, as at 31 December 2024.

Member	Company/Body	Position
H.E. Mohamed Khalifa Al Mubarak (Chairman)	Executive Council of Abu Dhabi Emirate	Member of the Executive Council
	Department of Culture and Tourism – Abu Dhabi	Chairman of the BoD
	Miral Properties Management	Chairman of the BoD
	Aldar Education – Sole Proprietorship LLC	Chairman of the BoD
	Image Nation Company	Chairman of the BoD
	Higher Committee for Human Fraternity	Member
	Emirates Foundation for School Education	Member of the BoD
	ALIPH – The International Coalition for the Protection of Heritage in Conflict Areas	Vice-Chairman
H.E. Waleed Ahmed Salem Almokarrab Al Muhairi (First Vice-Chairman)	Mubadala Investment Company PJSC	Deputy Group CEO
	Waha Capital Company PJSC	Chairman
	Cleveland Clinic Hospital – Abu Dhabi	Chairman
	Cleveland Clinic Hospital – USA	Member of the Board of Trustees
	Global Institute for Disease Elimination: GLIDE	Chairman
	Mubadala Healthcare	Chairman
	Hub71 Platform	Board Member
	Investcorp Bank	Board Member
	Tamkeen Abu Dhabi Company	Board Member
	Ellipses Pharma Limited	Board Member
	Noon.com Company	Board Member
	Abu Dhabi Investment Counsel	Board Member
	First Abu Dhabi Bank	Board Member

Remarks:

- This information is based on the disclosures made by the Board Members as at 31 December 2024.

Member	Company/Body	Position
H.E. Mohamed Hassan Al Suwaidi (Second Vice-Chairman)	Abu Dhabi Developmental Holding Company P.J.S.C. (ADQ)	Managing Director and Chief Executive Officer
	Abu Dhabi National Energy Company P.J.S.C. (TAQA)	Chairman
	Abu Dhabi Ports Group P.J.S.C	Chairman
	First Abu Dhabi Bank – Egypt	Board Member
	Abu Dhabi Pension Fund	Board Member
	Emirates Nuclear Energy Corporation (ENEC)	Board Member
	Emirates Investment Authority	Board Member
	Alpha Dhabi Holding P.J.S.C.	Managing Director and Chief Executive Officer
Mr. Hamad Salem Mohamed Al Ameri (Member)	Pure Health Holding P.J.S.C.	Vice Chairman
	Abu Dhabi National Hotels P.J.S.C.	Chairman
	National Marine Dredging Company P.J.S.C.	Board Member
	Mawarid Holding L.L.C	Board Member
Mr. Khalifa Abdulla Al Romaithi (Member)	Mubadala Investment Company P.J.S.C	Executive Director – UAE Real Estate
	Masdar City	Board Member
	Abu Dhabi National Takaful Company P.J.S.C.	Board Member
	Emirates Driving Company P.J.S.C.	Chairman
Mr. Ali Saeed Abdulla Sulayem Al Falasi (Member)	Reisco L.L.C	Group Board Member
	Hydra Properties L.L.C	CEO
	Emirates Stallions Group ESG	Vice Chairman
	Royal Group	Member of the Audit Committee
Ms. Sofia Abdellatif Lasky (Member)	Royal Group	Director of the Group Chairman's Office
	International Holding Company P.J.S.C. (IHC)	Board Member
	Alpha Dhabi Holding P.J.S.C.	Board Member
	National Corporation for Tourism & Hotels (NCTH)	Board Member

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

3 Board of Directors continued

3-4 Membership of the Board Members in other Companies and Public Bodies continued

In accordance with the Charter of the Board of Directors, all Members are required to have wide experience in business and management, particularly in the real estate sector. The following table shows the academic qualifications and experience of the Board Members:

Members	Academic Qualifications	Years of Experience in Business & Management	Area of Experience							
			Real Estate & Construction	Oil, Gas & Energy	Banks, Finance & Insurance	Communications	Government, Non-Profit, Public & Other Institutions	Healthcare & Pharmaceutical Industries	Risk Management	Media
H.E. Mohamed Khalifa Al Mubarak	• Dual specialisation in Economics and Political Science from Northeastern University, USA	18	✓		✓		✓		✓	✓
H.H. Waleed Ahmed Almokarrab Al Muhairi	• Master of Public Policy with a specialisation in Business Administration and Government from Harvard University, USA • Bachelor of Science in International Affairs from Georgetown University, USA	22	✓	✓	✓	✓	✓	✓	✓	
H.E. Mohamed Hassan Al Suwaidi	• Bachelor's Degree in Accounting from United Arab Emirates University	18	✓		✓		✓		✓	✓
Mr. Hamad Salem Mohamed Al Ameri	• MBA from the Canadian University in Dubai • Bachelor of Civil Engineering from the American University in Dubai	20	✓	✓	✓		✓	✓		
Mr. Khalifa Abdulla Al Romaiti	• Bachelor's Degree in Business Administration with a major in Finance from the University of Portland, USA	22	✓	✓	✓		✓		✓	
Mr. Ali Saeed Abdulla Sulayem Al Falasi	• MBA from the University of Sharjah • Bachelor of Science in Production and Operations Management from California State University, USA • Bachelor's Degree in Accounting from UAE University	29	✓		✓		✓		✓	
Ms. Sofia Abdellatif Lasky	• Bachelor's Degree in Management Information Technology from the United Kingdom	17	✓		✓		✓		✓	

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

3 Board of Directors continued

3-5 Women's Representation on the Board of Directors during 2024

The current Board of Directors consists of one female member, accounting for 14.28% of the total Board composition. This change occurred with the appointment of Ms. Sofia Abdellatif Lasky as a Board Member during the Board's re-election and restructuring process following the General Assembly Meeting of Shareholders held on 11 April 2022.

3-6 Induction and Training Programme and Board Evaluation

3-6-1 Induction and Training Programme

The Company is committed to delivering an induction programme for new Board Members and senior executive management, focusing on the Company and its operations. This programme will also cover other relevant topics to help them fulfil their responsibilities, with a particular emphasis on the following:

- The Company's strategy and objectives.
- The financial and operational aspects of the Company's activities.
- The obligations, duties, responsibilities, and rights of Board Members.
- The roles and responsibilities of Board Subcommittees.
- The Company's Articles of Association, bylaws, and organisational structure, the names and activities of its subsidiaries, performance reports, key documents such as the investment strategy and debt statement, and information about other Board Members, Senior Management, and the Board Rapporteur.
- Obtaining comprehensive information from the management, conducting field visits to the Company's locations, and providing tools and communication channels to keep Board Members informed about the Company and its activities, enabling them to effectively fulfil their responsibilities. The Company will also ensure that they are updated on the latest developments shared by the executive management during Board meetings.
- Receiving, on a regular basis, information from internal and external experts concerning core business operations, industry trends, and significant issues pertinent to their responsibilities as Board Members.

3-6-2 Evaluation of the Board of Directors and Board Subcommittees

The Board of Directors conducts an annual evaluation of its own performance, as well as the performance of its members and committees, with the aim of identifying areas for improvement in its effectiveness. The 2024 annual evaluation was carried out in partnership with the Hawkamah Institute, acting as an independent external advisor. In general, the Board of Directors functions at a

very high standard and consistently adds significant value to business operations. The evaluation was conducted in accordance with the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (3/R.M.) of 2020 concerning Approval of the Joint Stock Companies Governance Guide (as amended by the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (02/R.M.) of 2024), with the goal of assessing the effectiveness of current Board practices and identifying areas for improvement.

Following a discussion of the evaluation findings, the Board of Directors formulated an action plan scheduled for execution in 2025. This underscores the Company's proactive commitment to maintaining optimal corporate governance standards, ensuring transparency, and upholding accountability. These efforts ultimately aim to provide sustainable value to the Company's shareholders and broader stakeholders.

3-7 The Right to Independent Consultation

In accordance with the Charter of the Board of Directors, each member is entitled to seek independent external consultations on a no-conflict-of-interest basis, following consultation with the Board of Directors or its subcommittees. The Company bears the expense of such external consultations, subject to the discretion of the Board of Directors or its subcommittees.

3-8 Remunerations of the Board Members and Allowances for Attendance at the Meetings of the Board and its Subcommittees

Article 28 of the Articles of Association of the Company provides that:

1. The remunerations for Board Members shall be a percentage of the Company's net profits, not to exceed 10% of the net profits for the fiscal year after deducting all depreciation costs and reserves.
2. Notwithstanding this Sub-Article (1), and pursuant to the regulations issued by the Securities and Commodities Authority in this respect, a member may receive total fees not exceeding AED 200,000 (two hundred thousand dirhams) at the end of the fiscal year, subject to the approval of the General Assembly Meeting for the payment of such fees, which may only be granted in the following circumstances:
 - a) If the Company does not achieve profits in the fiscal year, or
 - b) If the Company achieves profits but the portion accruing to the Board Members from said profits, pursuant to Sub-Article (1) above, is less than AED 200,000 (two hundred thousand dirhams), the combination of salaries and fees shall not be permitted.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

3 Board of Directors continued

3-8 Remunerations of the Board Members and Allowances for Attendance at the Meetings of the Board and its Subcommittees continued

In any case, the Company may also provide additional fees, wages or monthly salaries, as may be determined by the Board, to any of its members in consideration for any service in any committee, for the undertaking of special efforts, or for the performance of additional work benefiting the Company beyond the scope of their ordinary duties as members.

Article (29) of the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (3/R.M.) of 2020 concerning Approval of the Joint Stock Companies Governance Guide (as amended by the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (02/R.M.) of 2024) stipulates the following:

1. The Company's regulations shall determine the method of calculation of the remunerations of the Board of Directors, which shall not exceed (10%) of the net profit for the concluded fiscal year, after deducting all depreciations and reserves.
2. Notwithstanding Clause (1) of this Article, a member may receive lump sum fees not exceeding AED 200,000 (two hundred thousand dirhams) at the end of the fiscal year, provided that the Company's Articles of Association so permit, and after obtaining the approval of the General Assembly Meeting for the payment of such fees, in the following circumstances:
 - c) The Company does not achieve profits.
 - d) The Company achieves profit, but a Board Member's share of those profits is less than AED 200,000 (two hundred thousand dirhams), in which instance the combination of remuneration and fees is not permitted.
3. The Company may pay additional expenses, fees or allowances or a monthly salary to its Board Members, provided such payments are in line with policies recommended by the Nomination and Remuneration Committee, reviewed by the Board, and ratified by the General Assembly Meeting. Such payments will only be made if the member serves in a committee, undertakes special efforts, or performs additional services for the benefit of the Company beyond the scope of their ordinary duties as a Board Member. No attendance fees shall be paid to the Chairman or any Board Member for their attendance at Board meetings.
4. Penalties imposed against the Company by the Authority or the competent authority due to breaches by the Board of Directors of the Companies Law or the Company's Articles of Association during the concluded fiscal year shall be deducted from the remuneration of the Chairman and Members of the Board. The General Assembly Meeting shall have the discretion to

waive the deduction of such penalties, in whole or in part, if it determines that such penalties did not arise from negligence or misconduct on the part of the Board.

5. The remuneration policy shall include a mechanism for the calculation of remuneration for the Board of Directors and senior executive management, and shall benchmark such proposed remuneration against the private sector and comparable companies within the same industry and having a similar turnover (locally, regionally, and internationally).

Total remuneration of the Board of Directors for 2023

Pursuant to a resolution adopted by the Company's General Assembly Meeting held on 19 March 2024, the aggregate remuneration paid to the Board Members for the fiscal year ended 31 December 2023 was AED 41,850,000 (forty-one million eight hundred and fifty thousand dirhams). This amount includes attendance fees for meetings of the Board Subcommittees during 2023, which amounted to AED 2,850,000 (two million eight hundred and fifty thousand dirhams). This also encompasses a deferred remuneration plan with a three-year vesting period, under which Board Members contribute 30% of their remuneration, a percentage matched by the Company, with the total amount being invested in restricted stock units.

Proposed total remuneration of the Board of Directors for 2024

The remuneration for the Company's Board of Directors for the fiscal year ending 31 December 2024, has not yet been determined. This report will be updated upon approval and ratification by the shareholders at the General Assembly meeting scheduled for March 2025.

Attendance allowances for meetings of the Board of Directors and its Subcommittees during 2024

No allowances or remuneration were disbursed to Board Members for attendance at meetings of the Board of Directors during 2024. With respect to attendance allowances for meetings of the Board Subcommittees during 2024, the following table details the allowances to be received by Board Members, amounting to AED 2,900,000 (two million nine hundred thousand dirhams). These allowances are calculated in accordance with the established policy and are subject to approval by the Company's General Assembly Meeting of Shareholders, scheduled to be held in March 2025.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

Remarks:

- The Executive Committee plays a critical role in the oversight of the Company's investment strategies and policies, including key decisions related to investments, development initiatives, and acquisitions. It also monitors financial performance and objectives. In recognition of these essential responsibilities, the Chairman of the Executive Committee of the Board of Directors is entitled to an annual remuneration of AED 1,000,000, while each other member of the Executive Committee will receive AED 500,000 per annum.

- With regard to members serving on the Nomination & Remuneration Committee and the Audit, Risk & Compliance Committee:
 - The chairman of each committee will receive an annual remuneration of AED 250,000.
 - Each other member of these committees will receive an annual remuneration of AED 100,000.
- In the event that a member's attendance at committee meetings falls below 75%, the member's remuneration will be adjusted on a pro-rata basis.

Remuneration, salaries, or additional fees earned by Board Members, excluding committee attendance remuneration, and the justification for such remuneration during 2024

No additional allowances or remuneration were disbursed to Board Members during 2024.

3-9 Meetings of the Board of Directors

The Board of Directors held five meetings during 2024 to discuss strategic and operational matters related to the Company and make the necessary decisions. The following table presents the dates on which these meetings were held:

Date held	Meeting
9 February 2024	01/2024
29 April 2024	02/2024
29 July 2024	03/2024
29 October 2024	04/2024
11 December 2024	05/2024

Remarks:

- Concurrently with the meetings of the Board of Directors, the Executive Committee held four meetings throughout 2024 to discuss matters of strategic and operational significance and formulate recommendations for submission to the Board of Directors (see Section (6.3) for further information regarding the Executive Committee). Furthermore, one resolution was adopted by the Board of Directors by means of circulation (see Section (3.10) for an explanation of this process).

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

3 Board of Directors continued

3-9 Meetings of the Board of Directors

The attendance record for the aforementioned meetings is detailed below:

Member	Meeting 01/2024	Meeting 02/2024	Meeting 03/2024	Meeting 04/2024	Meeting 05/2024	Number of Attendances in Person
H.E. Mohamed Khalifa Al Mubarak	✓	✓	✓	✓	✓	5
H.H. Waleed Ahmed Almokarrab Al Muhairi	✓	✓	-	✓	✓	4
H.E. Mohamed Hassan Al Suwaidi	-	✓	✓	-	-	2
Mr. Khalifa Abdulla Al Romaithi	✓	✓	✓	✓	✓	5
Mr. Hamad Salem Mohamed Al Ameri	✓	✓	✓	✓	✓	5
Mr. Ali Saeed Abdulla Sulayem Al Falasi	✓	✓	✓	✓	✓	5
Ms. Sofia Abdellatif Lasky	✓	✓	✓	✓	✓	5

Remarks:

- The quorum for a meeting of the Company's Board of Directors requires the presence of at least the majority of Board Members, with a minimum of four members attending. Resolutions related to the agenda items shall be adopted by a majority vote of the members present at each meeting. In the event of a tied vote, the Chairman's vote shall prevail.
- Any apologies tendered by Board Members for their inability to attend certain meetings shall be duly considered and taken into account at the beginning of each meeting, in accordance with the Company's Articles of Association and its internal regulations, and in compliance with applicable laws and regulations.
- The attendance of Board Members at these meetings, as detailed in this table, was recorded based on their personal presence, either physically at the Company's office or through modern technologies, such as visual communication platforms (e.g., Microsoft Teams).

3-10 Resolutions Passed by Circulation

In 2024, the Board of Directors adopted a single resolution by circulation on 28 November 2024. In so doing, the Board adhered to the established procedures and controls stipulated in Article (24) of the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (3/R.M.) of 2020 concerning Approval of the Joint Stock Companies Governance Guide (as amended by the Chairman of the Securities and Commodities Authority's Decision No. (02/R.M.) of 2024). Specifically:

- The Board of Directors unanimously agreed that the circumstances necessitating the issuance of a resolution by circulation constituted an emergency.
- The resolution, along with all pertinent documentation, was presented in writing to each Board Member for review and approval.
- Resolutions adopted by the Board of Directors by means of written consent received the requisite majority and were subsequently presented at the next Board meeting for inclusion in the minutes.
- In compliance with applicable disclosure requirements, the results of the resolution passed by circulation were promptly disclosed on both the financial market's (ADX) website and the Company's website immediately following its issuance.

3-11 Business Transactions with Related Parties

The following table shows the transactions made with related parties during 2024:

Related party	Transaction Type	Transaction value (in AED thousand)
Government of Abu Dhabi	Revenues	2,325,491
Government of Abu Dhabi	Other revenues	32,334
Government of Abu Dhabi	Financing revenues	8,088
Principal Shareholder * and its Affiliates	Revenues	133,252
Principal Shareholder * and its Affiliates	Purchased assets	55,272
Parent Company ** and its Affiliates	Revenues	126,086
Parent Company ** and its Affiliates	Expenditures	80,233
Finance Revenues from joint ventures	Financing revenues	15,106
Banks under the control of the Government of Abu Dhabi	Financing costs	261,084
Banks under the control of the Government of Abu Dhabi	Financing revenues	461,808

* The Principal Shareholder is Mubadala Investment Company P.J.S.C.

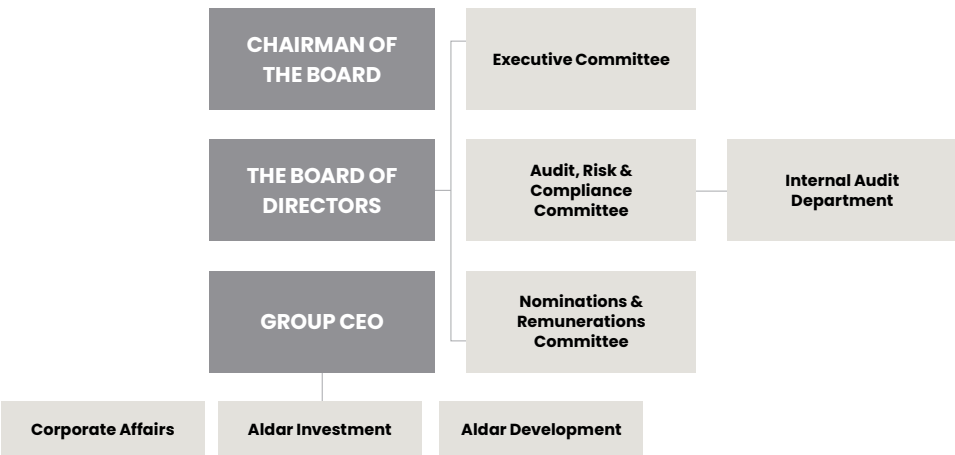
** The parent company is Alpha Dhabi Holding P.J.S.C.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

4 Organisational Structure and Executive Management

4-1 Organisational Structure of the Company

Since its inception, the Company's management has been committed to developing and implementing a sophisticated organisational structure that promotes efficiency and effectiveness across all its departments and divisions. This structure is designed to ensure a high degree of coordination and administrative interaction, as well as robust disclosure practices, transparency, and effective engagement with the financial markets. It is subject to ongoing review by designated committees. The following diagram illustrates the Company's organisational structure:



4-2 Executive Management Team

The Executive Management Team (which includes the Chief Executive Officer and chief executive officers of the Company's departments and divisions) operate within the authorities delegated by the Board of Directors and in accordance with the approved strategic plan. They are responsible for managing the Company's day-to-day operations and addressing key business matters, in line with the Company's strategic framework. The Chief Executive Officer holds regular meetings with the Executive Management Team. It should be noted that in the absence of the Chief Executive Officer for any reason, the Executive Committee assumes responsibility for managing the Company's operations and activities. The Executive Committee holds weekly meetings.

The following table lists the members of the Executive Management Team, their appointment dates, and the salaries and other remunerations they received in 2024:

Position	Date of Joining	Total Salary and Allowances in 2024 (in AED)	Total Bonus in 2024 (in AED)
Group Chief Executive Officer	15 April 2006	2,972,729	9,258,799
Group Chief Financial & Sustainability Officer	3 August 2020	2,111,780	3,106,018
Chief Executive Officer – Aldar Investment	17 April 2016	2,363,657	2,657,603
Chief Executive Officer – Aldar Development	1 November 2020	2,570,596	3,219,895
Chief People & Communications Officer	22 October 2005	1,725,205	1,532,473
Group General Counsel	17 August 2014	1,529,893	1,395,130

Long term incentive scheme

The Group's Board of Directors has approved a Long-Term Incentive (LTI) scheme for certain employees of the Company. The LTI scheme is designed to provide long-term incentives for certain senior management team to deliver long-term shareholder returns. Under the LTI scheme, the eligible employee contributes 30% of their performance bonus towards the LTI fund and the Company matches the same percentage as an additional contribution. The contribution of both the employees and the Company are invested in Restricted Company Share Units (RSU), which vest subject to Company LTI policy framework during a 3-year period after 3-year retention period. The below summarizes the outstanding RSU's for the Executive Management Team.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

4 Organisational Structure and Executive Management continued

4-2 Executive Management Team continued

Position	Previous RSU's	RSU's Vested in 2024	2024 RSU's ^(A)	Remaining RSU's
Group Chief Executive Officer	4,034,861	(1,575,534)	1,409,644	3,868,971
Group Chief Financial & Sustainability Officer	488,396	(43,661)	263,802	708,537
Chief Executive Officer – Aldar Investments	1,804,039	(482,363)	172,587	1,494,263
Chief Executive Officer – Aldar Development	1,124,313	(371,023)	268,575	1,021,865
Chief People & Communications Officer	404,200	(157,560)	129,994	376,634
Group General Counsel	357,116	(100,221)	117,239	374,134

Notes:

(A) Estimated based on 25 Feb 2025 closing price, actual to be reflected when purchased.

4-3 Responsibilities and Authority of the Chief Executive Officer and Executive Management

In accordance with the authority vested in him under the Delegations of Authority, the Chief Executive Officer is authorised to act within the framework of the operational plan and the income and expenses budget, as discussed and approved by the Board. The Chief Executive Officer may delegate some of his duties to the Executive Management Team, in accordance with the current policies of the Board, the Delegations of Authority and legal requirements, which define the extent of such delegation. The Chief Executive Officer's responsibilities and duties are assigned for a renewable three-year term.

Following are the duties and responsibilities assigned by the Board of Directors to the Chief Executive Officer and the Executive Management:

a) Leadership, Business Strategy and Management

- Providing integrated management of the Company, including the provision of adequate and comprehensive information about the Company to customers, suppliers, shareholders, financial institutions, employees and the media.
- Developing the Company's projects and operations, taking into account the responsibilities of the Company towards its shareholders, customers and employees.
- Putting recommendations to the Board of Directors on the development of performance strategies, operations and day-to-day management.
- Managing the Company in line with the strategies, business plans and policies approved by the Board of Directors.
- Managing operations and daily affairs, taking into consideration the matters on which the Board of Directors reserves the right to decide.
- Ensuring coordination and integration between the Company's divisions and departments, and establishing an institutional culture, Code of Business Conduct, and integrity in the Company, including matters related to its bids, contracts and other practices.
- Reviewing the organisational structure of the Company periodically, and making the necessary amendments in this regard.
- Directing the members of the Executive Management in their daily management tasks, and supervising their performance.
- Consulting with the Board of Directors in matters of a strategic or sensitive nature, highlighting key issues to facilitate the Board's informed decision-making.

b) Risk Management and Internal Control

- Ensuring employees' compliance with the Code of Business Conduct.
- Managing risk effectively.
- Applying and maintaining all essential aspects of risk management, internal controls and compliance, to support policies adopted by the Board of Directors.
- Ensuring compliance with the legislative and legal requirements of SCA and ADX, and Federal Decree-Law No. (32) of 2021 on Commercial Companies, as amended.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

4 Organisational Structure and Executive Management continued

4-3 Responsibilities and Authority of the Chief Executive Officer and Executive Management continued

c) Financial Supervision and Asset Management

- Studying the efficiency and cost-effectiveness of all operations of the Company.
- Ensuring the integrity of data, records and financial systems.
- Safeguarding and ensuring efficient utilisation of the funds and assets managed by the Company.
- Ensuring the credibility, accuracy and reliability of financial and administrative information related to the Company's activities.
- Drafting annual balance sheets for approval by the Board of Directors.
- Ensuring that the financial reports of the Company provide an accurate and fair representation of the financial position of the Company and the results of its business operations.
- Verifying all investments and major capital expenditure of the Company, making and presenting appropriate proposals and recommendations to the Audit, Risk & Compliance Committee, the Executive Committee and/or the Board of Directors for approval.

Furthermore, the Board of Directors has established several administrative committees, comprising members of the Executive Management Team. The Board has delegated to these committees a range of responsibilities and authorities designed to support and enhance the Executive Management's functions, thereby contributing to the Company's daily operations and overall performance. Each committee operates under a dedicated charter that outlines its membership and appointment process, powers, responsibilities, function, operating and reporting mechanism, and periodic performance evaluations, among other aspects. These charters are subject to periodic review by the Board of Directors to ensure the committees' efficiency and effectiveness. A comprehensive review of all committee charters was conducted by the Board in its meeting No. (07/2018) held on 14 November 2018. The committees are as follows:

Executive Committee:

Chaired by the Group Chief Executive Officer, this committee comprises members of the Executive Management Team. The committee holds weekly and ad hoc meetings. Its responsibilities include ensuring that the Company's practices, business operations, and activities adhere to the charters and policies established by the Board of Directors, and that these are conducted in a manner that serves the interests of all stakeholders, including customers, shareholders, investors, suppliers, and employees, among others. The committee is also responsible for reviewing and monitoring the performance of various departments within the Company, verifying the achievement of key performance indicators (KPIs), and making recommendations to the Board of Directors and/or its subcommittees when

necessary, in accordance with the Company's established delegation of authority framework. These responsibilities encompass a wide range of areas, including the governance framework and delegation of authority schedules; corporate policies and procedures; the Company's business plan, vision, values, objectives, strategy, and initiatives; related KPIs and business environment plans; human resources needs, including employee benefits, allowances, and incentives; approved investment control processes and related issues, making recommendations and identifying investment opportunities and acquisitions; and overseeing matters concerning subsidiaries, joint ventures, and any other competencies delegated to the committee from time to time according to business needs.

Tender Committees: There are two tender committees, as follows:

- Tender Committee (A): Chaired by the Group Chief Executive Officer, this committee comprises members of the Executive Management Team and the heads of the Company's departments and divisions. The committee meets on a weekly and as needed basis.
- Tender Committee (B): Chaired by the Group General Counsel, this committee also comprises members of the Executive Management Team and the heads of the Company's departments and divisions. The committee meets on a weekly and as needed basis.

Both committees are responsible for overseeing and reviewing activities and practices related to contract, procurement, tender management, and service provider and bidder lists. They make recommendations regarding the award of bids and the assignment of work related to the management of development projects, asset management, and institutional contracts, in accordance with the established limits, controls, and criteria outlined in the Company's delegation of authority framework and the respective charters of these committees. They may also be delegated additional responsibilities from time to time as business needs may dictate.

Investment Committee:

This committee is chaired by the Group Chief Executive Officer and comprises members of the Executive Management Team. The committee holds weekly and ad hoc meetings. It is responsible for reviewing, approving, or recommending (as per the Company's established delegation of authority) matters pertaining to investment control processes, strategic investment opportunities and cash liquidity, in addition to any other competencies delegated to the committee from time to time as business needs may dictate. The chairs and members of these committees acknowledge their responsibility for overseeing the Company's committee system, including reviewing the committees' operating mechanisms and ensuring their effectiveness.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

5 External Auditor

Deloitte & Touche was appointed as the Company's external auditor for the fiscal year ended 31 December 2024 through a resolution passed at the General Assembly Meeting of the Company held on 19 March 2024. Deloitte & Touche is a well-established external audit firm with a proven track record in the field and is accredited by the Ministry of Economy. The firm operates independently of the Board of Directors and Executive Management and maintains offices in Abu Dhabi, Dubai, Sharjah, Ras Al Khaimah, and Fujairah.

The table below details the services rendered by the external auditor during 2024, along with the corresponding fees received by it:

Audit Firm Name	Deloitte & Touche
Audit Partner Name	Alaa Saleh (Alaa Saleh was appointed as a partner auditor to succeed George Najem by virtue of a resolution issued by the General Assembly of Shareholders of the Company at its meeting held on 11 April 2022)
The name of the Authorised Signatory Audit Partner	Mohammed Khamis Al-Tah
Number of years the audit partner has served as the Company's external auditor	6 years
Number of years the audit partner has spent auditing the Company's accounts	3 years
Total audit fees for the financial statements for the fiscal year ended 31 December 2024	AED 1,035,000/-
Additional services provided by the external auditor during 2024 and the corresponding fees	
Service	Amount (in thousand dirhams)
Audit-related services	1,870,155.00
Other professional services	–
Total	1,870,155.00

Furthermore, during 2024, the Company sought consulting, financial, and accounting services. These services were provided by an external auditor other than the appointed external auditor, as detailed below:

	Company	Amount (AED)
1	Ernst & Young	6,576,370.50
2	KPMG	2,998,376.55
3	PWC	5,399,867.55
4	BDO	–
5	Crowe	–
	Total	14,974,615

The Company's auditor did not raise any reservations regarding the interim and/or annual financial statements of the Company during 2024.

6 Board Subcommittees

The Company's Board of Directors consists of a unitary governance structure. The Board has established three committees to assist in the execution of its duties. These committees have been delegated the necessary powers and responsibilities to ensure the effective implementation of Board resolutions. The following are the Board Subcommittees:

- Audit, Risk & Compliance Committee
- Nomination & Remuneration Committee
- Executive Committee

Each committee has a charter defining its objectives, responsibilities, structure, framework and reporting mechanism. These charters are periodically reviewed and updated to ensure that they function efficiently and effectively. The Board of Directors has undertaken a restructuring of all committees to ensure alignment of their assigned roles and responsibilities with the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (3/R.M.) of 2020 concerning Approval of Joint Stock Companies Governance Guide (as amended by the Chairman of the Securities and Commodities Authority's Decision No. (02/R.M.) of 2024). The Board also restructured these committees pursuant to a resolution adopted by the Board of Directors in its meeting No. (03/2022) held on 11 April 2022, subsequent to the election of the Board of Directors by the Shareholders at the General Assembly Meeting, also held on 11 April 2022.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

6 Board Subcommittees continued

6-1 Audit, Risk & Compliance Committee

Ms. Sofia Abdellatif Lasky, in her capacity as Chair of the Audit, Risk & Compliance Committee, affirms her responsibility for the committee's framework within the Company, including the review of its operating procedures and the assurance of its effectiveness.

The Audit, Risk & Compliance Committee assists the Board of Directors in discharging its corporate governance responsibilities related to risk management, compliance, internal audit systems, accounting policies, financial reporting, and internal and external audit functions. The committee provides assurance to the Board that the Company's key objectives are being met effectively and efficiently within a strong framework of internal control, risk management, and governance.

The Audit, Risk & Compliance Committee is comprised of three non-executive members, two of whom are independent. The committee's charter requires that all members possess financial literacy, with at least one member holding expertise in accounting and financial matters. Furthermore, the Committee Chair holds regular meetings with the Executive Management and the Head of Internal Audit and Compliance to ensure members are kept informed of key developments. The committee also meets with the external auditor, without executive management representation, as deemed appropriate by the committee.

The members of the Audit, Risk & Compliance Committee are as follows:

Position	Members of the Audit, Risk & Compliance Committee
Committee Chair	Ms. Sofia Abdellatif Lasky
Member	Mr. Ali Saeed Abdulla Sulayem Al Falasi
Member	Mr. Khalifa Abdulla Al Romaiti

Remarks:

- The Audit, Risk & Compliance Committee was restructured by a resolution issued by the Board of Directors in its meeting No. (03/2022), held on 11 April 2022.
- Ms. Sofia Abdellatif Lasky was appointed as the Chair of the Audit, Risk & Compliance Committee pursuant to a resolution issued by the Board of Directors in its meeting No. (03/2022), held on 11 April 2022.

The responsibilities of the Audit, Risk & Compliance Committee, as stipulated in its charter, are as follows:

a) Financial Reports

- Ensuring a mechanism for continuous disclosure to SCA and ADX.
- Ensuring the integrity of the Company's financial statements and reports (annual, semi-annual, and quarterly), and reviewing them as part of their normal work during the year, with a focus on:
 - Any changes in accounting policies and practices.
 - Highlighting areas subject to management's discretion.
 - Significant amendments resulting from audits
 - Business continuity assumptions
 - Compliance with accounting standards established by SCA and ADX
 - Compliance with rules of incorporation, disclosure, and other legal requirements related to financial reporting
- Considering any material and non-recurring items included, or required to be included, in such reports and accounts, as well as off-balance sheet items, giving appropriate consideration to any matters brought to the committee's attention by the Chief Financial Officer (or equivalent), Compliance Officer, or external auditor.

b) Operational Audit

- Ensuring the effective and efficient execution of operations and adherence to internal policies and procedures.
- Verifying that all necessary documents and records are accurate, up-to-date, and easily accessible, facilitating external audits and compliance verification.
- Identifying and remediating, on a proactive basis, any deficiencies to prevent non-compliance during external reviews.
- Enhancing accountability for the effective and timely implementation of controls to mitigate risks.
- Establishing the principles of transparency and accountability to foster stakeholders' confidence.
- Identifying the root cause of non-compliance with established tools and accordingly adjusting the methodology to streamline business activities and expectations.
- Fostering a culture of continuous improvement through the regular evaluation and enhancement of existing controls.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

6 Board Subcommittees continued

6-1 Audit, Risk & Compliance Committee continued

c) Corporate Governance

- Supervising and overseeing the internal application of the governance framework and ensuring full compliance with relevant legal and regulatory requirements.
- Reviewing, on a regular basis, the Company's management compliance with the governance framework approved and adopted by the Board of Directors.
- Reviewing the Corporate Governance Report, which is sent annually to SCA and ADX, and making recommendations to the Board of Directors accordingly.

d) Internal Control and Risk Management Systems

- Appointing third parties to perform internal audit functions according to the business's requirements, determining their fees, and considering applications for their resignation or termination.
- Reviewing the Company's internal control systems periodically, to assess their efficiency and effectiveness.
- Discussing the internal control systems with the Executive Management, evaluating their effectiveness and efficiency in fulfilling their mission and tasks in a manner that contributes to their development of the Company's internal control framework.
- Discussing and reviewing the policies and procedures of the Company with its Executive Management, to ensure that its mission is effectively fulfilled in a manner that contributes to the development of such policies and procedures.
- Monitoring and following up on the implementation of a risk management framework and internal control systems in line with its policies and working strategies, and evaluating the efficiency and effectiveness of these policies and strategies by auditing the records, databases, network security and control systems within operational and strategic units.
- Considering the findings of key audit activities pertaining to internal controls (including instances of internal fraud and misappropriation).

e) External Auditor

- Developing and applying the external auditor appointment policy, presenting reports, and providing recommendations to the Board of Directors, including identifying issues in respect of which it considers it necessary to take action and making recommendations on the steps to be taken.
- Coordinating with the Board of Directors, the Executive Management and the Chief Financial Officer in order to perform its duties. The committee will meet with the external auditor at least once in each financial statement announcement period.
- Discussing the nature, scope and effectiveness of audits, while ensuring their compliance with approved auditing standards.

- Monitoring and following up on the independence and objectivity of the external auditor.
- Discussing with the external auditor the appropriateness of the accounting policies applied in the financial statements.
- Reviewing the performance of the external auditor, and making recommendations to the Board of Directors in this regard.
- Reviewing the external auditor's mission and work plan, addressing any significant questions raised by the auditor to the Board of Directors or the Executive Management regarding the accounting records, financial accounts or control systems, and ensuring that these issues are reviewed, discussed, and acted upon, with timely responses provided.
- Discussing any problems that the external auditor may face during the audit process, including restrictions that could limit the scope of work or difficulties in obtaining information needed to complete the work.
- Ensuring coordination between internal and external auditors, assessing the availability of resources necessary to manage internal control, and reviewing and monitoring the effectiveness of such management.

f) Internal Audit and Compliance Management

- Reviewing the activities, resources, and organisational structure of the Internal Audit and Compliance Department, and approving the annual audit plan.
- Overseeing the selection and appointment process for the Head of Internal Audit and Compliance and for internal audit service providers, as well as considering their resignations or the termination of their engagements.
- Reviewing reports submitted to the committee by the Head of Internal Audit and Compliance, and management's responses thereto, ensuring that internal audit findings, recommendations, management proposals, and responses have been duly received, discussed, and acted upon, and discussing with the Head of Internal Audit and Compliance any difficulties encountered in performing audit duties, such as scope limitations or impediments to accessing necessary information.
- Evaluating the quality of the functions performed by the Internal Audit and Compliance Department and the internal auditor (if applicable), with particular emphasis on planning, monitoring, and reporting, to evaluate the performance of the Head of Internal Audit and Compliance, and to provide timely advice and guidance.
- Ensuring that the internal audit and compliance function has sufficient staffing levels and appropriate authority and standing within the Company.
- Meeting with the Head of Internal Audit and Compliance at least once a year to discuss the main issues and ensuring that the members of the committee are informed.
- Preparing the Board's reports on all matters reviewed by the committee.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

6 Board Subcommittees continued

6-1 Audit, Risk & Compliance Committee continued

g) Compliance

- Reviewing employees' compliance with the Code of Business Conduct.
- Considering the appointment, resignation, or dismissal of the Compliance Officer.
- Reviewing the appropriateness of practices and procedures for compliance with applicable laws and regulations.
- Reviewing and following up on:
 - The effectiveness of the compliance monitoring system with respect to listing rules, disclosure requirements, and other applicable legal and regulatory obligations pertaining to the Company's operations (including internal policies, procedures, and controls).
 - Developments and updates to legal and regulatory frameworks that could have a material impact on the Company.
 - The efforts undertaken by the Company's management to ensure adherence to and compliance with the Code of Business Conduct.
- Receiving regular updates from management (and, when appropriate, from the Company's legal counsel or Compliance Officer) regarding compliance matters, and investigating issues that may affect the integrity of the Company's Executive Management Team, including conflicts of interest or breaches of the Code of Business Conduct, in accordance with the Company's established policies and procedures.

h) Other Responsibilities and Competencies

- Establishing channels for free and open communication between the Audit, Risk & Compliance Committee, external auditors, internal auditors, and the Company's management.
- Ensuring that the Board of Directors and the Executive Management provide timely responses to the observations and material matters identified in the auditor's letter.
- Addressing any other matters or topics as directed by the Board of Directors.

i) Employees' Reports and Disclosures

- Developing mechanisms that enable employees and stakeholders to confidentially report potential irregularities in financial reporting, internal audit, or other matters, and ensuring that independent and impartial investigations are conducted into such allegations, while establishing and diligently implementing procedures to protect whistleblowers, ensuring their full independence and integrity.
- Reviewing the investigative procedures adopted by management in addressing reported irregularities and rectifying any identified deviations.

In its meeting No. (06/2023) held on 17 August 2023, the Audit, Risk & Compliance Committee reviewed the Company's Whistleblower Policy, monitored the development and implementation of associated systems to ensure their effectiveness, and subsequently submitted a recommendation to the Board of Directors, which approved it in its meeting No. (05/2023) held on 2 October 2023.

The Audit, Risk & Compliance Committee held eight meetings throughout 2024. They are detailed below:

Date held	Meeting Number
8 February 2024	01/2024
14 February 2024	02/2024
1 April 2024	03/2024
26 April 2024	04/2024
26 July 2024	05/2024
31 July 2024	06/2024
28 October 2024	07/2024
11 November 2024	08/2024

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

6 Board Subcommittees continued

6-1 Audit, Risk & Compliance Committee continued

The attendance record for the aforementioned meetings is detailed below:

Member	Position	Meeting 01/2024	Meeting 02/2024	Meeting 03/2024	Meeting 04/2024	Meeting 05/2024	Meeting 06/2024	Meeting 07/2024	Meeting 08/2024	Number of personal attendances
Ms. Sofia Abdellatif Lasky	Committee Chair	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr. Ali Saeed Abdulla Sulayem Al Falasi	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr. Khalifa Abdulla Al Romaithi	Member	✓	✓	✓	✓	✓	✓	✓	✓	8

Remarks:

- The attendance of committee members at these meetings, as detailed in this table, was reflected through their personal presence, either physically at the Company's office or through modern technologies, such as visual communication platforms (e.g., Microsoft Teams).

The Audit, Risk & Compliance Committee prepares an annual report on its activities, to be signed and approved by the Committee Chair. This report includes the following:

- Key matters considered by the committee in relation to the financial statements and how these matters have been addressed.
- An explanation of the committee's assessment of the independence and effectiveness of the external audit process, the approach adopted for the appointment and reappointment of the external auditor, and information on the tenure of the current audit firm.
- A statement outlining the committee's recommendation regarding the appointment, reappointment, or removal of the external auditor, together with an explanation of any instances where the Board of Directors has not accepted the committee's recommendation.
- An explanation of how the independence of the external auditor is maintained when providing non-audit services to the Company.

- The actions taken or planned by the committee to address any identified deficiencies or weaknesses in the internal control or risk management systems.
- A confirmation that the committee has reviewed all medium – and high-risk internal audit reports to ascertain whether they are indicative of significant failures or weaknesses in the internal control systems.
- Comprehensive details of the corrective action plan implemented in response to any material weaknesses identified in the internal control and risk management systems.
- A confirmation that the committee has reviewed all related party transactions, together with any resulting observations or findings, and assessed their compliance with applicable laws.

Attached hereto as Appendix 1 is a copy of this report for the year ended 31 December 2024.

6-2 Nomination & Remuneration Committee

Mr. Martin Lee Edelman, in his capacity as Chairman of the Nomination & Remuneration Committee, acknowledges his responsibility for the committee's framework within the Company, including the review of its operational procedures and the assurance of its effectiveness.

The Nomination & Remuneration Committee submits reports to the Board of Directors concerning human resources management, corporate culture, performance, and compensation policies aligned with best practices. In addition, it formulates recommendations pertaining to Board succession planning, having due regard to the Company's current challenges and opportunities, as well as its anticipated future requirements for skills and expertise.

The Nomination & Remuneration Committee is composed of three non-executive Board Members, two of whom are independent. The Committee Chair holds periodic meetings with the Executive Management and the Director of Human Resources, Culture, and Performance to ensure that committee members are kept informed of material matters relevant to the committee's responsibilities.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

6 Board Subcommittees continued

6-2 Nomination & Remuneration Committee continued

The Nomination & Remuneration Committee consists of the following members:

Position	Members of the Nomination & Remuneration Committee
Committee Chair	Mr. Martin Lee Edelman
Member	Ms. Sofia Abdellatif Lasky
Member	Mr. Hamad Salem Mohamed Al Ameri

Remarks:

- The Nomination & Remuneration Committee was restructured by a resolution issued by the Board of Directors in its meeting No. (03/2022), held on 11 April 2022.
- Mr. Martin Lee Edelman was appointed to the position of Chair of the Nomination & Remuneration Committee pursuant to a resolution issued by the Board of Directors in its meeting No. (03/2022), held on 11 April 2022.

The Charter of the Nomination & Remuneration Committee defines the responsibilities of the committee as follows:

- Formulating a policy governing candidacy for Board of Directors and executive management positions, designed to promote gender diversity within the composition and encourage female representation through incentives, motivational schemes, and training programmes, and furnishing SCA with a copy of this policy and any subsequent amendments.
- Organising and monitoring the procedures for nomination to the Board of Directors in compliance with applicable laws and regulations.
- Conducting an annual verification of Board Members' continued fulfilment of membership criteria.
- Ensuring the ongoing independence of Board Members.
- Developing and annually reviewing the policy governing the granting of remuneration, benefits, incentives, and salaries for Board Members and employees. The committee ensures that the remuneration and benefits awarded to Senior Executive Management are reasonable and commensurate with the Company's long-term performance.
- Ensuring that remuneration, bonuses, stock options, other deferred compensation, and benefits offered to Senior Executive Management are linked to the Company's medium – and long-term performance.
- Conducting an annual review of the skills required for Board membership and preparing a description of the requisite capabilities and qualifications, including the time expected to be dedicated by a Board Member.
- Reviewing the structure of the Board of Directors and making recommendations regarding possible changes.

- Determining the Company's competency needs at the Senior Executive Management and employee levels, and establishing criteria for their selection.
- Developing, annually reviewing, and monitoring the implementation of the Company's human resources and training policy.
- Ensuring the existence of an up-to-date and effective plan for the continuity and succession of the Company's senior executives and the Board Subcommittee chairs.
- Developing and adopting a policy and mechanism for candidacy for Board membership, and organising and monitoring the nomination procedures in accordance with applicable laws and regulations.
- Reviewing the skills required for Board membership and preparing a description of the necessary capabilities and qualifications for Board membership.
- Reviewing the structure of the Board of Directors and submitting recommendations regarding any changes to the Board of Directors for approval and implementation.
- Performing any other tasks and responsibilities as may be determined from time to time by the Board of Directors.

In accordance with the Charter of the Nomination & Remuneration Committee adopted by the Board of Directors (which is periodically reviewed to ensure compliance with legislative and regulatory requirements and amended accordingly, having been most recently updated pursuant to a resolution issued by the Board of Directors in its meeting No. (05/2024) held on 11 December 2024), the Nomination & Remuneration Committee is required to hold at least one meeting annually to discharge its responsibilities and meet its regulatory requirements in accordance with the laws and regulations established by SCA. Accordingly, the Nomination & Remuneration Committee held three meetings during 2024, as follows:

Date held	Meeting Number
7 February 2024	01/2024
25 July 2024	02/2024
4 October 2024	03/2024

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

6 Board Subcommittees continued

6-2 Nomination & Remuneration Committee continued

The attendance record for the aforementioned meetings is detailed below:

Member	Position	Meeting 01/2024	Meeting 02/2024	Meeting 03/2024	Number of attendances
Mr. Martin Lee Edelman	Committee Chair	✓	✓	✓	3
Ms. Sofia Abdellatif Lasky	Member	✓	✓	✓	3
Mr. Hamad Salem Mohamed Al Ameri	Member	✓	✓	✓	3

Remarks:

- The attendance of committee members at these meetings, as detailed in this table, was reflected through their personal presence, either physically at the Company's office or through modern technologies, such as visual communication platforms (e.g., Microsoft Teams).

6-3 Executive Committee

H.E. Mohammed Khalifa Al Mubarak, in his capacity as Chairman of the Executive Committee, acknowledges his responsibility for the committee's function within the Company, including reviewing and ensuring the effectiveness of its operational mechanism.

The Executive Committee plays an advisory role to the Board of Directors, providing assurance and oversight on the Company's strategy, project prioritisation and performance.

The Executive Committee consists of three non-executive members, all of whom are independent. The Chairman of the committee holds periodic meetings with the Company's Executive Management to ensure that committee members are regularly informed of material matters.

The Executive Committee consists of the following members:

Position	Members of the Executive Committee
Committee Chair	H.E. Mohamed Khalifa Al Mubarak
Member	H.H. Waleed Ahmed Almokarrab Al Muhairi
Member	H.E. Mohamed Hassan Al Suwaidi

Remarks:

- The Executive Committee was restructured by a resolution issued by the Board of Directors in its meeting No. (03/2022), held on 11 April 2022.
- H.E. Mohamed Khalifa Al Mubarak was appointed as the Chair of the Executive Committee pursuant to a resolution issued by the Board of Directors in its meeting No. (03/2022), held on 11 April 2022.

The Charter of the Executive Committee defines its responsibilities as follows:

In the area of investment strategy and policy adoption:

- Supervising the investment strategy and policies at the Company level.
- Approving decisions related to investments and development projects according to the limits and restrictions set out in the Delegations of Authority.
- Reviewing and approving policies and strategies for development projects and asset management.
- Approving the Procurement Department's strategy and awarding tenders according to the limits and restrictions set out in the Delegations of Authority.

In the area of supervision and review:

- Reviewing and approving the key performance indicators (KPIs) for development projects, and monitoring related performance levels.
- Monitoring the performance of investments and tenders.
- Reviewing the requirements related to the need to increase the capital, and making appropriate recommendations.
- Reviewing the impact of investments.
- Reviewing the main objectives and key financial ratios established by the relevant administrative committees.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

6 Board Subcommittees continued 6-3 Executive Committee continued

The Executive Committee held four meetings during 2024, as follows:

Date held	Meeting
25 January 2024	01/2024
29 April 2024	02/2024
23 October 2024	03/2024
26 November 2024	04/2024

The attendance record for the aforementioned meetings is detailed below:

Member	Position	Meeting 01/2024	Meeting 02/2024	Meeting 03/2024	Meeting 03/2024	Number of attendances
H.E. Mohamed Khalifa Al Mubarak	Committee Chair	✓	✓	✓	✓	4
H.H. Waleed Ahmed Almokarrab Al Muhairi	Member	-	✓	✓	✓	3
H.E. Mohamed Hassan Al Suwaidi	Member	✓	✓	✓	✓	4

Remarks:

- Any apologies tendered by members of the committee for their inability to attend certain meetings shall be duly considered and taken into account at the beginning of each meeting, in accordance with the Company's Articles of Association and internal regulations, and in compliance with applicable laws and regulations.
- The attendance of committee members at these meetings, as detailed in this table, was reflected through their personal presence, either physically at the Company's office or through modern technologies, such as visual communication platforms (e.g., Microsoft Teams).

7 Follow-up on Insider Trading and Company Policy on Board Members and Other Insiders Trading in its Shares

7-1 Insider Trading Policy

The Board of Directors has developed a policy for insider trading in the Company's shares in accordance with the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (3/R.M.) of 2020 concerning Approval of the Joint Stock Companies Governance Guide (as amended by the Chairman of the Securities and Commodities Authority's Decision No. (02/R.M) of 2024). This Policy allows the Board of Directors and the Company's employees to fulfil their legal obligations when they have material information that may affect the Company's share price on the financial markets. This Policy includes a detailed explanation of the controls that govern insider trading and places restrictions on trading in securities issued by the Company.

The policy prohibits trading if there is a reasonable possibility that unpublished or otherwise undisclosed information related to the Company's business may be used to influence the share price. The Insider Trading Policy applies to the Board of Directors, the Executive Management and all employees of the Company who have access to material information. The Company is committed to periodically reviewing and updating its insiders' list through the ADX website, with the most recent update in December 2023, in line with the strategic and operational plans adopted by the Company.

Under this policy, trading in the Company's shares is prohibited by insiders during the trading restriction periods imposed by SCA and ADX. Board Members, the Executive Management, and all employees of the Company and its subsidiaries are required to inform ADX's management before applying to ADX for an insider trade, regardless of the transaction's value or type (sell or buy).

The Company reserves the right to prevent or restrict any trading when it deems it reasonably likely that unpublished or otherwise undisclosed information related to the Company's business could be used to influence the market price of shares. Additional prohibition periods may also be imposed, during which any insider trading is prohibited, whether by Board Members, the Executive Management, or employees of the Company or the subsidiaries, such as during periods that coincide with significant deals or transactions undertaken by the Company.

Board Members are fully aware of their obligations regarding disclosure requirements relating to trading in the Company's shares and comply with all requirements laid down by SCA and ADX.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

7 Follow-up on Insider Trading and Company Policy on Board Members and Other Insiders Trading in its Shares continued

7-2 Follow-up on Insider Affairs and Management of Their Trading in the Company's Shares and Securities, and Associated Responsibilities

Pursuant to the provisions of the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (3/R.M.) of 2020 concerning Approval of the Joint Stock Companies Governance Guide (as amended by the Chairman of the Securities and Commodities Authority's Decision No. (02/R.M) of 2024), the Company's management has designated a competent department to oversee insider affairs and trading in the Company's shares and securities. The Company's management has also defined the responsibilities and duties assigned to this department as follows:

- Maintaining a comprehensive register that includes the names and details of insiders, including any individual considered a temporary insider and entitled to access the Company's internal information before publication. The register also includes prior and subsequent disclosures of insiders.
- Managing, monitoring and supervising insiders' transactions and holdings, and maintaining corresponding records.
- Conducting quarterly reviews of insiders' records and statements to ensure that they are kept up to date and consulting with the Company's Executive Management regarding any necessary updates to these records and statements at the time of their occurrence in accordance with the Company's business needs.
- Submitting periodic insider statements and reports to SCA and ADX.
- Ensuring that the insiders' list of the Company is continuously updated on the ADX website and that any changes to this list are promptly reflected.
- Communicating regularly with insiders to raise awareness of their obligations regarding trading in the Company's shares and securities, including reminding them of the periods during which trading is prohibited in the Company's shares and securities in accordance with the regulations and rules established by SCA and ADX to prevent violations.
- Periodically reviewing the Insider Trading Policy and recommending any necessary modifications to the Board of Directors for approval in a timely manner.
- Undertaking any other tasks or responsibilities assigned from time to time to the department by the Company's management.

The Company's management periodically reviews the charter governing the department's operations and, defining its competencies and responsibilities, and reviews the Insider Trading Policy to ensure it remains compatible with applicable laws and regulations. Additionally, the management plays a key role in overseeing insider affairs and raising awareness by educating insiders on the relevant controls, procedures, and internal and regulatory policies and charters to which they are subject. The management also notifies insiders in advance of periods during which trading is banned by the relevant authorities, and of the prohibition on directly or indirectly using internal or material information to benefit or profit from trading in securities issued by the Company. Additionally, the management works closely with the management of ADX to ensure the Company's insiders' list is continuously updated via ADX's electronic services, maintaining continued compliance with applicable laws and regulations.

7.3 Transactions and Trading by Board Members and Their First-Degree Relatives in the Company's Shares during 2024

Please refer to paragraph (2.0) of this Report.

8 Internal Control Systems

8-1 Responsibility of the Board of Directors for the Internal Control Systems

As detailed in clause (3.0) of this Report, the Board of Directors is responsible for overseeing and reviewing the effectiveness and efficiency of the Company's internal control systems. The Board acknowledges its responsibility for the Company's internal control systems, including reviewing their mechanisms and ensuring their effectiveness. In addition, the Board has established the Audit, Risk & Compliance Committee and the Internal Audit and Compliance Department to contribute to the Company's corporate governance responsibilities with regard to the Company's risk management and internal control systems. Furthermore, the Board of Directors has formally authorised the Internal Audit and Compliance Department to report directly to the Audit, Risk & Compliance Committee. The outcomes of this reporting are presented to the Board in accordance with the laws and regulations established by SCA, enhancing the effectiveness of the department, and thereby demonstrating the Board of Directors' ability to exercise its powers and responsibilities.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

8 Internal Control Systems continued

8-2 Head of Internal Audit and Compliance

The Company's Internal Audit and Compliance Department is headed by Mr. Haider Najim in accordance with a resolution issued by the Board of Directors in its meeting No. (05/2013) held on 6 August 2013. Mr. Najim conducts internal audits independently and regularly advises the Executive Management to ensure the effectiveness and development of the Company's internal control systems and governance. Mr. Najim has over 26 years of experience in auditing, operations, compliance and the investigation of irregularities. He holds a bachelor's degree in commerce from McGill University in Montreal, Canada. He is also a certified public accountant (CPA) in the State of Delaware, USA, and is both a certified internal auditor (CIA) and certified fraud examiner (CFE).

8-3 Compliance Officer

The Compliance Officer was appointed by a decision of the Audit, Risk & Compliance Committee pursuant to a delegation authorised by the Board of Directors. The committee is entrusted with the responsibility of ensuring that the Company and its employees comply with laws, regulations and legal decisions, as well as internal policies and procedures. This appointment aligns with the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (3/R.M.) of 2020 concerning Approval of the Joint Stock Companies Governance Guide (as amended by the Chairman of the Securities and Commodities Authority's Decision No. (02/R.M.) of 2024).

Mr. Amer AlShehhi was appointed as the Company's Compliance Officer on 25th December 2024. Mr. AlShehhi (CAMS, CGSS, CFE) is a certified compliance professional who joined the Company in 2021, bringing expertise from the UAE banking compliance sector and over nine years of industry experience. He has played a primary role in establishing and enhancing the Company's compliance function. Mr. AlShehhi also represents the Company as the sole UAE national member of the Designated Non-Financial Businesses and Professions Working Group, a public-private partnership initiative that is chaired by the Ministry of Economy and established by the Anti-Money Laundering and Combating the Financing of Terrorism Partnership Forum, and is dedicated to working alongside designated non-financial businesses and professions across the UAE.

8-4 The Company deals with material issues or problems disclosed in annual reports and accounts

The Board of Directors has established standards and principles for the Company's internal control systems with the aim of providing objective, independent and reliable advice, as well as providing an ideal internal control environment that meets the requirements of the Board of Directors. These measures strengthen the roles of the Board of Directors, the Audit, Risk & Compliance Committee and the Executive Committee, enabling them to fully perform their duties, tasks and responsibilities. It is also important to note that the responsibilities of the Internal Audit and Compliance Department are subject to the charter approved by the Audit, Risk & Compliance Committee and the Board of Directors in line with the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (3/R.M.) of 2020 concerning Approval of the Joint Stock Companies Governance Guide (as amended by the Chairman of the Securities and Commodities Authority's Decision No. (02/R.M.) of 2024). This charter outlines the robust policies that guide the Internal Audit and Compliance Department in its operations, ensuring it contributes to achieving the Company's objectives while remaining aligned with its long-term aspirations.

The Internal Audit and Compliance Department reports to the Audit, Risk & Compliance Committee and, as mentioned above, operates under its supervision, ensuring its independence and objectivity. This structure enables effective collaboration with the CEO and Executive Management Team, facilitating the identification of performance improvement and business development initiatives, while ensuring that the Company's objectives are met efficiently. To ensure a high level of independence in the implementation of the Internal Audit and Compliance Department's activities and the performance of its functions, the Head of Internal Audit and Compliance has direct contact with the Board of Directors, is functionally accountable to the Audit, Risk & Compliance Committee and reports administratively to the CEO.

When the Company encounters material or urgent issues disclosed in the annual financial statements, or through other means of disclosure, the role of the Internal Audit and Compliance Department in addressing these issues is as follows:

- Include these issues in the audit planning process.
- Provide advice and consulting services, as necessary, to contribute to the clarification and resolution of these issues.
- Ensure regular follow-up on the actions taken to address these issues.
- Submit periodic reports to the Board of Directors and the Audit, Risk & Compliance Committee regarding the status of these issues.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

8 Internal Control Systems continued

8.5 Reports issued by the Internal Audit and Compliance Department

The Internal Audit and Compliance Department efficiently and constructively carries out the tasks and responsibilities entrusted to it under the direct supervision of the Audit, Risk & Compliance Committee. This cultivates an ideal work environment characterised by respect for others, effectiveness, compliance, discipline, efficiency in performance and productivity, encouraging the attraction of qualified professionals with the necessary experience and expertise. The Internal Audit and Compliance Department prepares its reports in accordance with best practices and applicable laws and regulations, ensuring its work is unbiased and impartial, free from any interference or influence that may affect the quality and effectiveness of its reports. The Internal Audit and Compliance Department submits its reports to the Audit, Risk & Compliance Committee on a regular basis (and as necessary) for review, discussion and recommendations to the Board of Directors, which then makes decisions accordingly. Notably, in 2024, the Internal Audit and Compliance Department prepared and presented 18 reports to the Audit, Risk & Compliance Committee and the Board of Directors. These reports covered the various auditable business units of the Company, and the appropriate decisions were made based on the findings.

9 Risk management

The Company considers that effective risk management is one of the foundations of good governance practices. It is committed to providing a risk management system that protects shareholders' investments, the rights of interested parties and the Company's assets, while preventing violations of applicable laws and regulations. The Board of Directors is responsible for approving the risk management policy, reviewing the effectiveness of the process and assessing the potential risks that the Company may face. Risk management is carried out in direct coordination with the Company's Executive Management and the Audit, Risk & Compliance Committee. The Audit, Risk & Compliance Committee oversees the implementation of the Company's risk management framework, ensuring its ongoing effectiveness, while advising the Board of Directors on the efficiency and effectiveness of risk management activities. In addition, the Audit, Risk & Compliance Committee enhances the role of the Board of Directors in fulfilling its obligations and duties related to risk management, in accordance with a resolution issued by the Board of Directors in its meeting No. (04/2013) held on 1 July 2013, pursuant to which the Risk Management Department reports directly to the Audit, Risk & Compliance Committee as expressly stated in the Charter of the Audit, Risk & Compliance Committee.

Enterprise risk management is one of the most important pillars and inputs of the Strategic Planning Department at the Company. To support this, the Enterprise Risk Department has been established within the Strategy and Transformation Department. The Enterprise Risk department undertakes the following main tasks:

- Governing risk management through the development of policies and procedures, and setting acceptable risk levels at the Company level.
- Identifying, analysing, managing and mitigating strategic risks in coordination with the relevant departments.
- Identifying, analysing and managing the risks within the different departments, and reducing their impact in coordination with the relevant departments.
- Identifying and analysing the available risk controls and mitigators, evaluating their efficiency, and working to develop and improve them.
- Submitting risk reports to various administrative levels, including the Board of Directors.
- Managing business continuity, including:
 - Governing business continuity management through the development of policies and procedures, and the establishment of strategic crisis management and business teams at the Company level.
 - Identifying and analysing the Group's sensitive and critical processes and procedures, and their target recovery times.
 - Establishing and developing strategies and business continuity plans for sensitive and critical operations and ensuring their effectiveness.
 - Providing the necessary training and raising awareness among work teams to effectively manage incidents and disruptions to sensitive and critical operations.
 - Reviewing and engaging in discussions regarding charters, policies, processes, and other related documents, as needed.

The Company has appointed Mr. Abdulrahman Albeshri as Risk Management Officer. A graduate of the UAE Government Leaders Program (UAE Youth Leaders Program Category) in 2019, he earned a master's degree in finance and accounting in 2016, and a bachelor's degree in accounting science in 2011. Mr. Albeshri is a pioneer in the field of leadership, internal audit, risk management and business continuity, and a mentor in driving business performance and development, with nearly 13 years of experience in both the semi-government and private sectors in the areas of internal audit, risk management, business continuity, real estate customer service, and asset and facilities management. In addition, he is an EFQM Excellence Assessor certified by the European Foundation for Quality Management in Brussels, Belgium and a certified ISO 22301:2012 BCMS auditor.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

10 Communicating with Shareholders

The Company has adopted a market-specific disclosure policy based on corporate governance standards and related requirements and procedures. The policy aims to provide shareholders and investors with accurate and timely information. It sets out the procedures established by the Board of Directors, which is fully committed to ensuring continuous compliance and disclosure in accordance with the requirements of SCA and ADX.

In view of its commitment to applying the highest levels of disclosure, transparency and credibility in the disclosed information, the Company considers the holders of the following positions to be the only individuals authorised to make public statements on its behalf or any other statements related to it:

- Chairman and Board Members
- Group CEO
- Executive Management Team
- Rapporteur of the Board of Directors (Secretary of the Board)

The Company holds meetings from time to time with analysts and investors to provide them with the necessary information. In such cases, no information is disclosed unless it has already been, or is simultaneously, disclosed to the market. The Company refrains from making any comments regarding market expectations or rumours, unless responding to an official inquiry from regulatory authorities, such as SCA and ADX.

The General Assembly Meeting is the main opportunity for shareholders to meet face to face with the Board of Directors and Executive Directors. Shareholders receive a notice of the meeting, specifying in detail the time, place and agenda. Attached to the notice is a proxy form with instructions on how to complete it, enclosed in an envelope to be sent by the Company to shareholders via registered mail, with the aim of encouraging the largest possible shareholder participation in the meeting.

During the meeting, attending shareholders are given the opportunity to raise their inquiries. The chairman of the meeting is required to address as many topics and issues as possible within the available time, and the members are committed to being present after the meeting to engage with shareholders. In addition, the external auditor attends the General Assembly Meeting and is available to answer any queries raised.

11 Code of business conduct

The Company's success depends on its strong reputation for implementing projects, integrity in its dealings and professional ability. It adheres to the highest levels of professional and legal conduct, considering all applicable laws and regulations when doing business.

Adherence to the Code of Business Conduct by the Board of Directors and its employees is considered both a duty and obligation, as well as an integral part of their work approach. The principles and rules of business conduct, to which the Company adheres, are outlined in the Code of Business Conduct, which has been approved by the Board of Directors. It should be noted that the Board of Directors, in its meeting No. (05/2023) held on 2 October 2023, reviewed and approved the Code of Business Conduct. The provisions of the Code of Business Conduct are currently being reviewed to ensure that best standards and practices are put in place.

12 Employee disclosure mechanism

In line with the Code of Business Conduct, the Company has developed a disclosure policy for its employees, in support of its commitment to ensuring that employees are able to disclose their concerns about any inappropriate behaviour without fear of persecution, harassment or discrimination. It also seeks to ensure that investigations are carried out in an appropriate and confidential manner. In its meeting No. (06/2023), held on 17 August 2023, the Audit, Risk & Compliance Committee reviewed the Company's Whistleblower Policy, as previously described in clause (6.1.i).

This disclosure mechanism allows the Company's employees to express their concerns responsibly and confidentially, without disclosing their personal data (unless they choose to) and without fear of discrimination. The Company takes appropriate measures to independently investigate matters that may arise in connection with this mechanism.

13 Conflicts of Interest

The Company requires Board Members and senior executives to report any conflicts of interest that may arise from their dealings with the Company's affairs, and to refrain from participating in discussions or voting on such matters when necessary. This is in accordance with the general guidelines outlined in the Company's Articles of Association, the Code of Business Conduct and the Charter of the Board of Directors, subject always to the decisions, laws and regulations established by SCA and other regulatory and legislative authorities. A series of procedures have been implemented to ensure compliance with the laws regarding conflict of interest management at the highest levels. The Company encourages Board Members to raise any issue that may give rise to a conflict of interest with the Chairman and other Board Members.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

14 Regulatory Violations Committed by the Company during 2024

The Company did not commit any material regulatory violations during the year ended 31 December 2024.

15 Sustainability and Corporate Social Responsibility

Sustainability at Aldar

Sustainability is integral to the Company's business strategy and long-term development. It improves the way we do business and helps us deliver a positive impact. In 2024, the Company advanced its Sustainability Strategy by refining its Sustainability Framework, which continues to focus on three core pillars: Creating Sustainable Places, Creating Societal Value, and Creating a Responsible Legacy. The framework now integrates Leading Governance Practices, Accelerate Innovation, and Foster Collaborative Partnerships as critical enablers of the strategy.

This evolution was underpinned by a refreshed materiality assessment, which prioritised key ESG issues based on insights gathered from internal and external stakeholders.

In 2024, the Company made advancements across each of its eight levers of decarbonisation. Highlights include:

- Implementing low-carbon design guidelines across all new projects, resulting in an average 30% improvement in energy use and an average 40% improvement in water use by design compared to business-as-usual benchmarks.
- 80% of new projects achieved a 3 Pearl rating in Estidama, the UAE's green building rating system.
- 100% of the Company's new projects achieved a minimum 2-star Fitwel rating, a globally recognised standard that focuses on health and wellness in the built environment.
- Invested AED 113 million to retrofit 67 assets.
- 20% of retrofitted assets received Gold or Platinum LEED certification.
- The Aldar Real Estate Decarbonisation Pledge, launched in 2023, grew to over 70 signatories, including 60% of Aldar's highest-spend contractors, with approximately 50% now having emissions targets or actively developing them.
- Achieved 95% green concrete adoption across construction sites, progressing toward the Company's goal of 100%. Additionally, we started incorporating low-carbon steel across the Company's developments.
- 100% of the Company's construction and design consultancy contracts were assessed for sustainability.
- Three training sessions were conducted for Aldar's registered suppliers to educate them on the Company's sustainability procurement strategy and key initiatives.
- Expanded the Company's ESG due diligence process to include partners and acquisitions, reinforcing the Company's commitment to sustainability at every level.

These highlights provide a glimpse into Aldar's efforts in 2024, with performance figures covering the first nine months of the year. For a comprehensive overview of the Company's 2024 performance and additional details, please refer to Aldar's 2024 Sustainability Report.

Looking Ahead

Aldar's decarbonisation journey is guided by a clear implementation roadmap, which is continuously updated to reflect sector advancements and performance insights. Starting in 2025, the Company will begin monitoring decarbonisation performance at a more granular level, further enhancing accountability and driving measurable outcomes.

Aldar's commitment to sustainability leadership is reflected in the significant plans underway for 2025. These initiatives are designed to advance the Company's environmental performance, drive operational efficiencies, and align with global climate targets:

- Enhancing Design Guidelines: The Company will update design guidelines to integrate Fitwel and Estidama requirements, enabling faster achievement of higher sustainability credentials while reducing design costs and improving efficiency.
- Developing a Metering Strategy: A metering strategy for new developments will be implemented to improve data quality and support ongoing emissions reduction efforts through enhanced monitoring and reporting.
- Launching Integrated Waste Management Plant: The Company will complete and operationalise the first integrated waste management facility in Abu Dhabi, a step toward achieving zero waste to landfill within Aldar's communities in the first years of operations.
- Operationalising a Solar PV Project: The solar PV project, spanning 45 assets, will become operational in 2025, generating 12%-15% of Aldar's energy demands and significantly reducing emissions associated with purchased electricity.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

15 Sustainability and Corporate Social Responsibility continued

Our Community Outreach & Social Impact

We recognise the Company's responsibility towards the Company's wider community of customers, residents, visitors, employees and other stakeholders. It is the Company's aim to deliver positive impact for all, creating and shaping communities that thrive now and into the future. The Company's aim is to shape lives for the better by creating a positive and tangible impact that enriches inclusive, happy, healthy, and resilient communities through strategic partnerships. The Company's three focus areas – Live, Belong and Sustain – inform, and guide the Company's social impact decision-making, investments and targets.

- Live: We are focused on promoting a healthy and happy society for all by improving the overall quality of life for communities in the UAE and beyond.
- Belong: We are committed to shaping an inclusive and accessible economy that embraces diversity, promotes inclusion, and fosters a sense of belonging.
- Sustain: the Company's goal is to build resilient and innovative communities by implementing solutions to achieve outcomes that respect the UAE's dynamic ecosystem, promote the country's transformation into a knowledge-based society and encourage Emiratisation in the workforce.

Through the Company's social responsibility efforts, the Company aims to create sustainable value for shareholders, employees, suppliers, customers, business partners and the communities in which we operate. In 2024 we invested approximately AED 18 million in the Company's Community Outreach & Social Impact programmes.

Below is a summary of Aldar's Community Outreach & Social Impact activities in 2024:

Live: Promoting Healthy and Happy Living

Thrive Scholarship Programme:

- Launched in 2022, Aldar Education's Thrive Scholarship Programme is dedicated to providing quality education to children from low-income families, empowering them to excel academically and thrive in a nurturing school environment. The programme places a strong emphasis on inclusivity, offering equal opportunities to both mainstream students and Students of Determination.
- As of 2024, the Thrive Scholarship Programme has positively impacted the lives of 53 students, including 42 mainstream students and 11 Students of Determination. This demonstrates Aldar's commitment to fostering educational equity and shaping brighter futures for children in need.

53
Students admitted
since 2022

11
Students of
determination

42
Mainstream
students

The Company's Contribution to the "Together for Education" Campaign:

- the Company contributed AED 4 million to Ma'an's "Together for Education" campaign, reinforcing the Company's commitment to sustainable and inclusive education in Abu Dhabi. The funding supports the Khalifa Bin Zayed Al Nahyan Foundation's efforts to establish schools, covering essential operational and maintenance costs, and enabling up to 195 students annually to access quality education in a supportive and inclusive learning environment.

Aldar's Support for Tolerance Schools:

- In partnership with the Khalifa Foundation, the Company has implemented a holistic initiative aimed at enhancing education and overall well-being at Tolerance Schools. This initiative includes significant contributions such as the donation of 2,200 books and 800 laptops, and the introduction of extracurricular activities such as sports, arts, and physical training programmes.
- Additionally, 50 students have been sponsored to participate in the Sandooq Al Watan programme, and the Company has organised a four-week summer camp to foster creativity and engagement.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

15 Sustainability and Corporate Social Responsibility continued

Our Community Outreach & Social Impact continued

The Company's Support for the Department of Community Development's Medeem Initiative:

- The Company is proud to support the Department of Community Development (DCD) in its Medeem Initiative, which aims to reduce wedding costs for UAE Nationals by offering special deals and tailored packages for Emirati couples. This collaboration encourages more accessible and considerate wedding practices within the community.
- As part of this initiative, the Company has secured a wedding venue at Radisson Blu and allocated land on Yas Island for the development of a dedicated Medeem wedding hall. Aldar Hospitality is also providing exclusive wedding packages, offering significant discounts on venue rentals, room rates, and spa services.
- Additionally, Aldar Development is extending unique rebates on off-plan properties and providing invitations to exclusive events, ensuring that Medeem members benefit from exceptional offerings and enhanced experiences.
- Through this multi-faceted support, the Company is contributing to the well-being of UAE Nationals by promoting community-driven solutions that foster economic and social development.

The Company's Support for Early Childhood Authority Week 2024:

- The Company has supported the Early Childhood Authority (ECA) in its efforts to celebrate ECA Week, held from 29 October to 3 November 2024. In close collaboration with ECA, the Company has extended support across various business sectors, contributing to the week's objectives through a combination of logistical, operational, and community-driven activities.
- Aldar Education has launched a Mental Wellness Campaign, aimed at raising awareness and providing resources for early childhood mental health.
- Aldar Communities has organised diverse family-focused initiatives, including both indoor and outdoor activities designed to engage children and families. These include sports sessions, fitness workshops, podcasts on important topics like nutrition, recycling, and child safety, as well as music, arts, and community kids' camps.
- Aldar Hospitality is offering 145 hotel rooms for global guests attending the ECA Week conference, along with tourism excursions and logistical support to ensure smooth coordination for visiting delegations. Yas Mall's involvement is still being finalised, with exciting events in the works.
- Through these comprehensive efforts, the Company is fostering a supportive, sustainable, and enriching environment for families during ECA Week, aligning with global best practices in corporate social responsibility and community engagement.

Belong: Inclusive and Accessible Communities

Aldar Accessibility Roadmap

Strategic Commitment

The Company is steadfast in its commitment to embedding diversity, equity, and inclusion (DEI) principles across all its operations and assets. By developing accessible communities that address diverse needs, Aldar envisions creating an environment where everyone can thrive. This roadmap exemplifies Aldar's role as a leader in fostering inclusivity within the real estate and community development sectors.

Key Pillars of the Accessibility Roadmap

1. 2023: Foundation and Vision

- The Company launched the Accessibility Roadmap in 2023, aligning its DEI goals with its broader sustainability and governance frameworks.
- The roadmap articulates a clear vision: to achieve full accessibility and inclusion across Aldar's assets by 2030, reflecting global standards such as the United Nations' Sustainable Development Goals (SDGs), particularly SDG 10 (Reduced Inequalities) and SDG 11 (Sustainable Cities and Communities).

2. 2024: Comprehensive Gap Analysis

- Conducted in collaboration with Aldar's subsidiaries, the gap analysis identified key areas requiring transformation, encompassing physical accessibility, inclusive employment, and community engagement.
- This analysis served as the baseline for actionable, measurable objectives, ensuring a data-driven approach to addressing identified gaps.

3. 2025–2029: Accessibility Transformation Journey

- The transformation phase will involve embedding accessibility standards across real estate development, asset management, and community operations, ensuring alignment with international benchmarks.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

15 Sustainability and Corporate Social Responsibility continued

Collaborative Governance Approach

- Government Partnerships:
The Company collaborates with governmental entities to align its roadmap with national strategies, such as the UAE National Policy for Empowering People of Determination. Efforts include benchmarking Yas Island as a global model of accessibility and inclusion, integrating universal design principles across all developments.
- Third-Sector Enablement:
Recognising the expertise within third-sector organisations, the Company invests in partnerships to co-develop and implement accessibility initiatives. These collaborations ensure the roadmap reflects lived experiences and practical expertise, fostering an inclusive ecosystem.

2024 Highlights: Key Initiatives and Outcomes

1. The Butterfly Foundation:

- The Company actively participates in the Inclusive Employment Ecosystem, leveraging collective expertise to address barriers to employment for People of Determination (PoD).

2. Special Olympics UAE

- Partnership Scope: The Company serves as a key real estate and venue partner, providing:
 - Infrastructure Support: Office spaces for 20 employees within Aldar Cloud Spaces.
 - Programmatic Contributions: Initiatives such as the Healthy Messenger programme and accessible internships for youth and athletes.
 - Event Hosting: Regional and national events, including the MENA Regional Mentors programme.
 - Special guests' invitations: Special Olympics athletes invited to the F1 suite, NBA meet-and-greet and other unique opportunities.
- Over 200 beneficiaries were supported in 2024, with ripple effects on their families and community networks.

3. Games of Hope

- Description: A sports and recreation initiative celebrating the abilities of PoD and integrating them into mainstream fitness challenges.
- Stakeholder Engagement:
 - Participants: 110 PoD athletes, 200 family members, and 150 community volunteers.
 - Partners: Local sports organisations, tenants, and employees.
- Athletes gained skills and confidence, breaking barriers to entry in mainstream competitions and creating new professional pathways. In 2025 we aim to increase participation and develop a sustainable pathway for elite athletes.

4. Zayed Higher Organisation for People of Determination

- Commercial Enablement: Support for products made by PoD through:
 - Campaigns: Roadshows in eight Aldar communities featuring the Bee Café, engaging with over 3,000 residents.
 - Retail Presence: Displaying PoD products in Yas Mall's ETHR retail shop.
- Increased visibility and economic opportunities for PoD entrepreneurs and breaking cultural barriers within the Company's residential communities to showcase the unique abilities and potentials PoD possess.

5. Partnership with Emirates Red Crescent

- In 2024, the Company strengthened its collaboration with Emirates Red Crescent by supporting the Emirati Women's Concepts initiative. This partnership focuses on empowering Emirati women through entrepreneurship, specifically by providing sponsored spaces at Ether by Cloud Spaces in Yas Mall. These spaces – allocated to Al Ghadeer Crafts and Lamma Gourmet – serve as platforms for women to showcase and sell handmade crafts and home-cooked delicacies. This initiative not only fosters the growth of local businesses but also offers Emirati women greater visibility and market exposure, aligning with Aldar's commitment to economic empowerment and sustainable community development.

6. Worker Wellbeing: National Day Celebration

- As the sole sponsor of the 2024 National Day events organised by MOHRE, involving over one million workers across the UAE, the Company demonstrated its dedication to improving worker well-being. The events included a variety of activities, such as sports competitions, giveaways, and complimentary meals, aimed at fostering a sense of community and expressing gratitude for the invaluable contributions of workers.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

15 Sustainability and Corporate Social Responsibility continued

2024 Highlights: Key Initiatives and Outcomes continued

7. Ramadan Community Initiatives

- As part of Aldar's commitment to community well-being and inclusivity, we organised a dedicated Iftar tent in Masfout for construction workers engaged in the Emirates Villages Project. Throughout the holy month of Ramadan, this initiative provided daily Iftar meals to over 100 workers, ensuring they could break their fast in a supportive and communal environment.

Sustain: Resilient and Innovative Communities

Aldar's Contribution to Emirates Villages:

The Company has maintained a longstanding partnership with the Emirates Council for Rural Development (ECRD), solidifying its commitment to the sustainable development of rural communities across the UAE. In 2024, the Company extended its support with a yearly contribution of AED 3.5 million. This substantial investment is allocated towards:

- Financial contributions that help in the development of essential infrastructure, including schools, healthcare facilities, and community centres.
- Provision of technical expertise from the Company's professionals, assisting in project planning, execution, and long-term community sustainability.
- Other services, including capacity-building initiatives and skills training programmes, aimed at empowering residents and fostering self-reliance in rural areas.

Aldar's commitment to Emirates Villages reflects its alignment with sustainability, corporate social responsibility, and community development goals, ensuring long-term benefits and meaningful impact for underserved regions across the UAE.

Volunteering at Aldar:

Aldar's volunteering programme continues to serve as an essential platform for both employees and community members to engage in impactful initiatives. In 2024, the programme was strategically designed to focus on environmental preservation, social support, and sports engagement, aligning with global best practices in corporate social responsibility.

Key highlights from 2024 include:

- 17 diverse activities aimed at addressing both environmental and social challenges, offering volunteers the chance to actively contribute to meaningful causes.
- Over 3,408 volunteer hours dedicated to driving positive community impact. These hours reflect the dedication and commitment of the Company's employees and external volunteers who selflessly contribute their time and efforts.
- A thriving network of 850 volunteers, unified by a shared passion for making a difference in their communities. This network not only fosters collaboration but also strengthens community ties, ensuring long-term, sustainable impact.

Aldar's approach to volunteering is deeply rooted in fostering employee engagement and social responsibility, ensuring alignment with global standards of governance reporting, which emphasise corporate accountability, community development, and stakeholder participation.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

16 General Information

16-1 Performance of the Company's shares during 2024

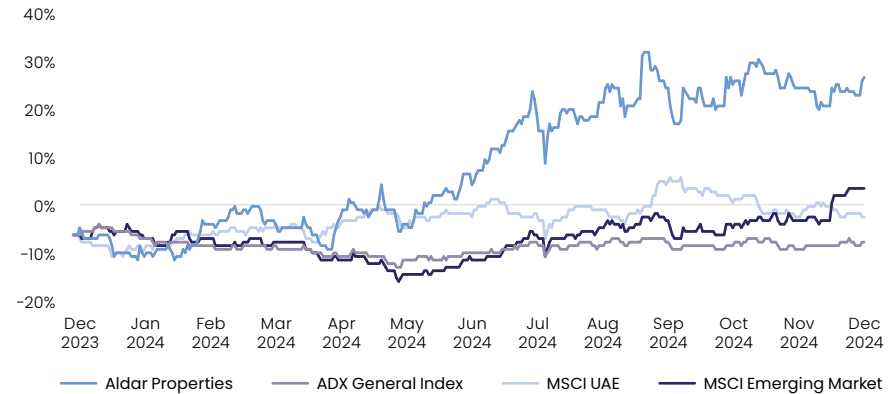
The Company's share trading reflected a strong performance during 2024. The following table gives an overview of the Company's share price at the end of each month for the year ended 31 December 2024:

Date	Opening Price (AED)	Highest Price (AED)	Lowest Price (AED)	Closing Price (AED)
January 2024	5.17	5.20	5.06	5.10
February 2024	5.55	5.55	5.40	5.53
March 2024	5.52	5.61	5.48	5.58
April 2024	5.38	5.65	5.38	5.46
May 2024	5.45	5.51	5.37	5.50
June 2024	6.08	6.27	6.05	6.26
July 2024	7.51	7.51	7.20	7.39
August 2024	7.09	7.34	7.05	7.34
September 2024	7.57	7.66	7.52	7.52
October 2024	7.72	7.73	7.62	7.62
November 2024	7.64	7.64	7.53	7.53
December 2024	7.64	7.70	7.61	7.68

Source: Abu Dhabi Securities Exchange

16-2 Comparative performance of the Company's shares during 2024

The following graph illustrates the Company's performance relative to the ADX general market index for the year ended 31 December 2024:



Source: Bloomberg

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

16 General Information continued

16-3 Equity distribution statement as at 31 December 2024

The following table shows the equity distribution within the Company as at 31 December 2024, categorised by individuals, companies and governments, classified across local, GCC, Arab and foreign categories:

	Customer Type	Ownership Percentage in the Capital as per the Category	Total
Local	Government	2.49%	75.64%
	Companies	63.23%	
	Individuals	9.91%	
GCC	Government	0.02%	1.27%
	Companies	1.03%	
	Individuals	0.22%	
Arab	Government	0.00%	0.38%
	Companies	0.07%	
	Individuals	0.32%	
Foreign	Government	0.00%	22.71%
	Companies	22.42%	
	Individuals	0.29%	
Total		100%	100%

Source: Abu Dhabi Securities Exchange (ADX)

16-4 Overview of shareholders whose equity percentages exceed 5% of the Company's capital as at 31 December 2024

The following table shows the shareholders whose equity percentages exceed 5% of the Company's capital as at 31 December 2024:

Shareholder	No. of Shares	Ownership Percentage
Al Mamoura Diversified Global Holding	1,975,408,347	25.12%
Sublime Commercial Investment – Sole Proprietorship LLC	960,000,000	12.21%
Sogno Three – Sole Proprietorship LLC	625,293,766	7.95%
Sogno Two – Sole Proprietorship LLC	500,000,000	6.36%

Source: Abu Dhabi Securities Exchange (ADX)

16-5 Shareholders' distribution statement by equity size as at 31 December 2024

The following table shows the distribution of shareholders in the Company according to equity size as at 31 December 2024:

Shares Ownership (Share)	No. of Shareholders	No. of owned Shares	Owned Shares Percentage of the Capital
Less than 50,000	42,004	108,486,222	1.38%
From 50,000 to less than 500,000	1,484	276,973,263	3.52%
From 500,000 to less than 5,000,000	643	997,318,687	12.68%
5,000,000 or more	139	6,479,851,431	82.41%
Total	44,270	7,862,629,603	100%

Source: Abu Dhabi Securities Exchange (ADX)

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

16 General Information continued

16-6 Investor relations controls for listed companies

In accordance with the Chairman of the Securities and Commodities Authority's Board of Directors' Decision No. (7/R.M.) of 2016 on Standards of Institutional Discipline and Governance of Public Joint Stock Companies, and the circular issued by SCA on the oversight of investor relationships with listed companies, and on the basis of the Company's commitment to the optimal application of applicable rules and regulations, the Company, during the period 2020 to 2024, stimulated and developed the Investor Relations Department and strengthened its role. The primary and secondary requirements of the Investor Relations Department were fulfilled to enhance consistency and quality in responding to the external inquiries of analysts, investors and shareholders. The Company also strengthened its investment relations and market linkages, while enhancing stakeholders' knowledge and awareness and their understanding of the Company's performance data through the application of best communication practices, improvements in the quality of submitted reports, and ensuring a high level of disclosure, transparency and interaction with markets through an efficient structure at the Senior Management level.

As part of this commitment, the Company has developed and updated its Investor Relations Department website in accordance with SCA's applicable requirements and controls for investor relations management, in an efficient and effective manner. Shareholders, investors, stakeholders and the public can visit this website through the following links:

<https://www.aldar.com/en/investors>

<https://www.aldar.com/ar/investors>

In addition, to ensure efficient and effective realisation of the role and objectives of the Investor Relations Department, the Company appointed officials specialised in investor relations management. These officials have the required qualifications and experience in the fields of business, accounting and public relations, along with a comprehensive understanding of the Company's activities and opportunities. They are also familiar with the legal and legislative requirements of the relevant authorities. In addition, they have the skills and ability to effectively engage with customers and provide them with technical and financial information about the Company with ease and efficiency, in both Arabic and English, through various channels of communication. In 2024, officials from this department conducted a series of meetings with current shareholders and potential investors, at both local and international levels, to enhance awareness and knowledge of the Company's projects and financial position, thereby boosting confidence in the Company's performance, projects and portfolio of assets, as well as the Company's future expansion and growth prospects.

The following table shows the details and contact information of the Investor Relations Department official:

Investor Relations Department Official	Pamela Chahine
Contact Information	
Telephone	00971 2 810 5555 00971 2 810 6585
Fax	00971 2 8105550
P.O. Box	51133 – Abu Dhabi
Email	ir@aldar.com
Address	Aldar Square, Yas Island, Abu Dhabi

16-7 Special resolutions adopted at the General Assembly Meetings of the Company's Shareholders during 2024, and the actions taken in this regard

In accordance with applicable laws and regulations, a special resolution is defined as a resolution passed by a majority vote of the shareholders holding at least three-quarters of the shares represented at the General Assembly Meeting of a joint stock company.

Two General Assembly Meetings of the Company's shareholders were held in 2024, on 19 March 2024 and 30 December 2024. The agenda of each meeting included items that requiring special resolutions as follows:

- The agenda of the Company's General Assembly Meeting held on 19 March 2024 included one item that required a special resolution, which was approved by the shareholders present at the meeting, namely:
- To approve the Company's social contributions during 2024 and authorise the Board of Directors to determine the beneficiaries, provided that such contributions do not exceed 2% of the average net profits of the Company during the two prior fiscal years (2022 and 2023) and are used for societal purposes in accordance with Federal Decree-Law No. (32) of 2021 on Commercial Companies, as amended, and other applicable laws and regulations.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

16 General Information continued

16-7 Special resolutions adopted at the General Assembly Meetings of the Company's Shareholders during 2024, and the actions taken in this regard continued

Following approval at the General Assembly Meeting, the Board of Directors allocated amounts and voluntary contributions to serve the community, within the powers granted to it, in accordance with applicable standards and relevant legal requirements.

The agenda of the Company's General Assembly Meeting held on 30 December 2024 included two items requiring special resolutions, which were approved by the shareholders present at that meeting, namely:

- To approve the issuance of bonds or sukuk which: (i) are not convertible into shares of the Company; (ii) are either ranked pari passu with or subordinated to senior debt of the Company; and (iii) are perpetual (that is, having no fixed maturity date) or have a fixed tenor (such as from five to 60 years), with an aggregate outstanding face amount not exceeding \$1.5 billion (or its equivalent), offered internationally to eligible investors both inside and outside of the UAE, at any time, whether directly or through a special purpose vehicle, provided that this is undertaken in compliance with Federal Decree-Law No. (32) of 2021 on Commercial Companies, as amended.
- To delegate authority to the Board of Directors, or any person so authorised by the Board, to adopt any resolution or take any action on behalf of the Company as may be necessary to implement the resolutions referred to in the above item, and authorising the Board, or any person so authorised by the Board, to determine and agree the timing, terms, and documentation in respect of any such issuance of bonds or sukuk.

Following the shareholders' approval regarding these two items, the Company communicated with SCA to obtain final approvals regarding the proposal to issue bonds or sukuk in accordance with what was discussed and approved by the shareholders, so that the Company can proceed with issuance in compliance with Federal Decree-Law No. (32) of 2021 on Commercial Companies, as amended.

16-8 The Rapporteur of the Board of Directors and his Date of Appointment

The Company, its Board of Directors and the Executive Management recognise the crucial role played by the Rapporteur of the Board (Secretary of the Board) in organising the work of the Board of Directors and its committees, and in the continuous coordination of matters related to the meetings of the Board and its committees, including setting the dates of meetings, organising the agenda, organising and coordinating between members before and during meetings, preparing minutes and arranging for their signature and approval, and ensuring smooth communication between the Company's various departments regarding the resolutions issued by the Board and its committees, thereby ensuring optimal implementation of these resolutions. In addition, the Board Rapporteur plays a role in

maintaining ongoing communication with the Board Members, providing them with necessary information and ensuring that they fulfil their duties as Board Members in accordance with applicable laws, regulations and decisions.

The main tasks of the Board Rapporteur include:

- Documenting the meetings of the Board of Directors and preparing minutes.
- Maintaining the reports submitted to the Board of Directors and those prepared by the Board.
- Providing Board Members with the meeting agenda, relevant documents and details, and any additional information related to agenda items, as requested by any Board Member.
- Ensuring that Board Members comply with the procedures approved by the Board.
- Notifying Board Members of the dates of Board meetings well in advance.
- Submitting draft minutes for Board Members' review before signing.
- Ensuring that Board Members receive without delay a full copy of the meeting minutes, as well as any other relevant documents related to the Company.
- Informing the Executive Management of the resolutions of the Board of Directors and its committees and submitting reports on their implementation.
- Supporting the Board's evaluation process.
- Facilitating coordination between the Board Members, Executive Management and Board Subcommittees.
- Organising the disclosure record of the Board of Directors and the Executive Management in compliance with the Corporate Governance Guide for Public Joint Stock Companies and applicable legislation, and providing them with assistance and advice.
- Verifying whether a Board Member is absent, unless the Board of Directors decides otherwise, or is participating in voting at a meeting of the Board of Directors to discuss a transaction in which the Board Member is a related party, and ensuring that they have not signed any resolution related to the same.

Mr. Mohammad Hatim Abedalrahman was appointed as the Board Rapporteur in accordance with a resolution issued by the Board of Directors in its meeting No. (04/2020), held on 12 August 2020. Mr. Abedalrahman has nearly 17 years of practical experience in legal work, compliance affairs and institutional discipline. He holds a bachelor's degree from the College of Sharia and Law at the United Arab Emirates University and is accredited by the Hawkamah Institute.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

16 General Information continued

16-9 Material events experienced by the Company during 2024

The year 2024 witnessed a tangible demand for sales of residential and commercial units in all projects that the Company is developing, driven by the limited availability of high-quality residential projects in the market during that period, as well as the confidence of buyers and investors in the Company's capabilities, efficiency and product quality. Notable events in 2024 include:

Aldar invests one billion dirhams to expand into the State's logistics real estate sector

On 9 January 2024, the Company announced its intention to invest one billion dirhams to further expand its logistics business in Dubai and Abu Dhabi. Aldar entered the logistics sector for the first time after acquiring a majority stake in the Abu Dhabi Business Forum in 2022. Under its new investment, the Company will acquire a range of existing assets, as well as develop ready-to-lease or tailor-made logistics facilities to meet the strong demand for grade I, high-end logistics facilities. The new investment includes Aldar's first acquisition in Dubai's logistics sector, with Aldar acquiring seven "Central Logistics" with an adjacent plot of land, which, once developed, will double the existing total leasable area of 19,000 square metres. The facility is strategically located in Dubai Investments Park, one of Dubai's most prestigious industrial zones.

Aldar launches "Sama Yas", a new and exclusive residential community in Yas Park

On 23 January 2024, the Company announced the launch of "Sama Yas", a first-of-its-kind residential complex featuring luxury units that offer residents a unique concept of luxury and a modern lifestyle in the natural setting of Yas Island. Offering stunning views of Yas Park, the development gives residents a rare opportunity to enjoy an exceptional experience in nature, while providing easy access to Yas Island's world-class attractions and leisure destinations. Sama Yas comprises 234 tranquil units surrounded by green spaces, designed with detail in mind and a new level of living experience for its residents. International Chef Izu will offer an exclusive dining experience within the community, which will include a restaurant and a dedicated takeaway, as well as a menu of delicious dishes and meals that residents will be able to enjoy in their own homes. UAE-based Chef Izu is known for his world-renowned restaurants, including the recently opened Jaya Mayfair in London, Gaia Monte Carlo in Monaco, and Izu at Mandarin Oriental Doha, as well as Alaya, Shanghai Me, Scalini and Kai Enzo in Dubai.

Aldar awards contracts to develop projects worth more than AED 22 billion

On 2 February 2024, the Company announced the award of 49 contracts worth a total of AED 22 billion for a series of key projects, including infrastructure, residential, commercial and mixed-use projects, across the Emirate of Abu Dhabi. The contracts were awarded to 36 companies in the UAE, with nearly 50% of their value AED 10.5 billion re-injected into the local economy, in line with the objectives of the UAE government's National In-Country Value (ICV) programme, which was launched by the UAE government as part of the "Projects of the 50" initiative. The programme is pivotal in driving economic and social development, job creation and supporting GDP growth.

Aldar announces AED 5 billion investment to develop recurring income-generating assets in Abu Dhabi

On 6 February 2024, the Company announced its intention to invest AED 5 billion to develop a range of income-generating assets across key destinations in Abu Dhabi. The assets, which the Company will hold in its investment portfolio, will be developed in several phases between 2025 and 2027. The Company's "development and retention" approach complements its ongoing acquisitions of recurring income-generating assets and allows it to leverage its large land inventory through the development of a variety of real estate asset classes. Taking a deliberate approach to capital allocation, Aldar's new investment will focus on cumulative value assets in the trade, retail and hospitality sectors, which will be added to its overall investment portfolio, as well as logistics assets.

Aldar partners with Carlyle Group to invest in logistics assets and warehousing facilities in the UK and Europe

On 8 February 2024, the Company announced a new AED 407 million (USD 111 million) partnership with Carlyle Global Investment Group (NASDAQ: CG) in a move aimed at supporting Carlyle's international expansion plan by investing in logistics assets and warehousing facilities in Europe. Under this strategic partnership, Aldar is committed to supporting Carlyle European Real Estate Assets, Carlyle's real estate platform in Europe, as well as a majority stake in a joint investment platform, which currently includes an income-generating investment portfolio of 14 warehouses spread across key logistics hubs across the UK. The Carlyle-managed portfolio, which comprises a total leasable area of 83,500 square metres, is fully occupied and has attractive investment potential. Additionally, Aldar has partnered with Carlyle and other investors to invest in a portfolio of self-storage facilities and development sites in Western Europe.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

16 General Information continued

16-9 Material events experienced by the Company during 2024 continued

Dubai South and Aldar Properties collaborate to develop new grade I logistics facilities in Dubai South Logistics Zone

On 27 February 2024, Dubai South, the UAE's largest major urban development focused on aviation, logistics and real estate, and the Company announced the development of grade I, high-end logistics facilities within Dubai South's logistics district. As part of the partnership, Aldar and Dubai South will collaborate on the development of new leasable and bespoke logistics facilities. Aldar will design, develop and deliver these new assets, starting with the development of a grade I logistics facility covering approximately 24,000 square metres.

Aldar launches "Nouran Living", its first residential development at Saadiyat Island's marina

On 13 March 2024, the Company announced the launch of "Nouran Living", a high-end, mid-rise residential community located in the Marina District of Saadiyat Island, the latest residential and leisure destination currently under development on the island. The new development is Aldar's first residential project in the Marina District, offering residents a unique lifestyle within a short distance of the most prominent entertainment landmarks that the new waterfront will have to offer. The project is also located near NYU Abu Dhabi, making it an attractive option for a diverse range of tenants and bringing a vibrant atmosphere to the area. Nouran Living is also close to several other prominent educational institutions on the island, including Cranleigh School Abu Dhabi, American Community School Abu Dhabi, and Berkeley Abu Dhabi.

AED 137 million sale of penthouse in Aldar's "Nobu Residences" development in Abu Dhabi

On 18 March 2024, the Company announced the sale of Abu Dhabi's most expensive three-bedroom penthouse at "Nobu Residences Abu Dhabi" on Saadiyat Island, fetching a record price of AED 137 million. The sale marks the highest price per square metre in the Emirate, at over AED 96,000. This record price reflects Abu Dhabi's ongoing appeal as a preferred destination for living and investment. Contributing factors include a transparent and business-friendly environment, a variety of leisure options, and diverse lifestyle choices on the beaches of one of the most beautiful of Abu Dhabi's 200 natural islands, as well as attractive incentives, such as the Golden Visa programme, which offers a ten-year residency.

Aldar launches "Athlon" – Dubai's first residential community dedicated to promoting an active lifestyle

On 1 May 2024, the Company unveiled "Athlon", the first residential community of its kind to embody the concept of "active living" in Dubai. Meticulously designed to comply with the basic principles of active living, the project is unique in Dubai, designed to encourage physical activity as part of residents' daily lives. This project provides its residents with world-class facilities and an outstanding programme of activities supervised by experts in physical health and fitness. The project sets new standards for fitness-based lifestyles, seeking to enhance the long-term well-being of residents and deepen their sense of community.

Aldar sells out units for Athlon Phases I and II of Athlon in 48 hours, generating AED 4.1 billion in sales

On 9 May 2024, the Company announced that it had successfully sold all units for phases I and II of Athlon, its first-of-its-kind active living project, within just 48 hours of going on sale, for a total value of AED 4.1 billion. Athlon is Aldar Properties' second residential project in Dubai as part of its partnership with Dubai Holding, a diversified global investment company that invests in 31 countries around the world. Aldar brought to market more than 1,000 Athlon villas and townhouses, which are now fully sold out, with international and UAE-based buyers contributing 81% of total sales, reflecting Dubai's attractiveness as a major global hub for real estate investment and a preferred destination for long-term stays. India, China and Jordan topped the list of buyers in terms of sales volume.

Aldar Real Estate Investment launches its second \$500 million green sukuk issue

On 9 May 2024, Aldar Real Estate Investment, Abu Dhabi's largest property management company and subsidiary, raised \$500 million through its second green sukuk issue, which comes as part of the Company's \$2 billion credit certificate issue programme launched in 2023. This new ten-year issue marks the Company's second green sukuk issue and follows its debut \$500 million issue in May 2023. The profit rate for the ten-year green sukuk was set at 5.50%, and the issue recorded the lowest credit margin ever achieved by the Company at 110 basis points, amid strong interest and demand from international and regional investors, with demand exceeding supply by a factor of four.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

16 General Information continued

16-9 Material events experienced by the Company during 2024 continued

Aldar launches “Verdes by Jinan”, an exclusive residential apartment project focused on enhancing the well-being of its residents

On 24 June 2024, the Company announced the launch of “Verdes by Jinan”, its exceptional residential development in Dubai, consisting of apartments that combine tranquillity and a connection with nature with a modern lifestyle. Located within the masterplan of the “Jinan by Aldar” residential community, the apartments are distinguished by their location within this luxury development, which offers a unique concept of balance between the elements of nature and well-being in a serene atmosphere that motivates its residents to follow a healthy and active lifestyle. Verdes by Jinan has been carefully designed to enhance the well-being of individuals and provide a tranquil living experience that offers residents a peaceful retreat in an environment inspired by the ambience of luxury resorts and green natural spaces interspersed with a water canal. The project will also include co-working spaces, a modern gym and a spa, providing residents with a perfect balance between modern life, tranquillity, relaxation and contact with nature, ensuring that their various needs and aspirations are met.

Aldar signs strategic agreement with DP World to develop first-class logistics complex in Dubai

On 15 July 2024, the Company announced the signing of a strategic agreement with DP World Group to finance and develop a 144,000 square metre first-class logistics complex within the National Industries Park in Jebel Ali, Dubai. As part of this partnership and through the new project, Aldar will be able to develop and lease logistics assets within the National Industries Park, which is strategically located near Jebel Ali Port and Al Maktoum International Airport, as well as directly connected to major road networks, such as the E11 and E311.

Aldar records the sale of more than 660 units as part of its Verdes by Jinan development – the first residential apartment project in Dubai

On 16 July 2024, the Company announced the sale of more than 660 apartments in the Verdes by Jinan apartment development located within the masterplan of the “Jinan by Aldar” residential community in Dubai, within 72 hours of the project’s launch. Jinan by Aldar is Aldar’s first development in Dubai in partnership with Dubai Holding, a diversified global investment company with investments in 31 countries around the world. Total sales exceeded AED 1 billion during the sales events held at the Dubai World Trade Centre and Aldar Square in Abu Dhabi, as well as an international roadshow in six different markets around the world. This strong demand for Aldar’s latest projects in Dubai, which follows the great success of Jinan by Aldar and Athlon, demonstrates the continued momentum of Aldar in Dubai and the attractiveness of the residential concepts it offers in the Emirate.

Aldar launches luxury office tower on Sheikh Zayed Road as part of its expansion strategy in Dubai’s commercial real estate sector

On 24 July 2024, the Company announced plans to develop a premium luxury office tower on Sheikh Zayed Road, adjacent to Dubai International Financial Centre. The project involves the development of a premium-class luxury office tower with a leasable net area of 88,000 square metres, which will also feature a luxury boutique hotel and branded residential units and offer visitors high-quality commercial spaces complemented by a high-end hospitality experience and a variety of dining options in a uniquely strategic location.

Aldar’s Athlon is the first residential community in the UAE to receive Platinum Certification for Leadership in Energy and Environmental Design for residential communities

On 25 July 2024, the Company announced that it had received the first Platinum certification for Leadership in Energy and Environmental Design (LEED) for residential communities in the UAE for the planning and design of Athlon, Aldar’s residential development dedicated to promoting an active lifestyle in Dubai. Athlon prioritises sustainability in its design and master plan, and this achievement marks an important milestone in its position at the forefront of sustainable real estate projects in the UAE. The LEED certification, issued by the U.S. Green Building Council, is one of the most rigorous, data-driven classification frameworks for driving sustainable global development and the creation of resilient buildings. Athlon has received LEED certification for its focus on people and thoughtful design, which promotes social cohesion and advances sustainable living practices.

Aldar launches “The Art House”, an exclusive residential community inspired by the unique membership system of arts clubs in Saadiyat Cultural District

On 26 July 2024, the Company announced the launch of “The Art House”, an exclusive residential community inspired by the unique membership system of international arts clubs and designed to provide an inspiring space for its residents. The Art House is a true masterpiece of fine living, evident in its rich architectural details and interior spaces designed by award-winning company Di Leonardo. Its unique design caters to those with a distinctive taste for arts and culture and features a unique range of facilities that enrich its vibrant atmosphere, including an art studio, gallery and rooftop creative majlis, offering a shared space for collaboration, creativity and networking in one of Abu Dhabi’s most iconic destinations.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

16 General Information continued

16-9 Material events experienced by the Company during 2024 continued

Aldar launches “Yas Riva” luxury villa complex on Yas Island canal

On 4 September 2024, the Company announced the launch of “Yas Riva”, its new residential community in the heart of Yas Island, offering buyers an exceptional selection of luxury villas, including villas directly overlooking or connected to the canal, all masterfully designed to offer stunning views in a tranquil waterfront setting. Yas Riva is ideally situated amidst many world-class attractions, offering residents an upscale lifestyle on the banks of the canal. Following the finest design principles, the community is one of the few residential developments in Abu Dhabi that offers residents direct access to the canal, allowing them to explore the surrounding waterways by boat from their own residence.

Aldar sells all units of Yas Riva luxury villa complex on launch day for more than AED 1.4 billion

On 16 September 2024, the Company announced that the entire Yas Riva community had sold out in just 24 hours, with a total sales value exceeding AED 1.4 billion. The high demand from buyers is attributed to the project’s exceptional location on the canal at Yas Island, the tranquil atmosphere, stunning views of the waterfront, and the modern, innovative design of the villas. The sale of all units, with prices starting from AED 8.3 million, underscores Yas Island’s growing status as an ideal destination for investment and living. It also reflects the increasing demand for luxury residential projects on the island.

H.H. Sheikh Khaled bin Mohamed bin Zayed Al Nahyan inaugurates strategic partnership between Aldar and Mubadala

On 18 September 2024, the Company and Mubadala Investment Company, Abu Dhabi’s sovereign investment company, announced the strengthening of their long-term strategic partnership through the establishment of a series of joint ventures to own and manage a diversified portfolio of assets with a total value of more than AED 30 billion in the Emirate of Abu Dhabi. This partnership will also bring economic benefits to both parties, support Abu Dhabi’s transformation and prosperity, and strengthen its position as a leading global destination for business and living. This strategic partnership was inaugurated by H.H. Sheikh Khaled bin Mohamed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Chairman of the Abu Dhabi Executive Council. His Highness stressed the importance of strategic partnerships between the public and private sectors to support Abu Dhabi’s transformation and continued prosperity, strengthen its position as a leading global destination for business and living, stimulate sustainable economic growth, and highlight the investment opportunities offered by the Emirate’s business-supporting environment and its knowledge – and innovation-based economy.

Aldar attracts luxury hospitality brands for the first time to Abu Dhabi as part of investment plan to upgrade hotel portfolio

On 25 September 2024, the Company announced an investment plan to refresh its hospitality portfolio in partnership with a number of international luxury hospitality brands. This initiative is part of the Company’s efforts to stimulate the growth of the tourism sector in Abu Dhabi and consolidate its position as a world-leading tourism and leisure destination. Aldar is committing AED 1.5 billion as part of its investment plan to upgrade its hotel assets into resort-style luxury properties in response to the growing demand for high-end hospitality experiences amid the rapid growth of Abu Dhabi’s tourism and leisure sector.

Aldar-owned London Square launches two new projects in upscale south-west London

On 8 October 2024, London Square, owned by Aldar, launched two new residential developments, Twickenham Green and Twickenham Square, in the London Borough of Richmond upon Thames, one of London’s most prestigious and attractive neighbourhoods. The two projects represent London Square’s first award-winning residential projects since its acquisition by Aldar last year. Both projects offer UAE investors a unique opportunity to enter the UK residential property market through a trusted London-based real estate developer. The projects also align with London Square’s long-term strategy of launching major residential projects in some of the most sought-after locations in the UK capital.

Aldar partners with Expo City Dubai on mixed-use development within Expo City Dubai’s new masterplan

On 10 October 2024, the Company and Expo City Dubai announced a partnership to develop a mixed-use masterplan comprising a variety of residential, office and retail spaces, aiming to take the city’s fast-growing economic landscape to new heights. Strategically located close to Al Maktoum International Airport and the Dubai Exhibition Centre, the project provides easy access to all of the city’s landmarks and beyond, via a network of world-class motorways and a dedicated metro station. The new six-building development is a key part of Expo City Dubai’s recently announced masterplan to strengthen its position as a key business and lifestyle destination, building on its success in delivering major international events such as Expo 2020 Dubai and last year’s COP28 climate conference. The buildings are located adjacent to the Dubai Exhibition Centre, which is undergoing a major expansion at a cost of AED 10 billion. By 2031, the area of the mall will increase from 58,000 square metres to 180,000 square metres, making it the largest indoor exhibition and events destination in the region.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

16 General Information continued

16-9 Material events experienced by the Company during 2024 continued

Aldar and Mubadala inaugurate two commercial towers on Al Maryah Island

On 14 October 2024, Mubadala Investment Company inaugurated One Maryah Place, a flagship development comprising two award-winning premium towers in the Abu Dhabi Global Market (ADGM) free zone on Al Maryah Island, Abu Dhabi's leading business, leisure and lifestyle destination. The new project provides more high-quality commercial space in the ADGM free zone, keeping pace with the growing demand from global corporate and financial institutions. The project comprises approximately 98,000 square metres of premium office space spread across two interconnected towers, and upon completion, will strengthen ADGM's position as one of the region's leading international financial centres. The towers, which are connected by an internal walkway, include retail spaces on the ground floor, a rooftop dining destination, a mosque, and approximately 2,200 parking spaces across five underground floors.

Aldar partners with Mandarin Oriental to develop exclusive Mandarin Oriental-branded residential community in Abu Dhabi

On 21 October 2024, the Company announced a partnership with Mandarin Oriental, which owns and operates some of the world's most prestigious, award-winning hotels, resorts and residential communities, to develop the first Mandarin Oriental-branded residential community on Saadiyat Island. Mandarin Oriental Residences will go on sale later in the year, encompassing 228 luxury homes that embody the highest standards of luxury, design and exceptional service, further solidifying Mandarin Oriental's position as one of the leading hospitality brands.

Aldar launches resort-inspired community next to Mamsha Al Saadiyat Beach

On 4 November 2024, the Company announced the launch of its new residential community, "Mamsha Gardens", located next to Mamsha Al Saadiyat in Saadiyat Island's Cultural District. Combining luxury residential units, contemporary retail spaces and parks, the community offers residents a tranquil retreat within Abu Dhabi's most sought-after neighbourhood. Enjoying stunning views of the Zayed National Museum and the shores of the Arabian Gulf, Mamsha Gardens features a promenade that runs the length of the community and gives residents access to some of Saadiyat Island's most prominent cultural and leisure destinations. Residents will also enjoy exceptional retail experiences at Saadiyat Grove, as well as easy access to Mamsha Al Saadiyat Beach, which is currently undergoing development to feature a range of modern, French Riviera-inspired experiences and facilities along its coastline.

Aldar sets new standards for luxury living experiences in Saadiyat Island Cultural District with the launch of "Mandarin Oriental Residences"

On 15 November 2024, the Company announced the launch of the first Mandarin Oriental-branded community in Abu Dhabi within Saadiyat Island's Cultural District. The community, which will be managed by Mandarin Oriental Hotels Group, features 226 luxury homes designed by Bjarke Ingels, which were made available for sale from 21 November 2024. Mandarin Oriental Residences, which is set to become one of the region's most prestigious and sought-after communities, offers magnificent views of the Zayed National Museum and its picturesque fountains, and offers an exceptional living experience thanks to its prime location near the island's world-class cultural landmarks and Abu Dhabi's Mamsha Al Saadiyat Beach.

Aldar acquires commercial tower from H&H Developments in DIFC

On 4 December 2024, the Company announced one of the largest commercial tower acquisitions ever registered in the Dubai International Financial Centre (DIFC). Aldar acquired the tower for AED 2.3 billion from H&H Developments, known for its prestigious projects in the financial centre, including the Four Seasons Hotel and the Jano Hotel and Residences, located opposite the commercial tower acquired by Aldar. The transaction leverages the expertise of Aldar and H&H Developments to develop a world-class project that will set a new benchmark for commercial space in the region. Strategically located within the DIFC area, the tower is scheduled for completion in 2028 and will feature 40-storey office and retail space.

The above are notable examples of the many material developments that were disclosed to SCA and ADX, as well as through various media outlets throughout 2024.

16-10 Emiratisation percentage in the Company for 2022, 2023 and 2024

The Company has adopted a policy aimed at attracting national expertise, competencies and qualified professionals to play a fundamental and effective role in supporting the Company's progress in its projects and business. This policy enhances the Company's capabilities and resources while contributing to the ongoing development process in the Emirate of Abu Dhabi, in alignment with the approach of the Company's wise leadership. In this context, it is worth noting the success achieved by the Company's management in raising the Emiratisation percentage in 2024. The following table shows the Company's Emiratisation percentages for 2022, 2023 and 2024:

Year	2022	2023	2024
Emiratisation Ratio	42.0%	41.9%	43.1%

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

16 General Information continued

16-11 Statement of transactions made by the Company during 2024 with related parties equal to 5% or more of the Company's capital

The Company did not enter into any transactions worth 5% or more of the Company's capital with related parties during 2024.

16.12 Innovative projects and initiatives undertaken by the Company during 2024

The Company remains steadfast in its commitment to fostering innovation, which is regarded as a cornerstone of its overall strategy. As a leading entity in real estate development, ownership, and management, and an active investor in a growing PropTech portfolio, the Company recognises innovation as a vital catalyst for sustainable growth and a driving force for both business success and economic advancement.

The Company strongly believes in the importance of embracing pioneering initiatives and projects that address the evolving needs of communities, customers, shareholders, investors, and employees. In keeping with this vision, the Company is dedicated to fostering a competitive and transparent investment environment that enhances the efficiency and productivity of the sectors in which it operates. This commitment extends beyond attracting capital to cultivating professional expertise within these sectors.

In 2024, the Company played an active role in advancing various initiatives, maintaining continuous collaboration with customers and partners at individual, corporate, and governmental levels within the United Arab Emirates. This approach underscores the Company's dedication to creating meaningful impact while driving innovation beyond conceptualisation into actionable outcomes.

To innovate with purpose and confidence, the Company focuses on areas that align with its core values, strategic priorities, and the needs of its communities. Driven by a comprehensive analysis of its strategic pillars, innovation goals, and prevailing market trends, the Company channels its efforts into areas with the greatest potential for scalable growth and enhanced service delivery for its stakeholders.

In 2024, the Company focused its innovation efforts on three strategic areas:

- Net Zero: Advancing science-aligned decarbonisation targets to support the transition to sustainable practices.
- Optimisation: Developing innovative and efficient solutions and business models to enhance operational performance.
- Smart Development: Leveraging new technologies to improve construction efficiency without compromising quality.

The Innovation Team achieved significant milestones in 2024, successfully implementing several key initiatives that solidify the Company's position as a leader in advancing forward-thinking solutions. These initiatives, which have delivered substantial benefits to stakeholders and contributed to broader economic progress, include but are not limited to:

	Initiative Name	Description	Status
1	Modular Construction Study and Partnership	Full study of the local and East Asian modular construction markets, including supplier sourcing and benchmarking, direct interviews, assessments and management presentations. Study culminated in recommendation to executive management, which included in-person visits to modular manufacturers in China and local manufacturers in UAE.	Completed – Modular pilot project conducted
2	3D Construction Printing Study and Pilot Project	Full study of the global 3D market, including management presentations, with go-ahead received to implement the solution (3D printed gatehouses) as a pilot in an upcoming community.	Ongoing – Site and vendor selected. Pricing and implementation timeline finalised with activity set to complete Q1 2025
3	Construction Energy Reduction and Emissions Initiative	Pilot project to deliver energy and cost savings during the construction process through the deployment of the latest technology in energy storage solutions (ESS). The selected vendor utilises customised lithium batteries to reduce reliance on diesel generators, powering all equipment and processes that have the correct power signature to be powered via batteries.	Completed – Pilot project completed Nov – Dec 2024. Currently exploring scaling opportunities

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 CONTINUED

Initiative Name	Description	Status
4 Construction Water Recycling Initiative	Construction site wastewater recycling project that allows for the reduction of septic tanks and sewage trucks removing waste from sites. The vendor utilises natural processes to clean black water and make it safe for irrigation and dust suppression.	Completed – Solution scaled from 4 to 11 systems across Aldar projects during 2024. Scaling to continue into 2025
5 Community Waste Recycling Initiative	Community based recycling project that provides residents with the opportunity to recycle common household waste (paper, metals, plastics) and be rewarded with points that can be redeemed as cash and discounts at multiple retailers.	Completed – Recycling container deployed and now in operation at Al Ghadeer as of Q3 2024
6 Innovative Data Insights (Yas Island)	Pilot project to leverage data from 8 unique multi-layered sources that cover consumer patterns across Yas Island. Data analysis includes, but is not limited to, human mobility, retail (including spend analysis), education, residential and events. Analysis will allow core business units to explore new revenue generating opportunities and refine or enhance existing assets/operations based on customers' needs and wants.	Ongoing – Scope defined, partner selected and pilot to conclude Q2 2025
7 Internal Innovation Awareness, Upskilling, and Idea Generation	Aldar's internal idea crowdsourcing initiative ran its latest version from Q2 to Q3 2024. 6 high-performing AI startups and corporates were brought to Aldar HQ to provide awareness and upskilling opportunities, followed by an open application process, upskilling boot camps/workshops and a final showcase. The selected winning solution was an AI based HR tech to accelerate the applicant screening process.	Ongoing – Winning participant currently working alongside digital teams to finalise pilot product
8 Low Carbon Building Materials Deployment	In collaboration with a global leader in the production of low carbon cement production, an innovative solution that utilises waste materials (brine – abundant in the UAE) to produce green cement. Partnering with Group Sustainability to pilot and deploy low carbon pavers for an existing project.	Ongoing – Due to deploy Q1/2 2025. Site selected – approx. 900m2 of pavers outside an upcoming community mosque

Initiative Name	Description	Status
9 Payment Solution Enhancement for Live Aldar	Adoption of an additional payment method to be deployed for Live Aldar to ease the user experience for downpayments and milestone payments. Objective will be to enhance the user experience as well as reduce fees for Aldar by accepting direct bank transfers. Additionally, this will support with reconciliation process, saving time for sales and finance teams.	Ongoing – NDA signed and data sharing commenced with pilot sprint identified in current roadmap with Live Aldar product team. To be deployed Q1 2025
10 WiredScore & SmartScore Certifications at ADGM Towers	Completed the Gold standard for WiredScore and SmartScore. The certifications are part of a digital connectivity rating system for real estate, enabling owners to enhance their understanding and improve buildings' digital infrastructure. They also represent a global standard for smart technology in commercial real estate.	Completed – Certifications achieved 2024

Authorised signatories:

Chairman of the Nomination & Remuneration Committee	Chair of the Audit, Risk & Compliance Committee	Head of Internal Audit and Compliance Department
Mr. Martin Lee Edelman	Ms. Sofia Abdellatif Lasky	Mr. Haider Najim

Board of Directors' Approval

Approved by the Board of Directors in its meeting No. (01/2025), held on 10 February 2025

H.E. Mohamed Khalifa Al Mubarak
Chairman

APPENDIX 1

Audit, Risk & Compliance Committee 2024 Report

Members:

Mrs Sofia Abdellatif Lasky – Chairperson
Mr Ali Abdulla Sulayem Al Falasi – Member
Mr Khalifa Abdulla Al Romaithi – Member

Permanent Invitees:

Mr Haider Najim – Exec Dir., Internal Audit & Compliance

Frequent Invitees:

Mr Faisal Falaknaz – Group CFSO
Mr Ahmad Taha – Director, Group Finance
Mr Muhammad Fayaz Khan – Associate Dir., Group Reporting and Consolidation External Auditors

Number of meetings: 8

Meetings Held:

Thursday, 08 February 2024
Wednesday, 14 February 2024
Monday, 1 April 2024
Friday, 26 April 2024
Friday, 26 July 2024
Wednesday, 31 July 2024
Monday, 28 October 2024
Monday, 11 November 2024

Director	Position	Committee Meetings	
		No of Meetings	Attendance in Person and by Phone
Sofia Abdellatif Lasky	Chairperson	8	8
Ali Abdulla Sulayem Al Falasi	Member	8	8
Khalifa Abdulla Al Romaithi	Member	8	8

ARCC Overview

The Audit, Risk, Compliance Committee's (ARCC or the Committee) primary role is to provide objective review and advise the Board on its oversight responsibility in relation to the:

- Integrity over the financial statements and financial reporting process
- Independence, competency, performance and remuneration of the external auditors
- Effectiveness and efficiency of the internal control systems and risk management
- Competency and performance of the Group Internal Audit (GIA) Department and
- Compliance to regulatory requirements including relevant internal policies and procedures and other corporate governance activities

Summary of Discharged Activities

The Committee's detailed responsibilities are defined within its Charter as approved by the Board and are grouped into the following 6 roles.

Financial Reporting	External Audit	Internal Control & Risk Management	Internal Audit	Corporate Governance	Compliance
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APPENDIX 1 CONTINUED

The key outcomes achieved by the Committee during 2024 include:

Financial Reporting & External Audit – FS

- Renewed Deloitte as external auditors for their quarterly reviews of the interim financial statements and audit of the annual financial statements for FY 2024
- Recommended EY as external auditors starting from FY2025 to ensure a one year cooling off period from any restricted non-audit services
- Reviewed and endorsed all quarterly interim financial statements (FS) and the 2024 YE preliminary result for the Board's approval
- Reviewed and endorsed the annual FS for the Board's recommendation for approval at the Annual General Meeting
- Reviewed and discussed with management and the external auditors, Deloitte, the results of the financial audit as well as the appropriateness of accounting policies and methods, disclosures in the FS and the corresponding financial reporting to SCA and Abu Dhabi Exchange (ADX)
- The following activities were significant transaction types that occurred through the year
 - Asset and Business Acquisitions
 - Financing Activities
 - Valuation of investment properties
 - Translation of foreign operations
 - Corporate Income Tax
- External Auditor performed a risk assessment to identify the top risks which were reported to the ARCC. Based on ARCC's direction, Deloitte performed various audit procedures and issued opinions highlighting conformance to IFRS standards
- Discussed and ensured that issues or difficulties that were encountered by Deloitte while performing their duties were addressed and resolved
- Met with Deloitte in the absence of management for each reporting period to ensure there were no disagreements/ hindrances during the conduct of their reviews and audit and obtained confirmation of their independence
- Assessed and evaluated Deloitte's performance in conducting their reviews and audit and verified independence of all non-audit services performed by Deloitte

Internal Control and Risk Management (ERM)

- Monitored the effectiveness of the internal control system through GIA reviews
- Reviewed and discussed ERM framework, key enterprise risks, risk appetite, indicators and assessments

- Reviewed management's scoping and progress in ICFR encompassing the activities of Aldar Properties, Aldar Investment, Aldar Development, Aldar Projects, Aldar Education, Aldar Estates, Aldar Hospitality and Pivot as standalone entities
- Reviewed and endorsed Deloitte's audit opinion on ICFR for the Board's approval
- Overseen implementation of agreed actions plans from ICFR review findings and internal audit findings

Internal Audit

- Reviewed and approved Group Internal Audit's (GIA) operating structure and framework in response to the changes in Aldar Group's operating model
- Reviewed and approved GIA's risk methodology incorporating Aldar's strategic pillars, engagement prioritisation matrix, mapped engagements across the 3-year cycle, annual risk-based plan for the 3 entities namely Corporate, Development and Investment and their corresponding operational budget
- Reviewed and approved GIA's updated plan
- Maintained open lines of communication with GIA
- Reviewed and discussed GIA's reports including investigations and relevant management responses
- Discussed key findings from internal audits completed and verified that management have agreed to promptly remedy the audit findings
- Assessed and evaluated GIA's performance in delivering their services and activities
- Completed the Head of GIA's performance evaluation and provided guidance and mentoring as applicable

Corporate Governance & Compliance

- Reviewed and approved Compliance operating framework, planned compliance activities and corresponding operating budget
- Reviewed the periodic progress and YE wrap-up of compliance activities
- Reviewed and endorsed the Corporate Governance report to SCA and ADX for the Board's approval
- Kept informed on reported complaints and provide guidance as applicable

Report prepared by:

Sofia Abdellatif Lasky
Chairperson – ARCC Chairperson

FINANCIAL STATEMENTS

Financial statements

FINANCIAL STATEMENTS

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Board of Directors' Report **for the year ended 31 December 2024**

The Directors present their report together with the audited consolidated financial statements of Aldar Properties PJSC (the "Company") and its subsidiaries (together referred to as the "Group") for the year ended 31 December 2024.

Principal activities

The Group is engaged in various businesses primarily the development, sales, investment, construction, leasing, management and associated services for real estate. In addition, the Group is also engaged in development, construction, management and operation of hotels, schools, marinas, restaurants, beach clubs and golf courses.

Financial results

The financial results of the Group have been presented on page 192 of these consolidated financial statements.

Directors

H.E. Mohamed Khalifa Al Mubarak	Chairman
Mr. Waleed Ahmed Almokarrab Al Muhairi	First Vice-Chairman
H.E. Mohamed Hassan Alsuwaidi	Second Vice-Chairman
Eng. Hamad Salem Mohamed Al Ameri	Director
Mr. Khalifa Abdullah Khamis Al Romaiti	Director
Mrs. Sofia Abdellatif Lasky	Director
Mr. Ali Saeed Abdulla Sulayem Al Falasi	Director

Release

The Directors release from liability management and the external auditor in connection with their duties for the year ended 31 December 2024.

For the Board of Directors

Mohamed Al Mubarak

Chairman

10 February 2025

Independent Auditor's Report

To the shareholders of Aldar Properties PJSC

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Aldar Properties PJSC (the "Company") and its subsidiaries (together, the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024 and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS Accounting Standards) (IFRSs) as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We have conducted our audit in accordance with International Standards on Auditing (ISAs) and the applicable requirements of Abu Dhabi Accountability Authority ("ADAA") Chairman Resolution No. 88 of 2021 Regarding Financial Statements Audit Standards for the Subject Entities. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Codes of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. We have communicated the key audit matters to the Audit Committee but these matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. On the following pages, we have described the key audit matters we identified and have included a summary of the audit procedures we performed to address those matters.

Independent Auditor’s Report continued
To the shareholders of Aldar Properties PJSC continued

Report on the audit of the consolidated financial statements continued

Key audit matter

Valuation of investment properties

The Group’s investment property portfolio amounted to AED 28,530 million as at 31 December 2024 (2023: AED 26,218 million) and the net fair value gain recorded in the consolidated statement of profit or loss amounted to AED 841 million (2023: AED 600 million). The Group measures its investment properties at fair value and engages an external valuer to determine the fair value of all its properties.

The determination of the fair value of the majority of these investment properties is performed using the income approach of valuation, while a residual valuation methodology has been used for investment properties under development.

The Group’s determination of fair value for the investment properties requires management to make significant estimates and assumptions related to future rental rates, capitalisation rates and discount rates.

The valuation of the portfolio involves significant estimation uncertainty and is based on a number of assumptions. The existence of significant estimation uncertainty warrants specific audit focus in this area as any bias or error in determining the fair value could lead to a material misstatement in the consolidated financial statements.

We have identified the valuation of investment properties as a key audit matter as the fair value is determined based on level 3 valuation methodologies which requires management to make significant estimates and judgements in determining the fair value of investment property.

Refer to notes 4 and 7 for disclosures relating to this matter.

How the matter was addressed in our audit

We evaluated the controls over the valuation of investment properties to determine if they had been appropriately designed and implemented.

We assessed the valuer’s competence and capabilities and read their terms of engagement with the Group to determine if the scope of their work was sufficient for audit purposes.

We agreed the total valuation in the reports of third party valuers to the amount reported in the consolidated statement of financial position.

We tested the data provided to the valuers by the Group, on a sample basis.

We reviewed a sample of investment properties valued by external valuers, and also involved our internal real estate valuation expert to review a sample of those properties, and assessed whether the valuation of the properties was performed in accordance with the requirements of IFRSs.

Where we identified estimates that were outside acceptable parameters, we discussed these with the valuers and management to understand the rationale behind the estimates made.

We reviewed sensitivity analyses on the significant assumptions to evaluate the extent of their impact on the determination of fair values.

We reperformed the arithmetical accuracy of the determination of net fair value gain.

We assessed the disclosures made in relation to this matter against the requirements of IFRSs.

Independent Auditor's Report continued

To the shareholders of Aldar Properties PJSC continued

Report on the audit of the consolidated financial statements continued

Key audit matter continued

Revenue recognition for property development and sales

Revenue recognition on property development and sales require significant judgements to be applied and estimates to be made. The Group assesses for each of its contracts with customers for property development and sales, whether to recognise revenue over time or at a point in time based on the consideration of whether the Group has created a real estate asset with no alternative use and whether the Group has an enforceable right for payment related to performance completed at any time during the life of the contract as disclosed in Note 3.11 and Note 4 to the consolidated financial statements.

Where revenue is recognised over time, the Group estimates total development and infrastructure costs required to meet performance obligations under the contract and recognises proportionate revenue to the extent of satisfaction of performance obligations as at the end of the reporting period.

Revenue recognition on property development and sales was assessed as a key audit matter due to the significance of the assessment of satisfaction of performance obligations and judgements made in assessing the timing of revenue recognition.

Refer to note 4 for details about judgements applied and estimates made in determining the amount of revenue to be recognized.

How the matter was addressed in our audit

We obtained an understanding of the process implemented by the Group for revenue recognition and measurement in respect of property development and sales.

We assessed the controls established by the Group over revenue recognition for property development and sales to determine if they were appropriately designed and implemented and were operating effectively.

We inspected a sample of contracts with customers for property development and sales and assessed management's identification of performance obligations and their determination of whether revenue should be recognised over time or at a point in time in accordance with the requirements of IFRSs by making reference to the terms and conditions specified in the contracts.

We determined to what extent the resultant performance obligations had been satisfied through the inspection of supporting documentation.

We examined approved project cost budgets for significant on-going real estate developments and reviewed the projects' completion percentages as a percentage of total costs incurred. For a sample of significant projects, we recalculated the amount of revenue to be recognised.

We assessed the disclosures made in the consolidated financial statements in this area against the requirements of IFRSs.

Independent Auditor's Report continued

To the shareholders of Aldar Properties PJSC continued

Report on the audit of the consolidated financial statements continued

Other Information

The Board of Directors are responsible for the other information. The other information comprises the Board of Directors' Report, which we obtained prior to the date of this auditor's report, and the Group's Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we will read the Group's Annual Report, if we conclude that there is a material misstatement therein, we will be required to communicate the matter to those charged with governance and consider whether a reportable irregularity exists in terms of the auditing standards, which must be reported.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs and the applicable provisions of the Articles of Association of the Company and the UAE Federal Law No. (32) of 2021, applicable provisions of the laws and regulations and for such internal control as management determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Independent Auditor's Report continued

To the shareholders of Aldar Properties PJSC continued

Report on the audit of the consolidated financial statements continued

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the applicable requirements of ADAA Chairman's Resolution No. 88 of 2021 Regarding Financial Statements Audit Standards for the Subject Entities will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs and the applicable requirements of ADAA Chairman's Resolution No. 88 of 2021 Regarding Financial Statements Audit Standards for the Subject Entities, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

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

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

Independent Auditor's Report continued

To the shareholders of Aldar Properties PJSC continued

Report on the audit of the consolidated financial statements continued

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements continued

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

Report on other legal and regulatory requirements

As required by the UAE Federal Decree Law No. (32) of 2021, we report that for the year ended 31 December 2024:

- We have obtained all the information we considered necessary for the purposes of our audit;
 - The consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree Law No. (32) of 2021;
 - The Company has maintained proper books of account;
 - The financial information included in the Board of Directors' Report is consistent with the books of account and records of the Group;
 - Notes 3, 8, 46 and 47 reflect the disclosures relating to shares purchased or invested by the Group during the financial year ended 31 December 2024;
 - Note 38 reflects the disclosures relating to related party transactions and the terms under which they were conducted;
 - Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Group has contravened during the financial year ended 31 December 2024 any of the applicable provisions of the UAE Federal Decree Law No. (32) of 2021 or in respect of the Company, its Memorandum and Articles of Association which would materially affect its activities or its financial position as at 31 December 2024; and
- Note 43 reflects the disclosures relating to social contributions made during the year.

Further, as required by the ADAA Chairman Resolution No. 88 of 2021 Regarding Financial Statements Audit Standards for the Subject Entities, we report, in connection with our audit of the consolidated financial statements for the year ended 31 December 2024, that nothing has come to our attention that causes us to believe that the Group has not complied, in all material respects, with any of the provisions of the following laws, regulations and circulars as applicable, which would materially affect its activities or the financial statements as at 31 December 2024:

- Articles of Association of the Company; and
- relevant provisions of the applicable laws, resolutions and circulars that have an impact on the Group's consolidated financial statements.

Deloitte & Touche (M.E.)

Mohammad Khamees Al Tah

Registration No. 717

Abu Dhabi

United Arab Emirates

Consolidated Statement of Financial Position as at 31 December 2024

	Note	2024 AED '000	2023 AED '000
Assets			
Non-current assets			
Property, plant and equipment	5	6,709,415	6,513,316
Intangible assets and goodwill	6	1,771,308	1,882,835
Investment properties	7	28,529,885	26,217,542
Investment in associates and joint ventures	8	204,182	151,167
Investment in financial assets	9	919,552	718,969
Derivative financial assets	24	–	8,311
Trade receivables and other assets	11	649,520	724,990
Deferred tax assets	11.7	69,702	80,773
Total non-current assets		38,853,564	36,297,903
Current assets			
Plots of land held for sale	12	7,151,391	7,787,308
Development work in progress	13	7,604,170	6,243,802
Inventories	14	493,560	606,334
Investment in financial assets	9	4,013	93,147
Contract assets	10	4,448,822	1,875,744
Trade receivables and other assets	11	12,044,191	8,235,672
Cash and bank balances	15	15,135,993	11,718,158
Total current assets		46,882,140	36,560,165
Total assets		85,735,704	72,858,068

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

Consolidated Statement of Financial Position as at 31 December 2024 continued

	Note	2024 AED '000	2023 AED '000
Equity and liabilities			
Equity			
Share capital	16	7,862,630	7,862,630
Statutory reserve	18	3,931,315	3,931,315
Hedging reserve	18, 24	148,945	165,130
Investment revaluation reserve	18	(7,225)	(8,790)
Assets revaluation reserve	18	73,623	73,623
Foreign currency translation reserve	18	(834,999)	(536,624)
Retained earnings		23,718,642	19,577,817
Equity attributable to owners of the Company		34,892,931	31,065,101
Hybrid equity instrument	17	1,815,647	1,815,647
Non-controlling interests	46	6,087,330	5,302,298
Total equity		42,795,908	38,183,046
Non-current liabilities			
Non-convertible sukuk	19	5,430,838	5,456,856
Bank borrowings	20	8,904,850	5,488,558
Retentions payable	21	591,339	542,998
Lease liabilities	22	919,301	848,365
Employees benefits	23	404,248	339,482
Trade and other payables	26	3,393,644	3,937,905
Deferred tax liability	11.8	212,159	83,379
Derivative financial liabilities	24	18,393	–
Total non-current liabilities		19,874,772	16,697,543

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

Consolidated Statement of Financial Position as at 31 December 2024 continued

	Note	2024 AED '000	2023 AED '000
Current liabilities			
Non-convertible sukuk	19	1,430,324	46,098
Bank borrowings	20	620,445	1,087,654
Retentions payable	21	815,939	723,756
Lease liabilities	22	89,873	78,505
Advances from customers	25	814,990	633,019
Income tax payable	10	7,656,148	6,429,003
Contract liabilities	35	268,259	115,479
Trade and other payables	26	11,369,046	8,863,965
Total current liabilities		23,065,024	17,977,479
Total liabilities		42,939,796	34,675,022
Total equity and liabilities		85,735,704	72,858,068

To the best of our knowledge, and in accordance with the applicable reporting principles for financial reporting, the consolidated financial statements present fairly in all material respects the consolidated financial position, financial performance and cash flows of the Group.

Mohamed Al Mubarak
Chairman

Talal Al Dhiyebi
Group Chief Executive Officer

Faisal Falaknaz
Group Chief Financial & Sustainability Officer

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

Consolidated Statement of Profit or Loss for the year ended 31 December 2024

	Note	2024 AED '000	2023 AED '000
Revenue and rental income	27	22,998,382	14,160,938
Direct costs	28	(14,953,241)	(8,587,565)
Gross profit		8,045,141	5,573,373
Selling and marketing expenses	29	(129,400)	(114,886)
General and administrative expenses			
Staff costs	30.2	(679,322)	(545,245)
Depreciation and amortisation	5,6	(578,832)	(447,625)
Provisions, impairments and write downs, net	31	(199,186)	(225,945)
Others	30.1	(540,727)	(488,850)
Gain on revaluation of investment properties, net	7	841,477	600,157
Share of results of associates and joint ventures	8	(1,903)	(7,416)
Gain on disposal of investment properties	7	81,286	23,962
Profit/(loss) from financial assets at fair value through profit or loss	9	48,972	(2,456)
Finance income	32	715,396	498,773
Finance costs	33	(943,415)	(621,166)
Other income	34	199,630	285,697
Profit for the year before tax		6,859,117	4,528,373
Income tax expense	35	(355,178)	(111,967)
Profit for the year after tax		6,503,939	4,416,406
Attributable to:			
Equity holders of the Company		5,596,252	3,922,263
Non-controlling interests	46.2	907,687	494,143
		6,503,939	4,416,406
Basic and diluted earnings per share (AED)	36	0.699	0.486

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

Consolidated Statement of Comprehensive Income for the year ended 31 December 2024

	Note	2024 AED '000	2023 AED '000
Profit for the year		6,503,939	4,416,406
Other comprehensive income			
Items that may be reclassified to profit or loss in subsequent periods:			
Foreign exchange differences on translation of foreign operations	18	(496,343)	(252,741)
Fair value loss on cash flow hedges arising during the year	24	–	(20,713)
Net movement in hedging instruments reclassified to profit or loss	24,33	(18,366)	(7,787)
Items that will not be reclassified to profit or loss in subsequent periods:			
Fair value gain/(loss) on revaluation of financial assets at fair value through other comprehensive income (FVTOCI)	9.1	1,565	(6,480)
Other comprehensive loss for the year		(513,144)	(287,721)
Total comprehensive income for the year		5,990,795	4,128,685
Attributable to:			
Equity holders of the Company		5,283,257	3,739,353
Non-controlling interests	46.2	707,538	389,332
		5,990,795	4,128,685

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

Consolidated Statement of Changes in Equity for the year ended 31 December 2024

	Share capital AED '000	Statutory reserve AED '000	Hedging reserve AED '000	Investment revaluation reserve AED '000	Assets revaluation reserve AED '000	Foreign currency translation reserve AED '000	Retained earnings AED '000	Equity attributable to owners of the Company AED '000	Hybrid equity instrument AED '000	Non- controlling interests AED '000	Total equity AED '000
Balance at 1 January 2024	7,862,630	3,931,315	165,130	(8,790)	73,623	(536,624)	19,577,817	31,065,101	1,815,647	5,302,298	38,183,046
Profit for the year	-	-	-	-	-	-	5,596,252	5,596,252	-	907,687	6,503,939
Other comprehensive income/(loss) for the year	-	-	(16,185)	1,565	-	(298,375)	-	(312,995)	-	(200,149)	(513,144)
Total comprehensive income/(loss) for the year	-	-	(16,185)	1,565	-	(298,375)	5,596,252	5,283,257	-	707,538	5,990,795
Dividends (note 37)	-	-	-	-	-	-	(1,336,648)	(1,336,648)	-	-	(1,336,648)
Coupon paid on hybrid equity instrument (note 17)	-	-	-	-	-	-	(103,289)	(103,289)	-	-	(103,289)
Dividends paid by a subsidiary against preference and common equity (note 46.3)	-	-	-	-	-	-	-	-	-	(78,291)	(78,291)
Dividends paid by a subsidiary to non-controlling interests (note 46.4)	-	-	-	-	-	-	-	-	-	(154,775)	(154,775)
Additional contribution from non-controlling interests (note 46.2)	-	-	-	-	-	-	-	-	-	311,070	311,070
Acquisition of non-controlling interests (note 46.2)	-	-	-	-	-	-	(15,490)	(15,490)	-	(510)	(16,000)
Balance at 31 December 2024	7,862,630	3,931,315	148,945	(7,225)	73,623	(834,999)	23,718,642	34,892,931	1,815,647	6,087,330	42,795,908

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

Consolidated Statement of Changes in Equity for the year ended 31 December 2024 continued

	Share capital AED '000	Statutory reserve AED '000	Cash flow hedging reserve AED '000	Investment revaluation reserve AED '000	Assets revaluation reserve AED '000	Foreign currency translation reserve AED '000	Retained earnings AED '000	Equity attributable to owners of the Company AED '000	Hybrid equity instrument AED '000	Non- controlling interests AED '000	Total equity AED '000
Balance at 1 January 2023	7,862,630	3,931,315	190,248	(2,310)	73,623	(385,312)	16,679,139	28,349,333	1,815,647	4,380,218	34,545,198
Profit for the year	-	-	-	-	-	-	3,922,263	3,922,263	-	494,143	4,416,406
Other comprehensive income/(loss) for the year	-	-	(25,118)	(6,480)	-	(151,312)	-	(182,910)	-	(104,811)	(287,721)
Total comprehensive income/(loss) for the year	-	-	(25,118)	(6,480)	-	(151,312)	3,922,263	3,739,353	-	389,332	4,128,685
Dividends (note 37)	-	-	-	-	-	-	(1,258,022)	(1,258,022)	-	-	(1,258,022)
Gain on business combination without loss of control (note 47.1)	-	-	-	-	-	-	337,726	337,726	-	-	337,726
Coupon paid on hybrid equity instrument (note 17)	-	-	-	-	-	-	(103,289)	(103,289)	-	-	(103,289)
Dividends paid by a subsidiary against preference equity (note 46.3)	-	-	-	-	-	-	-	-	-	(101,957)	(101,957)
Dividends paid by a subsidiary to non-controlling interests (note 46.4)	-	-	-	-	-	-	-	-	-	(151,040)	(151,040)
Additional contribution from non-controlling interests (note 47.4)	-	-	-	-	-	-	-	-	-	18,000	18,000
Non-controlling interest arise due to change in ownership interest (note 47.1)	-	-	-	-	-	-	-	-	-	675,276	675,276
Non-controlling interest arise on business combinations and asset acquisition (note 7&47)	-	-	-	-	-	-	-	-	-	92,469	92,469
Balance at 31 December 2023	7,862,630	3,931,315	165,130	(8,790)	73,623	(536,624)	19,577,817	31,065,101	1,815,647	5,302,298	38,183,046

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

Consolidated Statement of Cash Flows for the year ended 31 December 2024

	Note	2024 AED '000	2023 AED '000
Operating activities			
Profit for the year before tax		6,859,117	4,528,373
Adjustments for:			
Depreciation and amortization	5,6	620,727	479,189
Finance income	32	(715,396)	(498,773)
Finance costs	33	943,415	621,166
Gain on revaluation of investment properties, net	7	(841,477)	(600,157)
Share of results of associates and joint ventures	8	1,903	7,416
Release for onerous contracts	31	–	(11,601)
Provisions, impairments and write downs, net	31	199,186	237,546
Gain on disposal of investment properties	7	(81,286)	(23,962)
Gain on disposal of right of use assets		–	(16,831)
Fair value gain on revaluation of financial assets		(48,972)	(2,604)
Provision for employee benefits	23	136,299	71,481
Operating cash flows before movements in working capital		7,073,516	4,791,243
Movement in working capital:			
Increase in trade receivables and other assets		(2,827,668)	(670,011)
Increase in development work in progress, inventories and plots of land held for sale		(1,585,935)	(810,610)
Increase in contract assets		(2,573,082)	(1,146,696)
Increase/(decrease) in retentions payable		161,916	(501,299)
Increase in advances from customers		876,186	392,649
Increase in contract liabilities		1,847,318	3,757,039
Increase/(decrease) in trade and other payables		2,300,524	(2,108,044)
Cash generated from operations		5,272,775	3,704,271
Employee benefits paid	23	(111,068)	(71,105)
Income tax paid		(38,964)	(43,517)
Net cash generated from operating activities		5,122,743	3,589,649

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

Consolidated Statement of Cash Flows

for the year ended 31 December 2024 continued

	Note	2024 AED '000	2023 AED '000
Cash flows from investing activities			
Payment for purchase of property, plant and equipment	5	(635,014)	(646,856)
Payment for purchase of intangible assets	6	(60,612)	(82,320)
Additions to investment properties	7	(1,736,826)	(1,581,837)
Proceeds from disposal of investment properties and property, plant and equipment	5,7	364,286	192,177
Cash received from associate as reduction in capital	8	–	52,468
Acquisition of subsidiaries, net of cash acquired	47	–	(692,134)
Movement in term deposits with maturities greater than three months		(111,455)	438,428
Investment in financial assets		(243,504)	(624,094)
Proceeds from maturity of treasury bills		125,047	635,330
Investments made in treasury bills		(63,570)	(557,532)
Movement in restricted bank balances		1,953,176	(1,665,699)
Investments in associates and joint ventures		(50,214)	(10,809)
Finance income received		756,447	479,381
Cash distribution from financial assets		81,786	–
Advance given for the acquisition of investment properties under development		(1,885,858)	–
Net cash used in investing activities		(1,506,311)	(4,063,497)
Cash flows from financing activities			
Proceeds from bank borrowings	20	10,310,525	5,055,639
Proceeds from non-convertible sukuk	19	1,824,553	1,804,551
Repayments of bank borrowings	20	(7,189,238)	(5,641,850)
Payment of non-convertible sukuk	19	(455,878)	–
Payment of principal portion of lease liabilities	22	(80,032)	(50,920)
Finance costs paid		(872,878)	(730,950)
Dividends paid	37	(1,336,648)	(1,258,022)
Dividends paid to non-controlling interest	46	(233,066)	(252,997)
Coupon paid on hybrid equity investment	17	(103,289)	(103,289)
Additional contribution from non-controlling interests		311,070	83,542
Proceeds from settlement of derivatives	24	11,525	183,662
Payment for purchase of land held for sale	12	(424,673)	(622,510)
Change in ownership interest in a subsidiary		(16,000)	–
Net cash generated from/(used in) financing activities		1,745,971	(1,533,144)

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

Consolidated Statement of Cash Flows
for the year ended 31 December 2024 continued

	Note	2024 AED '000	2023 AED '000
Net increase/(decrease) in cash and cash equivalents		5,362,403	(2,006,992)
Cash and cash equivalents at beginning of the year	15	4,963,096	7,020,318
Effect of foreign exchange rate changes		(102,847)	(50,230)
Cash and cash equivalents at end of the year	15	10,222,652	4,963,096

Refer to note 44 for details of non-cash transactions excluded from the consolidated statement of cash flows.

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

Notes to the Consolidated Financial Statements for the year ended 31 December 2024

1 General information

The establishment of Aldar Properties PJSC (the “Company” or “Aldar”) was approved by Decision No. (16) of 2004 of the Abu Dhabi Department of Planning and Economy dated 12 October 2004. The Company’s incorporation was declared by Ministerial Resolution No. (59) of 2005 issued by the UAE Minister of Economy dated 23 February 2005.

The Company is domiciled in the United Arab Emirates (UAE) and its registered office address is P.O. Box 51133, Abu Dhabi. The Company’s ordinary shares are listed on the Abu Dhabi Securities Exchange.

The holding company of the Group is Alpha Dhabi Holding PJSC (the “Parent Company”) which is listed on Abu Dhabi Securities Exchange.

The Company and its subsidiaries (together referred to as the “Group”) are engaged in various businesses primarily the development, sales, investment, construction, leasing, management and associated services for real estate. In addition, the Group is also engaged in development, construction, management and operation of hotels, schools, marinas, restaurants, beach clubs and golf courses.

2 Adoption of new and revised International Financial Reporting Standards (“IFRS Accounting Standards”) (“IFRSs”)

2.1 New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Group has applied the below amendments to IFRSs and interpretations issued by the International Accounting Standard Board (IASB) that are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements except as disclosed below. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk.

The above amendments had no impact on the Group’s consolidated financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement.
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity’s right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively.

The amendments had no impact on the Group’s consolidated financial statements.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

2 Adoption of new and revised International Financial Reporting Standards ("IFRS Accounting Standards") ("IFRSs") continued

2.1 New and amended IFRS Accounting Standards that are effective for the current year continued

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

The amendments do not affect the gain or loss recognised by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognised a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate.

A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

The amendments had no impact on the Group's consolidated financial statements.

2.2 New and amended IFRSs in issue but not yet effective and not early adopted

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality fund classification of cash flows from dividends and interest.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

2 Adoption of new and revised International Financial Reporting Standards ("IFRS Accounting Standards") ("IFRSs") continued

2.2 New and amended IFRSs in issue but not yet effective and not early adopted continued

In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Group is currently working to identify all impacts the amendments will have on the primary consolidated financial statements and notes to the consolidated financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

3 Summary of material accounting policy information

3.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) (IFRSs) as issued by the International Accounting Standards Board (IASB) and applicable provisions of the U.A.E. Federal Law No. (32) of 2021.

The consolidated financial statements have been prepared on a historical cost basis, except for the revaluation of investment properties, revaluation of the financial assets at fair value through other comprehensive income, revaluation of the financial assets at fair value through profit or loss, measurement of derivative financial instruments and measurement of share-based payments at fair values at the end of each reporting period, as explained in the respective accounting policies given below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of a financial asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 Inventories or value in use in IAS 36 Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which is described as follows:

- Level 1 inputs are quoted price (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 inputs are unobservable inputs for the asset or liability that are derived from valuation techniques.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.1 Basis of preparation continued

These consolidated financial statements are presented in UAE Dirhams (AED), which is the functional and presentation currency of the Group and all values are rounded to the nearest thousand (AED '000) except when otherwise indicated. Foreign operations are included in accordance with the policies set out in note 3.14.

The consolidated financial statements provide comparative information in respect of the previous period. In addition, the Group presents an additional statement of financial position at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in consolidated financial statements.

3.2 Going concern

The directors have, at the time of approving the consolidated financial statements, made a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

3.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The size of the group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- Potential voting rights held by the group, other vote holders or other parties
- Rights arising from other contractual arrangements
- Any additional facts and circumstances that indicate that the group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.3 Basis of consolidation continued

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at

the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.3 Basis of consolidation continued

Details of the Company's significant operating subsidiaries and effective ownership interest are given below:

Name of subsidiary	Effective ownership interest		Country of incorporation	Principal activities
	2024	2023		
Active subsidiaries				
Aldar Education – Sole Proprietorship LLC	100%	100%	UAE	Investment in, and management of entities providing educational services
Aldar Academies – Sole Proprietorship LLC	100%	100%	UAE	Investment in, and management of entities providing educational services
Aldar Hotels and Hospitality LLC	100%	100%	UAE	Investment in, and management of, entities providing hotels and hospitality services
Aldar Marinas LLC	100%	100%	UAE	Managing and operating marinas, sports clubs and marine machinery
Provis Real Estate Management – Sole Proprietorship LLC	65.1%	65.1%	UAE	Management and leasing of real estate
Provis Real Estate Brokers LLC	65.1%	65.1%	UAE	Real estate brokerage
Yas Links LLC	100%	100%	UAE	Ownership and management of golf courses and golf clubs
Provis International Limited	65.1%	65.1%	UAE	Real estate activities
Pivot Engineering & General Contracting Co. (WLL)	65.2%	65.2%	UAE	Engineering and general construction works
Aldar Investment Properties LLC	88.1%	88.1%	UAE	Investment, management and associated services for real estate assets and the operation of hotels
Aldar Investment Holding Restricted Limited	88.1%	88.1%	UAE	Special purpose vehicle, proprietary asset management company
Khidmah – Sole Proprietorship LLC	65.1%	65.1%	UAE	Management and leasing of real estate
Saadiyat Accommodation – Sole Proprietorship LLC	88.1%	88.1%	UAE	Accommodation village
Aldar Sukuk (No. 1) Ltd.	88.1%	88.1%	Cayman Islands	Funding company
Aldar Sukuk (No. 2) Ltd.	88.1%	88.1%	Cayman Islands	Funding company
Aldar Investment Properties Sukuk Limited	88.1%	88.1%	Cayman Islands	Funding company
Cloud Spaces – Sole Proprietorship LLC	100%	100%	UAE	Real estate lease and management services
C2i Holding Limited	100%	100%	UAE	Special purpose vehicle
C2i Holding Sole Proprietorship LLC	100%	100%	UAE	Real estate lease and management services
Aldar Lifestyle – Sole Proprietorship LLC	100%	100%	UAE	Hospitality services
Eastern Mangroves Marina – Sole Proprietorship LLC	100%	100%	UAE	Managing and operating marinas
Marsa Al Bateen – Sole Proprietorship LLC	100%	100%	UAE	Managing and operating marinas
Advanced Real Estate Services – Sole Proprietorship LLC	100%	100%	UAE	Real estate services
Aldar Investments Limited	88.1%	88.1%	UAE	Holding company
Aldar Ventures International Holding RSC Limited	100%	100%	UAE	Restricted scope company
Aldar Projects LLC OPC	100%	100%	UAE	Project management services
Six October for Development and Investment Co. S.A.E. (SODIC)	59.9%	59.9%	Egypt	Real estate development
Tasareeh Engineer Services – Sole Proprietorship LLC	100%	100%	UAE	Development consultancy

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.3 Basis of consolidation continued

Name of subsidiary	Effective ownership interest		Country of incorporation	Principal activities
	2024	2023		
Aldar Investment Management Limited	100%	100%	UAE	Assets management
Asteco Property Management LLC	65.1%	65.1%	UAE	Property management services
Aldar Logistics – Sole Proprietorship LLC	88.1%	88.1%	UAE	Real estate lease and management services
The Gateway Engineering Services – Sole Proprietorship LLC	100%	100%	UAE	Development consultancy
Al Seih Real Estate Management LLC	91.4%	91.4%	UAE	Management and leasing of real estate; real estate projects investment
Seih Sdeirah Real Estate LLC	91.4%	91.4%	UAE	Property rental and management; real estate projects investment
Saadiyat Grove – Sole Proprietorship LLC	100%	100%	UAE	Real estate development
Mace Macro Technical Services L.L.C.	65.1%	65.1%	UAE	Facilities management
Spark Security Services – Sole Proprietorship LLC	65.1%	65.1%	UAE	Security solutions
Spark Security Services – LLC	65.1%	65.1%	UAE	Security solutions
Pactive Sustainable Solutions LLC	65.1%	65.1%	UAE	Green building consultant, buildings energy efficiency services
Saga International Owners Association Management Services LLC	65.1%	65.1%	UAE	Property management services
Falcon Investments – LLC	65.1%	65.1%	UAE	Real Estate Lease And Management Services
Saga OA DMCC	65.1%	65.1%	UAE	Property management services
Al Shohub Private School – Sole Proprietorship L.L.C.	100%	100%	UAE	Providing educational services
Twafq Projects Development Property – Sole Proprietorship L.L.C.	61.7%	61.7%	UAE	Real estate lease and management services
Abu Dhabi Business Hub LLC – Sole Proprietorship L.L.C.	61.7%	61.7%	UAE	Real estate lease and management services
Aldar Logistics Holding Limited	100%	100%	UAE	Holding company
Aldar Hansel SPV Restricted Ltd.*	51%	51%	UAE	Restricted scope company
Confluence Partners (HQ) RSC Ltd.	100%	100%	UAE	Special purpose company
Al Maryah Property Holding Limited	52.86%	52.86%	UAE	Real estate holding
Double Tree by Hilton Resort & SPA Marjan Island LLC	100%	100%	UAE	Hospitality services
Aldar Island Hotel – Sole Proprietorship L.L.C.	100%	100%	UAE	Hospitality services
Bab Resorts LLC	100%	100%	UAE	Hospitality services
Mustard and Linen Interior Design Holdings Limited	75%	75%	UAE	Premium interior design business
Mustard & Linen Interior Design – Sole Proprietorship L.L.C.	75%	75%	UAE	Premium interior design business
Aldar Estates Holding Limited	65.1%	65.1%	UAE	Special purpose company
Aldar Estates Investment – Sole Proprietorship L.L.C.	65.1%	65.1%	UAE	Real estate enterprises investment, development, institution & management

* The 49% represent class B shares (refer note 46.4)

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.3 Basis of consolidation continued

Name of subsidiary	Effective ownership interest		Country of incorporation	Principal activities
	2024	2023		
Kent College LLC – FZ	100%	100%	UAE	Education
Kent Nursery LLC – FZ	100%	100%	UAE	Education
Cranleigh School Abu Dhabi – Sole Proprietorship LLC	100%	100%	UAE	Education
Basatin Holding SPV Limited	48.8%	48.8%	UAE	Landscaping service provider
Virginia International Private School – Sole Proprietorship LLC	100%	100%	UAE	Education
Aurora Holding Company Limited	51%	51%	UAE	Special purpose company
Aurora SPV 1 LLC	51%	51%	UAE	Real estate development
Aurora SPV 2 LLC	51%	51%	UAE	Real estate development
Aurora SPV 3 LLC	51%	51%	UAE	Real estate development
Aldar Development Holdings Limited	100%	100%	UAE	Special purpose company
Aldar Development – LLC – OPC	100%	100%	UAE	Real estate development
The Sustainable Investment YAS – Sole Proprietorship L.L.C.	58%	100%	UAE	Real estate development
The Sustainable Investment Company SPV Limited	58%	100%	UAE	Special purpose company
Eltizam Asset Management Estate – Sole Proprietorship LLC	65.10%	65.10%	UAE	Real estate lease and management
Fab Properties – Sole Proprietorship LLC	65.10%	65.10%	UAE	Real estate lease and management
Aldar Development (LSQ) Limited	100%	100%	England	Real estate development
London Square Development (Holdings) Limited	100%	100%	England	Real estate development
LSQ Management Limited	100%	100%	England	Real estate development
Aldar Development (UK) Holdings Limited	100%	100%	UAE	Special purpose company
Aldar Hamra Holdings Limited	100%	100%	UAE	Special purpose company
AMI Properties Holding Limited	60%	60%	UAE	Special purpose company
Aldar Logistics Parks LLC	100%	100%	UAE	Leasing and management of self-owned property
Aldar Education Overseas Holding Limited	100%	–	UAE	Special purpose company
Noya British School – Sole Proprietorship LLC	100%	–	UAE	Education
Aldar Residential L.L.C – O.P.C.	88.1%	–	UAE	Real Estate Lease And Management Services
Aldar Retail L.L.C – O.P.C.	88.1%	–	UAE	Real Estate Lease And Management Services
Aldar Commercial L.L.C – O.P.C.	88.1%	–	UAE	Real Estate Lease And Management Services
Cloud Spaces Limited, Sole Proprietorship	100%	–	KSA	Integrated Office Administrative Services
Aldar Commercial 2 Property Management FZ-LLC	100%	–	UAE	Property management services
Aldar Holdings 4 Limited	100%	–	UAE	Special purpose company

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.4 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.5 Goodwill

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

When the Group reorganises its reporting structure in a way that changes the composition of one or more cash-generating units to which goodwill has been allocated, the goodwill shall be reallocated to the units affected. This reallocation is performed using a relative value approach similar to that used when the Group disposes of an operation within a cash-generating unit.

3.6 Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The results and assets and liabilities of associates and joint ventures are incorporated using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for under IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated financial statements at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the associate or the joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.6 Investment in associates and joint ventures continued

Profit or loss reflects the Group's share of the results of operations of associates and joint ventures. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associates or joint ventures, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the investees are eliminated to the extent of the interest in the investees.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss and non-controlling interests in the subsidiaries of the associate or joint venture.

Losses of an associate or joint venture in excess of the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in associate or joint venture) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. The financial statements of the associate or joint venture are prepared for the same reporting period as the Group and having same accounting policies. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment

loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or joint venture upon loss of significant influence over the associate or joint control over the joint venture. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the associate or joint venture is disposed of.

When the Group reduces its ownership interest in an associate or joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.6 Investment in associates and joint ventures continued

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Interests in associates that are held as part of the Group's investment portfolio are carried in the consolidated statement of financial position at fair value. This treatment is permitted by IAS 28 Investments in Associates and Joint Ventures, which allows investments in associates held by venture capital organisations to be designated, upon initial recognition, as at fair value through profit or loss and accounted for in accordance with IFRS 9, with changes in fair value recognised in the profit or loss in the period of the change.

3.7 Interest in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with IFRS Accounting Standards applicable to the particular assets, liabilities, revenues and expenses.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a sale or contribution of assets), the Group is considered conducting the transaction with other parties to the joint operation and profits and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation. When a Group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

3.8 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The terms of the liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.8 Current versus non-current classification continued

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment in an associate or, a portion of an investment in an associate, the investment, or the portion of the investment in the associate, that will be disposed of is classified as held for sale when the criteria described above are met. The group then ceases to apply the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method.

3.9 Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

3.10 Fair value measurement

The Group measures financial instruments such as investment in financial assets and derivatives, and non-financial assets such as investment properties, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.10 Fair value measurement continued

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as investment properties and unquoted financial assets, and for non-recurring measurement, such as assets held for sale in discontinued operations.

External valuers are involved for valuation of significant assets, such as investment properties. Involvement of external valuers is determined annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

3.11 Revenue recognition

For contracts determined to be within the scope of revenue recognition, the Group is required to apply a five-step model to determine when to recognise revenue, and at what amount. Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

The Group recognises revenue from the following major sources:

- Sale of properties (property development and sales) and provision of services
- Service charges and expenses recoverable from tenants
- Property and facilities management services
- Hospitality
- Leisure
- Construction contracts
- Education services
- Management fee

Revenue from contracts with customers for sale of properties and provision of services

The Group constructs and sells residential properties under long-term contracts with customers. Such contracts are entered into before construction of the residential properties begins.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.11 Revenue recognition continued

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

Step 1

Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2

Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3

Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4

Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5

Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

For performance obligations where any of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Under the terms of the contracts in the UAE and United Kingdom, the Group is contractually restricted from redirecting the properties to another customer and has an enforceable right to payment for work done. Therefore, revenue from construction of residential properties in the UAE and United Kingdom is recognised over time on a cost-to-cost method, i.e. based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The Group consider that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under IFRS 15. In respect of the Group's contracts for development of residential properties in Egypt and certain contracts in the United Kingdom, the Group has assessed that the criteria for recording revenue over time is not met and transfer of control happens only at the time of handover of completed units to the customers and accordingly the revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.11 Revenue recognition continued

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

The Group receives advance payments and instalments from some customers in a specific jurisdiction, before the transfer of control over contracted units to customers as agreed in the contract, accordingly there is a significant financing component in those contracts, considering the length of time between the customer's payments and the transfer of control to the customer, and the interest rate prevailing in the market. The transaction price for those contracts is discounted using the interest rate implicit in the contract, and the Group uses the rate that would have been used in the event of a separate financing contract between the Group and the customer at the beginning of the contract, which is usually equal to the interest rate prevailing at the time of the contract. The Group uses the exception of the practical application for short-term payments received from customers. This means the amount collected from customers will not be modified to reflect the impact of the significant financing component if the period between the transfer of control over the units, service and payment is less than a year.

Management fee

The Group manages construction of properties under long term contracts with customers. Management fee is recognised over time using input method to recognise revenue on the basis of entity's efforts to the satisfaction of a performance obligation. Management considers that input method is an appropriate measure of the progress towards complete satisfaction of the performance obligations under IFRS 15. Where the outcome cannot be estimated reliably, revenue is measured based on the consideration from customers to which the Group expects to be entitled in a contract with a customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date and excludes amounts collected on behalf of third parties.

Service charges and expenses recoverable from tenants

For investment properties held primarily to earn rental income, the Group enters as a lessor into lease agreements that fall within the scope of IFRS 16. Certain lease agreements include certain services offered to tenants (i.e., customers) including common area services (such as security, cleaning, maintenance, utilities, health and safety) as well as other support services (e.g., customer service and management) The consideration charged to tenants for these services includes fees charged based on a percentage of the rental income and reimbursement of certain expenses incurred. These services are specified in the lease agreements and separately invoiced.

The Group has determined that these services constitute distinct non-lease components (transferred separately from the right to use the underlying asset) and are within the scope of IFRS 15. The contracts of the Group specifically highlight stand-alone price for the services.

In respect of the revenue component, these services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Group. The Group applies the time elapsed method to measure progress.

Income arising from cost recharged to tenants is recognised in the period in which the cost can be contractually recovered. The Group arranges for third parties to provide certain of these services to its tenants. The Group concluded that it acts as a principal in relation to these services as it controls the specified services before transferring them to the customer. Therefore, the Group records revenue on a gross basis.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.11 Revenue recognition continued

Hospitality

Hospitality revenue corresponds to all the revenues received from guests of the hotels. The services rendered (including room rentals, food and beverage sales and other ancillary services) are distinct performance obligations, for which prices invoiced to the guests are representative of their stand-alone selling prices. These obligations are fulfilled over time when they relate to room rentals, which is over the stay within the hotel, and at a point in time for other goods or services, when they have been delivered or rendered.

Leisure

Leisure businesses comprise revenue from goods sold and services provided at golf courses, beach clubs and marinas, and is recognised at the point when the goods are sold or services are rendered.

Education services

The education and other related services rendered are distinct performance obligations, for which fees invoiced to the students are representative of their stand-alone selling prices. These obligations are fulfilled over time when they relate to learning, educative, schooling and training services, that is over the academic year the student is enrolled with the Group, and at a point in time for other services, when they have been delivered or rendered. The Group primarily generates revenue from tuition fees, registration fees and management fees. Provided it is probable that the economic benefits will flow to the Group, the revenue is recognised as follows:

- Tuition fee income is recognised on a monthly basis over the year. Tuition fees received in advance are recorded as deferred income.
- Registration fees are recognised as income on forfeiture when a registered student does not join the school and registration fees for the new students who join the school is adjusted against the tuition fee.
- Management fee is earned from the management services that the Group provides to certain schools under management and are recognised as revenue when the service is performed.

- Education service income is accrued on a monthly basis over the period of the service.

Revenue from construction contracts

The Group constructs properties under long term contracts with customers. Such contracts are entered into before the construction work begins. Under the terms of the contracts, the Group is contractually restricted from redirecting the properties to another customer and has enforceable right to payment for work done. Revenue from construction is therefore recognised over-time using input method to recognise revenue on the basis of entity's efforts to the satisfaction of a performance obligation in accounting for its construction contracts. Management considers that this input method is an appropriate measure of the progress towards complete satisfaction of the performance obligations under IFRS 15.

Where the outcome of a construction contract cannot be estimated reliably, revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. Contract costs incurred are amortised over the period of service. There is not considered to be a significant financing component in construction contracts with customers as the period between the recognition of revenue using the input method and the payment is always less than one year. When it is possible that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the profit or loss immediately.

Contract costs

Costs of contracts include all direct costs of labour, materials, depreciation of property, plant and equipment (where applicable) and costs of subcontracted works, plus an appropriate portion of construction overheads and general and administrative expenses of the year allocated to construction contracts in progress during the year at a fixed rate of the value of work done on each contract. Any under recovery at the end of the year, is charged to profit or loss as unallocated overheads.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.11 Revenue recognition continued

Contract assets and liabilities

The Group has determined that contract assets and liabilities are to be recognised at the performance obligation level and not at the contract level and both contract assets and liabilities are to be presented separately in the consolidated financial statements. The Group classifies its contract assets and liabilities as current and non-current based on the timing and pattern of flow of economic benefits.

3.12 Leases

The Group assesses at contract inception whether a contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognises a right-of-use asset and a corresponding lease liability at the commencement date of the lease (i.e., the date the underlying asset is available for use) with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond

yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.12 Leases continued

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

After initial recognition, the Group applies fair value model to right-of-use assets that meet the definition of investment property. For assets that meet the definition of property, plant and equipment, right of use asset is carried at cost net of depreciation and impairment and is amortised over the term of the lease. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented along with the underlying asset in the consolidated statement of financial position. The Group applies IAS 36 to determine whether a right-of-use asset associated with property, plant and equipment is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in the consolidated statement of profit or loss.

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The relative stand-alone price of lease and non-lease components is determined on the basis of the price the lessor, or a similar supplier, would charge an entity for that component, or a similar component, separately. If an observable stand-alone price is not readily available, the Group estimates the stand-alone price, maximising the use of observable information.

The non-lease components are accounted for in accordance with the Group's policies. For determination of the lease term, the Group reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances that:

- is within the control of the Group; and
- affects whether the Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.12 Leases continued

Group as a lessor

The Group enters into lease arrangements as a lessor with respect to its investment properties. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income

The Group earns revenue from acting as a lessor in operating leases which do not transfer substantially all the risks and rewards incidental to ownership of an investment property. In addition, the Group subleases investment property acquired under head leases with lease terms exceeding 12 months at commencement. Subleases are classified as a finance lease or an operating lease by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying investment property. All the Group's subleases are classified as operating leases.

Rental income arising from operating leases on investment property is recognised on a straight-line basis over the relevant lease term and is included in revenue in profit or loss due to its operating nature, except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income.

Lease incentives that are paid or payable to the lessee are deducted from lease payments. Accordingly, tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Group is reasonably certain that the tenant will exercise that option.

Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in profit or loss when the right to receive them arises.

Amounts from leases under finance lease are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

3.13 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.13 Taxes continued

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.14 Foreign currencies

The Group's consolidated financial statements are presented in AED, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into AED at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions or average exchange rate of the period. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.15 Borrowing costs

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs may include:

- interest expense calculated using the effective interest method as described in IFRS 9;
- interest in respect of leases liabilities recognised in accordance with IFRS 16 Leases; and
- exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connections with the borrowing of funds.

To the extent that variable rate borrowings are used to finance a qualifying asset and are hedged in an effective cash flow hedge of interest rate risk, the effective portion of the derivative is recognised in other comprehensive income and reclassified to profit or loss when the qualifying asset impacts profit or loss. To the extent that fixed rate borrowings are used to finance a qualifying asset and are hedged in an effective fair value hedge of interest rate risk, the capitalised borrowing costs reflect the hedged interest rate.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.16 Cash dividend

The Company recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Company. A distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.17 Property, plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to profit or loss in the period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the assets' cost to their residual values over their estimated useful lives as follows:

	Years
Buildings	5 – 30
Plants and machinery	2 – 5
Labour camps	5 – 10
Furniture and fixtures	4 – 10
Office equipment	2 – 5
Computers	3
Motor vehicles	3 – 4
Leasehold improvements	2 – 10

Freehold land is not depreciated.

The estimated residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.17 Property, plant and equipment

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Right-of-use assets are depreciated over the shorter period of lease term and the useful life of the underlying asset.

An item of property, plant and equipment is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

3.18 Capital work in progress

Properties or assets in the course of construction for production, supply or administrative purposes, are carried at cost, less any recognised impairment loss. Cost includes all direct costs attributable to the acquisition of the property including related staff costs, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. When the assets are ready for intended use, the capital work in progress is transferred to the appropriate property, plant and equipment category and is accounted in accordance with the Group's policies.

3.19 Investment properties

Investment properties comprise completed properties and properties under development. Completed properties are properties held to earn rentals and/or for capital appreciation and properties under development are properties being constructed or developed for future use as investment property. Investment properties under development are transferred to investment properties when they are completed and ready for their intended use.

Investment properties are measured initially at cost including transaction costs and for properties under development all direct costs attributable to the design and construction including related staff costs. Subsequent to initial recognition, investment properties are measured at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise. Fair values are determined based on annual valuations performed by accredited external independent valuers applying valuation models recommended by the International Valuation Standards Committee.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use. If an inventory property becomes an investment property, the difference between the fair value of the property at the date of transfer and its previous carrying amount is recognised in profit or loss. The Group considers as evidence the commencement of development with a view to sale (for a transfer from investment property to development work in progress) or inception of an operating lease to another party (for a transfer from inventories to investment property).

Upon completion of construction or development, a property is transferred from properties under development to completed properties. Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefits are expected from the disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration to be included in the gain or loss arising from the derecognition of investment property, the Group considers the effects of variable consideration, the existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any) in accordance with the requirements for determining the transaction price in IFRS 15.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.20 Development work in progress

Development work in progress consists of property being developed principally for sale and is stated at the lower of cost or net realisable value. Cost comprises all direct costs attributable to the design and construction of the property including direct staff costs, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Net realisable value is the estimated selling price in the ordinary course of the business less estimated costs to complete and applicable variable selling expenses.

For single segment development projects, the Group allocates the cost of land and related cost in proportionate basis of the Gross Floor Area ("GFA") and for multi-segment development projects, the Group allocates the cost of land and related cost in proportionate basis of the residual value of each respective segment of the development project including relative sales value of inventory units. The residual value of each segment is determined by the management of the Group using recognised valuation methods. These methods comprise the residual value method and the income capitalization method. The residual value method requires the use of estimates such as future cash flows from assets (comprising of selling and leasing rates, future revenue streams, construction costs and associated professional fees, and financing cost, etc.), targeted internal rate of return and developer's risk and targeted profit. These estimates are based on local market conditions existing at the end of the reporting period.

In respect of the Group's property development and sales contracts in Egypt and certain contracts in the United Kingdom, the Group records revenue at a point in time when the control of property unit is transferred to the customers. All costs relating to such contracts are recorded under development work in progress until the completion of the projects. The costs recorded under development work in progress are recognised as direct costs when the property is handed over to the customer for the sold units and to inventories for the unsold units.

3.21 Inventories

Inventories comprise completed properties held for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, and other operating inventories. Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost method and comprises construction/acquisition costs and other costs incurred in bringing inventory to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

When an inventory property is sold, the carrying amount of the property is recognised as an expense in the period in which the related revenue is recognised. The carrying amount of inventory properties recognised in profit or loss is determined with reference to the directly attributable costs incurred on the property sold and an allocation of any other related costs based on the relative size of the property sold.

3.22 Plots of land held for sale

Plots of land held for sale is stated at the lower of cost and net realisable value. Costs include the cost of land acquired and all direct costs attributable to the infrastructure works and development expenses of the land. Net realisable value represents the estimated selling price of the land less all estimated costs necessary to make the sale. The finance costs incurred on the financial liabilities recognised in relation to land acquired on deferred consideration basis is capitalised as part of plots of land held for sale when all the applicable conditions as per IAS 23 "Borrowing Costs" are met.

3.23 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.23 Intangible assets continued

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale

- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives which is normally a period of 3 to 5 years.

Customer contracts/backlog

Customer contracts/backlog have a finite useful life and are carried at cost less accumulated amortisation and impairment and mainly represent long term non-cancellable contracts with customers. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful lives, which is in the range of 5 to 10 years.

Brand name

Brand name have a finite useful life and are carried at cost less accumulated amortisation and impairment and mainly represent various brands acquired by the Group as part of acquisition of Eltizam. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful lives, which is estimated as 5 years. Brands are valued under the relief from royalty methodology with a 5 year useful life and a royalty rate of 0.25% – 2.0% in line with comparable data on the brand name in similar sectors.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.23 Intangible assets continued

Customer relationships

Customer relationships have a finite useful life and are carried at cost less accumulated amortisation and impairment and mainly represents the value to be derived from relationship with customers. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful lives, which is in the range of 3 to 10 years and is valued at the Transaction Date under the Multi-period excess earnings methodology considering an attrition rate of 14.9% to 65.9%.

3.24 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. In determining fair value less costs of disposal, recent market

transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

3.25 Cash and cash equivalents

Cash and short-term deposits in the consolidated statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are held for the purpose of meeting short-term cash commitments, are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.26 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Onerous contracts

If the Group has a contract that is onerous, the present obligations under onerous contracts are recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

Contingent liabilities acquired in a business combination

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are remeasured at the higher of the amount that would be recognised in accordance with IAS 37 and the amount recognised initially less cumulative amount of income recognised in accordance with the principles of IFRS 15.

3.27 Provision for employees' benefits

An accrual is made for estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the reporting date. Provision is also made for the full amount of end of service benefits due to employees in accordance with the Group's policy, which is at least equal to the benefits payable in accordance with UAE Labour Law, for their period of service up to the reporting date. The accrual relating to annual leave is disclosed as a current liability, while the provision relating to end of service benefits is disclosed as a non-current liability.

Pension contributions are made in respect of UAE national employees to the UAE General Pension and Social Security Authority in accordance with the UAE Federal Law no. (2) of 2000 for Pension and Social Security; such contributions are charged to profit or loss during the employees' period of service.

3.28 Share-based payments

For cash-settled share-based payments to employees, a liability is recognised for the services acquired, at the fair value which is measured initially at grant date and at each reporting date up to and including the settlement date, with changes in fair value net of any changes in investments held, are recognised in profit or loss. The group does not have any equity-settled share-based payment.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.29 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-monetary assets are recognised as deferred government grant in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses already incurred or for the purpose of giving immediate financial support to the group with no future related costs are recognised in profit or loss in the period in which they become receivable. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Land granted by the Government is recognised at nominal value where there is reasonable assurance that the land will be received and the Group will comply with any attached conditions, where applicable.

3.30 Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-

adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

3.31 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.32 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.32 Financial instruments continued

Financial assets

All financial assets under the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

A financial asset is measured at fair value through other comprehensive income, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through profit or loss, unless it is measured at amortised cost or at fair value through other comprehensive income. However, the Group may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

Financial liabilities and equity instruments issued by the Group

Debt and equity instruments are classified as either financial liabilities or as equity instruments in accordance with the substance of the contractual agreements. Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivative instrument as appropriate. The Group determines the classification of its financial liabilities at the initial recognition.

All financial liabilities are classified and subsequently measured at amortised cost, except for:

- financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value
- financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies
- financial guarantee contracts
- commitments to provide a loan at a below-market interest rate

At initial recognition, the Group may irrevocably designate a financial liability as measured at fair value through profit or loss when permitted, or when doing so results in more relevant information, because either:

- it eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; or
- a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the Group is provided internally on that basis to the entity's key management personnel.

Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.32 Financial instruments continued

Loans and borrowings

Term loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss. This category generally applies to interest-bearing loans and borrowings.

Sukuk

The sukuk are stated at amortised cost using the effective profit rate method. The profit attributable to the sukuk is calculated by applying the prevailing market profit rate, at the time of issue, for similar sukuk instruments and any difference with the profit distributed is added to the carrying amount of the sukuk.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

The repurchase of equity instruments issued by the Group is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of equity instruments issued by the Group.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over

the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risk, including interest rate swaps. Further details of derivative financial instruments are disclosed in note 24. Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Derivative not designated as hedging instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and subsequently remeasured to their fair value at the end of each accounting period with any gains or losses recognised through the profit and loss account.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.32 Financial instruments continued

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. Derivatives embedded in hybrid contracts with a financial asset host within the scope of IFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured as either amortised cost or fair value as appropriate.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit and loss.

If the hybrid contract is a quoted financial liability, instead of separating the embedded derivative, the Group generally designates the whole hybrid contract at fair value through profit and loss.

An embedded derivative is presented as a non-current asset or non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months.

Reclassification of financial assets and financial liabilities

Where the Group changes its business model for managing financial assets, it reclassifies all affected financial assets but does not reclassify any financial liability.

Measurement of financial assets and liabilities

Initial measurement

At initial recognition, financial assets and financial liabilities are measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets

After initial recognition, an entity shall measure a financial asset in accordance with its classification at:

- amortised cost less impairment;
- fair value through other comprehensive income less impairment; or
- fair value through profit or loss.

Impairment is assessed on the financial assets measured at amortised cost and at fair value through other comprehensive income as disclosed below.

Hedge accounting requirements disclosed below applies to financial assets designated as hedged item.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.32 Financial instruments continued

Impairment of financial assets

In relation to the impairment of financial assets, the Group applies the Expected Credit Loss ("ECL") model as opposed to an incurred credit loss model. Under the expected credit loss model, the Group accounts for expected credit losses and changes in those expected credit losses at the end of each reporting period to reflect changes in credit risk since initial recognition of the financial assets. It is not necessary for a credit event to have occurred before credit losses are recognised.

A loss allowance for expected credit losses is recognised on all classes of financial assets, other than those that are measured as fair value through profit or loss and equity instruments classified and measured at fair value through other comprehensive income. The financial assets subject to impairment requirements of IFRS 9, include:

- debt investments subsequently measured at amortised cost or at fair value through other comprehensive income;
- bank balances;
- trade receivables;
- lease receivables;
- contract assets; and
- loan commitments and financial guarantee contracts.

The Group has adopted the simplified approach for measuring the impairment on trade receivables, lease receivables and contract assets. Under the simplified approach, the Group measures the loss allowance at an amount equal to lifetime ECL.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on

significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the end of the reporting period or an actual default occurring.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the end of the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations
- an actual or expected significant deterioration in the operating results of the debtor
- significant increases in credit risk on other financial instruments of the same debtor
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.32 Financial instruments continued

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- the financial instrument has a low risk of default;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are highly doubtful of collection, unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped for the assessment of the expected credit loss. The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.32 Financial instruments continued

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Write-off

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities

under the group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Hedge accounting

The Group uses derivative financial instruments, such as interest rate swaps, to hedge its interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument
- The effect of credit risk does not dominate the value changes that result from that economic relationship
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

3 Summary of material accounting policy information continued

3.32 Financial instruments continued

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.
- Hedges of a net investment in a foreign operation.

Fair value hedges

The change in the fair value of a hedging instrument is recognised in profit or loss as other gains and losses. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in profit or loss as other gains and losses. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. The EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss. The Group discontinues hedge accounting only when the hedging relationship (or a part

thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in other comprehensive income must remain in accumulated other comprehensive income if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated other comprehensive income must be accounted for depending on the nature of the underlying transaction as described above.

Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the foreign currency forward contracts relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in the foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in 'Other gains and losses'.

Gains and losses on the hedging instrument accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

4 Significant accounting judgements, estimates and assumptions

In applying the Group's accounting policies, which are described in note 3 in the preparation of the Group's consolidated financial statements, management is required to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates and the uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future period.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimates (which are presented below separately), that management have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Classification of properties

In the process of classifying properties, management has made various judgements. Judgement is needed to determine whether a property qualifies as an investment property, property, plant and equipment and/or property held for sale. The Group develops criteria so that it can exercise that judgement consistently in accordance with the definitions of investment property, property, plant and equipment and property held for sale. In making its judgement, management considered the detailed criteria and related guidance for the classification of properties as set out in IAS 2, IAS 16 and IAS 40, and in particular, the intended usage of property as determined by management.

Property lease classification – Group as lessor

The Group has entered into various property leases on its investment properties portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of this property and accounts for the contracts as operating leases.

Judgements in relation to contracts with customers

Determination of performance obligations

With respect to the sale of property, the Group concluded the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property under development mainly include design work, procurement of materials and development of the property. Generally, the Group is responsible for all of these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Group accounts for them as a single performance obligation because they are not distinct in the context of the contract. The Group uses those goods and services as inputs and provides a significant service of integrating them into a combined output, i.e., the completed property for which the customer has contracted.

Timing of satisfaction of performance obligations

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. Accordingly, the Group has evaluated the timing of revenue recognition on the sale of properties based on a careful analysis of the rights and obligations under the terms of the contract and legal advice from the Group's legal counsel.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

4 Significant accounting judgements, estimates and assumptions continued

4.1 Critical judgements in applying the Group's accounting policies continued

The majority of the Group's contracts relating to the sale of completed property are recognised at a point in time when control transfers. For unconditional exchanges of contracts, control is generally expected to transfer to the customer together with the legal title. For conditional exchanges, this is expected to take place when all the significant conditions are satisfied.

For contracts relating to the sale of property under development in the UAE and England, the Group has generally concluded that the overtime criteria are met and, therefore, recognises revenue over time. These are contracts either for property sold to one customer for the entire land and building or for a multi-unit property. The Group has considered the factors contained in the contracts for the sale of property and concluded that the control of the above-mentioned property(s) is transferred to the customer over time because:

- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. That is, the Group has considered various factors that indicate that the customer controls the part-constructed property as it is being constructed.
- The Group's performance does not create an asset with alternative use. Furthermore, the Group has an enforceable right to payment for performance completed to date. It has considered the factors that indicate that it is restricted (contractually or practically) from readily directing the property under development for another use during its development. In addition, the Group is, at all times, entitled to an amount that at least compensates it for performances for performance completed to date (usually costs incurred to date plus a reasonable profit margin). In making this determination, the Group has carefully considered the contractual terms as well as any legislation or legal precedent that could supplement or override those contractual terms.

For contracts relating to the sale of property under development in Egypt and some contracts in the United Kingdom, the Group has generally concluded that the overtime criteria are not met and, therefore, recognises revenue at a point in time.

Where contracts are entered into for construction (to construct an asset for the customer), the Group has assessed that based on the contracts entered into with customers and the provisions of relevant laws and regulations, the Group recognises revenue over time because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

The Group has determined that the input method is the best method for measuring progress for these contracts because there is a direct relationship between the costs incurred by the Group and the transfer of goods and services to the customer.

Where contracts are entered into to provide services (property management and facility management), the Group has assessed that based on the contracts entered into with customers and the provisions of relevant laws and regulations, the Group recognises revenue over time because the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point of time, the Group assesses each contract with customers to determine when the performance obligation of the Group under the contract is satisfied.

Determination of transaction prices

The Group is required to determine the transaction price in respect of each of its contracts with customers. In making such judgement the Group assesses the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

In determining the impact of variable consideration, the Group uses the "most-likely amount" method in IFRS 15 whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

4 Significant accounting judgements, estimates and assumptions continued

4.1 Critical judgements in applying the Group's accounting policies continued

Transfer of control in contracts with customers

In cases where the Group determines that performance obligations are satisfied at a point in time, revenue is recognised when control over the assets is transferred to the customer or benefits of the services being provided is received and consumed by the customer. In the case of contracts to sell real estate assets, this is generally when the consideration for the unit has been substantially received and there are no impediments in the handing over of the unit to the customer.

Consideration of significant financing component in a contract

For some contracts involving the sale of property, the Group is entitled to receive an initial deposit. The Group concluded that this is not considered a significant financing component because it is for reasons other than the provision of financing to the Group. The initial deposits are used to protect the Group from the other party failing to adequately complete some or all of its obligations under the contract where customers do not have an established credit history or have a history of late payments.

Consideration of warranties

Contracts for the sale of property contain certain warranties covering a period of up to one year after completion of the property, such as the property meeting specific operational performance requirements. The Group assessed that these conditions represent 'assurance-type' warranties that are customarily provided as quality guarantees and are therefore accounted for under IAS 37.

Contract variations

Contract variations are recognised as revenues only to the extent that it is probable that they will not result in a significant reversal of revenue in subsequent periods. Management considers prior experience, application of contract terms and the relationship with the customer in making their judgement.

Contract claims

Contract claims are recognised as revenue only when management believes that only to the extent that it is probable that they will not result in a significant reversal of revenue in subsequent periods. Management reviews the judgement related to these contract claims periodically and adjustments are made in future periods, if assessments indicate that such adjustments are appropriate.

Identifying whether an acquisition is a business or an asset

For acquisitions made by the Group, the Group needs to make significant judgement to assess whether the assets acquired and liabilities assumed constitutes a business and whether it has acquired control of one or more assets. Where such an acquisition does not constitute a business, the acquisition is accounted for as an asset acquisition. In making this assessment, the Group applies the definition of business under IFRS 3 which requires that, to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

4 Significant accounting judgements, estimates and assumptions continued

4.1 Critical judgements in applying the Group's accounting policies continued

Principal versus agent consideration

The Group's performance obligation in one of the subsidiaries is to arrange for the provision of the specified goods or services by another party does not control the specified goods or services provided by another party before those goods or services are transferred to the customer. When the Group satisfies a performance obligation, the Group recognises revenue in the amount of management fee to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party. The Group's primary obligation is to arrange for development services for development projects, and accordingly, the Group acts as agent on those development projects since:

- the Group does not control the specified goods or services provided by other parties before the services are transferred to the customer;
- primary responsibility for the fulfilling the promise does not rest with the Group;
- the Group does not bear any inventory risk since the ownership of the infrastructure, as set out in the management contracts;
- the Group does not have the price risk on the development contracts;
- customers retain the right to remove the Group as manager for the development projects based on its convenience without default from the Group

Use of practical expedient in recognising management fee

In line with an agreement with the Government of Abu Dhabi (the "Government"), the Group is overseeing the management of all projects of an entity (the "Entity") along with managing its operations. As per the agreement between the Government, the Entity and the Group, the Group is entitled to a supervision fee calculated based on the total development cost paid of the capital projects in consideration of the provision of the management services. In line with the contractual arrangement with the Government, the Group has assessed that it has a right to consideration from the Government for an amount which corresponds directly with the value to the customer of the performance completed to date, which is determined based on actual cash paid for projects of the Entity as agreed between the parties. Accordingly, in line with the requirements of IFRS 15, the Group uses

practical expedient and recognises management fee on the basis of the invoice amount determined based on the actual cash paid for projects of the Entity.

Control assessment

The Group is overseeing management of an entity (the "Entity") along with managing its operations with a view to optimising its performance and administering the contracts with contractors and consultants in relation to its projects. Although the Group is entitled to manage all the operations of the Entity, the Group has assessed that it does not control the Entity since:

- the Group is performing management activities on behalf of the Government of Abu Dhabi (the "Government") and does not have any ownership interest in Entity;
- the Group is not exposed to variable returns of the Entity since it charges fixed management fees on the total invoice amount of the development costs which are reimbursed by the Government and the Group's responsibilities only include management of projects which are being carried by third party contractors;
- the Group does not have the right to transfer any of the projects of the Entity to itself without any prior approval of the Government;
- although the Group has the right to nominate directors to the board of the Entity, appoint its executive management and represent the Government in the General Assemblies, the Group will still require the Government approval in the performance of this role which remains overseeing the completion/handing over of projects and/or liquidation of the Entity on behalf of the Government, and this will also be the mandate of the board; and
- the Government retains the right to remove the Group as manager for the projects based on its convenience without default from the Group.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

4 Significant accounting judgements, estimates and assumptions continued

4.1 Critical judgements in applying the Group's accounting policies continued

Classification of investments

Management designates at the time of acquisition of securities whether these should be classified as at fair value or amortised cost. In judging whether investments in securities are classified as at fair value or amortised cost, management has considered the detailed criteria for determination of such classification as set out in IFRS 9 Financial Instruments.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew.

Revenue recognition for turnover rent

The Group recognises income from turnover rent on the basis of audited turnover reports submitted by the tenants. In the absence of audited reports, management makes its own assessment about the tenants achieving or exceeding the stipulated turnover in the lease contracts based on their historical performance.

Consolidation of subsidiaries

The Group evaluate all the investee entities including special purpose entities to determine whether it controls the investee as per the criteria laid out by IFRS 10 Consolidated Financial Statements. The Group evaluate, amongst other things, its ownership interest, the

contractual arrangements in place and its ability and the extent of its involvement with the relevant activities of the investee entities to determine whether it controls the investee.

4.2 Estimates and assumptions

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The Group bases its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about the future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Measurement of progress when revenue is recognised over time

For those contracts involving the sale of property under development and construction contracts that meet the overtime criteria of revenue recognition, the Group's performance is measured using an input method, by reference to the inputs towards satisfying the performance obligation relative to the total expected inputs to satisfy the performance obligation, i.e., the completion of the property. The Group considers that the use of the input method, which requires revenue recognition on the basis of the Group's efforts to the satisfaction of performance obligation, provides the best reference of revenue actually earned. The Group generally uses the costs incurred method as a measure of progress for its contracts because it best depicts the Group's performance. Under this method of measuring progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. When costs are incurred, but do not contribute to the progress in satisfying the performance obligation (such as unexpected amounts of wasted materials, labour or other resources), the Group excludes the effect of those costs. Also, the Group adjusts the input method for any cost incurred that are not proportionate to the Group's progress in satisfying the performance obligation.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

4 Significant accounting judgements, estimates and assumptions continued

4.2 Estimates and assumptions continued

In applying the input method, the Group estimates the efforts or inputs to the satisfaction of a performance obligation. In addition to the cost of meeting contractual obligation to the customers, these estimates mainly include:

- For development contracts, the cost of development and related infrastructure;
- For construction contracts, the certified works as evaluated by project consultants; and
- For services contracts, the time elapsed.

Calculation of loss allowance

The Group assesses the impairment of its financial assets based on the expected credit loss (“ECL”) model. Under the ECL model, the Group accounts for expected credit losses and changes in those expected credit losses at the end of each reporting period to reflect changes in credit risk since initial recognition of the financial assets. The Group measures the loss allowance at an amount equal to the lifetime ECL for its financial instruments.

When measuring ECL, the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The Group has recognised an allowance for ECL on its trade and other receivables for the year ended 31 December 2024 amounting to AED 10,643 thousand (2023: AED 47,410 thousand) and the total allowance for ECL amounting to AED 433,935 thousand (2023: AED 472,445 thousand).

Fair value of investment properties and investment properties under development

The Group carries its investment properties at fair value, with changes in fair value recognised in the statement of profit or loss.

The fair value of investment properties is determined by independent real estate valuation experts using recognised valuation methods. These methods comprise the residual value method and the income capitalisation method.

The residual value method requires the use of estimates such as future cash flows from assets (comprising of selling and leasing rates, future revenue streams, construction costs and associated professional fees, and financing cost, etc.), targeted internal rate of return and developer’s risk and targeted profit. These estimates are based on local market conditions existing at the end of the reporting period.

Under the income capitalisation method, the income receivable under existing lease agreements and projected future rental streams are capitalised at appropriate rates to reflect the investment market conditions at the valuation dates.

The Group’s undiscounted future cash flows analysis and the assessment of expected remaining holding period and income projections on the investment properties requires management to make significant estimates and judgements related to future rental yields and capitalisation rates.

The key assumptions used are as follows:

	Range %
Capitalisation rates	6.75 – 10.0
Rental yields	4.10 – 9.34

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

4 Significant accounting judgements, estimates and assumptions continued

4.2 Estimates and assumptions continued

Estimation of net realisable value for inventory, plots of land held for sale and development work in progress

During the year the Group has changed its method of allocation of common development cost of certain development projects in Egypt, from proportionate gross floor area to proportionate relative sales value of inventory units. Hence, resulting in providing a measurement basis in the financial statements of the Group, which is useful to its users as it more accurately reflects the financial performance from the relevant development and sale of such development inventory.

Inventory, plots of land held for sale and properties classified under development work in progress are stated at the lower of cost or net realisable value ("NRV"). NRV is assessed with reference to sales prices, costs of completion and advances received, development plans and market conditions existing at the end of the reporting period. For certain properties, NRV is determined by the Group having taken suitable external advice and in the light of recent market transactions, where available.

The determination of net realisable value of plots of land held for sale is based on external valuations using various valuation methodologies and techniques that take into account property-specific information such as forecast selling prices, site planning (including planning consent), build costs, cost recoveries, sales rates (per square meter) and discount rates etc., all of which contain an element of judgement and uncertainty. Forecast selling prices have inherent uncertainty due to changes in market conditions. Forecast build costs can vary with market conditions and may also be incorrectly estimated due to changes in site planning, style of build or unforeseen circumstances arising during construction.

NRV for completed inventory properties is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions identified by the Group for property in the same market serving the same real estate segment.

NRV in respect of development work in progress is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete the development and the estimated costs necessary to make the sale, taking into account the time value of money, if material.

Impairment of property, plant and equipment and capital work in progress

Properties classified under property, plant and equipment and capital work in progress are assessed for impairment when there is an indication that those assets have suffered an impairment loss. An impairment loss recognised in prior periods for property, plant and equipment and capital work in progress is reversed when a change has been made to estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

An impairment review or the reversal of impairment is carried out by determining the recoverable amount which takes into account the fair value of the property under consideration. The fair value of hotel properties classified under property, plant and equipment is determined by an independent real estate valuation expert using Discounted Cash Flow method.

Cash flows are determined with reference to recent market conditions, prices existing at the end of the reporting period, contractual agreements and estimations over the useful lives of the assets and discounted using a range of discount rates that reflects current market assessment of the time value of money and the risks specific to the asset. The net present values are compared to the carrying amounts to assess any probable impairment.

Useful lives of property, plant and equipment and intangible assets

Management reviews the residual values and estimated useful lives of property, plant and equipment and intangible assets at the end of each annual reporting period in accordance with IAS 16 and IAS 38. Management determined that current year expectations do not differ from previous estimates based on its review.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

4 Significant accounting judgements, estimates and assumptions continued

4.2 Estimates and assumptions continued

Income taxes

The Group's current tax provision of AED 268,259 thousand (2023: AED 115,479 thousand) relates to management's assessment of the amount of tax payable on open tax positions where the liabilities remain to be agreed with the relevant tax authorities.

Deferred taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has AED 32,807 thousand (2023: AED 105,750 thousand) of unrecognised deferred tax asset (deductible temporary differences, tax losses carried forward and corporate interest restriction disallowances carried forward). These losses relate to subsidiaries that have a history of losses, these losses do not expire and may not be used to offset taxable income elsewhere in the Group. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses or deductible temporary differences as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax asset on the tax losses carried forward and deductible temporary differences.

Fair value of identifiable assets and liabilities and fair value measurement of financial instruments

The identifiable assets acquired and the liabilities assumed in business combination are recognised at their fair value. In estimating the fair value of an asset or a liability, the Group engaged third party valuation specialists to perform the valuation. The underlying assumptions and estimates in assessing the fair values are as detailed within notes 6 and 47. Contingent consideration, resulting from business combinations, is valued at fair value

at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows.

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

4 Significant accounting judgements, estimates and assumptions continued

4.2 Estimates and assumptions continued

Valuation of level 3 investments at FVTPL

The Group's financial instruments include investments in international unquoted funds measured at fair value through profit or loss. These investments, not traded in active markets, are initially recognised at transaction price, net of any transaction costs incurred. At each reporting period, their fair value is assessed using widely recognised valuation techniques. The fair value is determined based on valuations provided by the funds, which estimate the fair value of each investment on a quarterly basis. In assessing the fair value, the funds apply judgment by considering factors such as the current operating performance and future expectations of the particular investment, valuations of comparable public companies, comparable acquisition values, discounted cash flow analyses, changes in market outlook, and the third-party financing environment over time. At the Group level, fair values estimated for the period by the funds are reviewed and recognised on a quarterly basis, to capture the expected future economic benefits to be derived from the ownership of these investments, with any resulting gains or losses recognised in the consolidated statement of profit or loss.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

5 Property, plant and equipment

	Land and Buildings AED '000	Labour camps AED '000	Furniture and fixtures AED '000	Plant and machinery AED '000	Office equipment AED '000	Computers AED '000	Motor vehicles AED '000	Lease improve- ments AED '000	Capital work in progress AED '000	Total AED '000
Cost										
At 1 January 2023	8,602,829	1,429,615	760,092	99,123	79,571	210,133	44,851	184,962	130,491	11,541,667
Additions (note 5.5)	161,039	–	57,465	25,556	9,732	25,729	11,727	10,243	416,574	718,065
Transfers from investment properties	26,477	–	–	–	–	–	–	–	–	26,477
Recognised as part of business combination (note 47)	575,463	–	3,106	9,100	548	7,995	651	4,810	–	601,673
Disposals (note 5.2)	(5,493)	–	(2,080)	(140)	(768)	(1,451)	(18)	(18,669)	–	(28,619)
Exchange differences	(19,632)	–	(1,429)	(1,418)	(747)	–	(1,219)	(715)	(4,307)	(29,467)
At 1 January 2024	9,340,683	1,429,615	817,154	132,221	88,336	242,406	55,992	180,631	542,758	12,829,796
Additions (note 5.5)	164,774	–	74,597	27,727	8,787	27,531	12,701	56,303	291,210	663,630
Transfers from development work in progress (note 13)	33,129	–	–	–	–	–	–	–	–	33,129
Transfer from investment properties (note 7)	21,370	–	–	–	–	–	–	–	–	21,370
Disposals (note 5.2)	(3,299)	–	(99)	(180)	(253)	(200)	(132)	(230)	–	(4,393)
Transfers	276,678	–	4,085	–	1,591	2,780	–	–	(285,134)	–
Exchange differences	(32,419)	–	(2,403)	(2,587)	(1,547)	–	(2,159)	(1,042)	(11,622)	(53,779)
Balance at 31 December 2024	9,800,916	1,429,615	893,334	157,181	96,914	272,517	66,402	235,662	537,212	13,489,753
Accumulated depreciation and impairment losses										
At 1 January 2023	3,487,216	1,429,615	612,459	67,579	66,707	174,756	23,436	62,317	11,060	5,935,145
Charge for the year	267,348	–	55,320	9,015	8,198	25,971	6,005	26,616	–	398,473
Disposals (note 5.2)	(3,968)	–	(1,609)	(132)	(391)	(1,372)	(18)	(5,365)	–	(12,855)
Exchange differences	(2,982)	–	(420)	(350)	(207)	–	(275)	(49)	–	(4,283)
At 1 January 2024	3,747,614	1,429,615	665,750	76,112	74,307	199,355	29,148	83,519	11,060	6,316,480
Charge for the year	309,311	–	74,575	10,161	5,916	40,674	6,231	26,257	–	473,125
Disposals (note 5.2)	–	–	(85)	(159)	(245)	(200)	(132)	(231)	–	(1,052)
Exchange differences	(3,706)	–	(1,172)	(1,227)	(734)	–	(1,018)	(358)	–	(8,215)
Balance at 31 December 2024	4,053,219	1,429,615	739,068	84,887	79,244	239,829	34,229	109,187	11,060	6,780,338
Carrying amount										
At 31 December 2024	5,747,697	–	154,266	72,294	17,670	32,688	32,173	126,475	526,152	6,709,415
At 31 December 2023	5,593,069	–	151,404	56,109	14,029	43,051	26,844	97,112	531,698	6,513,316

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

5 Property, plant and equipment continued

The depreciation charge for the year has been allocated as follows:

	2024 AED '000	2023 AED '000
Direct costs	41,896	31,563
General and administrative expenses	431,229	366,910
	473,125	398,473

5.1 Capital work in progress mainly represents the cost incurred on the development of various school buildings which were under progress at the reporting date and will be transferred to the relevant asset category of property, plant and equipment when ready for intended use.

5.2 During the year, the Group sold property, plant and equipment resulting in a net gain on disposal of AED 1,763 thousand (2023: AED 133 thousand), note 34.

5.3 Property, plant and equipment include right-of-use assets mainly with respect to leases of plots of land and buildings with an average lease term of 30 years. The following is the movement in right of use asset during the year:

	2024 AED '000	2023 AED '000
At 1 January	583,961	148,420
Recognised as part of business combination (note 47)	–	429,749
Additions during the year	28,618	54,408
Lease modified/terminated during the year, net	15,038	(8,663)
Amortisation for the year	(42,661)	(38,962)
Exchange differences	(2,642)	(991)
At 31 December	582,314	583,961

5.4 Land and buildings include hotel properties having a carrying amount of AED 3,532,931 thousand as at 31 December 2024 (2023: AED 3,557,604 thousand).

5.5 The additions during the year mainly pertain to refurbishment of hotels and development/refurbishment of school buildings amounting to AED 501,204 thousand.

5.6 During the year, the Group conducted an impairment assessment which resulted in no impairment (2023: Nil). Note 4 highlights significant estimation uncertainty related to determination of the fair value less costs to sell and significant assumptions used.

During the year, the Group carried out a review of recoverable amount of its hotel properties. The review resulted in the recoverable value in excess of carrying value. The recoverable value of relevant assets is based on fair value less cost to sell determined by independent valuer and has been determined by reference to the discounted cash flow method using exit yield of 7.0% to 10.0% (2023: 7.5% to 9.5%) and a discount rate of 9.0% to 12.0% (2023: 9.5% to 11.5%).

5.7 The Group conducted a sensitivity analysis for all its hotel properties classified under property, plant and equipment. The sensitivity has been conducted on the Revenue Per Available Room (RevPAR), occupancy, discount rate and exit yield. Based on this sensitivity analysis:

- A decrease in the discount rates and exit yields by 50bps would result in AED 413,924 thousand or 8.1% increase in the recoverable value, whilst an increase in the discount rates and exit yields by 50bps would result in AED 363,529 thousand or 7.1% decrease in the recoverable value; and
- An increase in the RevPAR by 5% would result in AED 647,103 thousand or 12.9% increase in the recoverable value, whilst a decrease in the RevPAR by 5% would result in AED 640,152 thousand or 12.7% decrease in the recoverable value.
- An increase in occupancy by 5% would result in AED 439,314 thousand or 8.7% increase in the recoverable value, whilst a decrease in the occupancy by 5 % would result in AED 440,242 thousand or 8.7% decrease in the recoverable value.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

6 Intangible assets and goodwill

	Goodwill AED '000	Customer contracts/ backlog AED '000	Customer relationship AED '000	Computer software AED '000	Total AED '000
Cost					
At 1 January 2023	132,598	191,874	53,685	167,169	545,326
Additions	–	–	–	82,320	82,320
Recognised as part of business combination (note 47)	1,058,258	244,131	220,609	7,960	1,530,958
Written-off	–	–	–	(11,055)	(11,055)
Exchange differences	(10,946)	(3,846)	–	(327)	(15,119)
At 1 January 2024	1,179,910	432,159	274,294	246,067	2,132,430
Additions	9,218	15	–	51,379	60,612
Written-off	–	–	(4,963)	–	(4,963)
Exchange differences	(15,048)	(6,200)	–	(535)	(21,783)
At 31 December 2024	1,174,080	425,974	269,331	296,911	2,166,296
Accumulated amortisation					
At 1 January 2023	–	45,118	14,458	110,806	170,382
Charge for the year	–	31,407	19,642	29,667	80,716
Written off	–	–	–	(107)	(107)
Exchange differences	–	(1,159)	–	(237)	(1,396)
At 1 January 2024	–	75,366	34,100	140,129	249,595
Charge for the year	–	38,066	59,726	49,810	147,602
Exchange differences	–	(1,873)	–	(336)	(2,209)
At 31 December 2024	–	111,559	93,826	189,603	394,988
Carrying amount					
At 31 December 2024	1,174,080	314,415	175,505	107,308	1,771,308
At 31 December 2023	1,179,910	356,793	240,194	105,938	1,882,835

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

6 Intangible assets and goodwill continued

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. The majority of the goodwill recognised by the Group resulted from the merger with Eltizam in year 2023 (note 47.3) and the remaining is related to Estates, International and Education segment (note 42).

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the group of CGUs to which goodwill is allocated. The management believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGUs.

Customer contracts/backlog and customer relationship include intangible assets acquired through business combinations. The customer contracts/backlog have useful life of 2.5 to 10 years. The major assumptions used in the calculation include discount rate in the range of 11.50% to 22.2% and growth rate of up to 7%.

During the year, Estates (a sub segment of Aldar Investment), redefined its operating segments to reflect changes in its organisation structure. Accordingly, the existing goodwill of Aldar Estates has been reallocated to align with the newly formed cash generating units ("CGU"). The reallocation was performed using a relative value approach. Under the Relative Value Approach, goodwill was first tested for impairment before determining the fair value of the newly formed CGUs and reallocating goodwill. The impairment assessment confirmed that no impairment was incurred. The fair value of each CGU was then determined based on projected cash flows, market conditions, comparable company analyses, and specific synergies arising from the integration of operations. Goodwill was subsequently reallocated to the newly formed CGUs in proportion to their respective fair values. In addition, certain intangible assets (i.e., brand architecture) have been reallocated to align with the new operating model. As part of this process, few brands have been

discontinued and written off, resulting in an impairment of AED 4,963 thousand in the consolidated statement of profit or loss.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

7 Investment properties

Investment properties comprise completed properties and investment properties under development (IPUD). The movement during the year is as follows:

	2024			2023		
	Completed properties AED '000	Properties under development AED '000	Total AED '000	Completed properties AED '000	Properties under development AED '000	Total AED '000
Balance at the beginning of the year	24,185,781	2,031,761	26,217,542	23,210,472	722,552	23,933,024
Additions during the year (note 7.2)	886,944	1,175,478	2,062,422	563,981	1,052,880	1,616,861
Disposals (note 7.11, 7.12)	(458,294)	–	(458,294)	(152,097)	–	(152,097)
Fair value gain, net (note 7.10)	841,477	–	841,477	594,102	6,055	600,157
Transfer from/(to):						
Property, plant and equipment (note 7.1.1)	–	(21,370)	(21,370)	(26,477)	–	(26,477)
Development work in progress (note 7.1.2, 13)	12,934	–	12,934	34,068	282,463	316,531
Transfer from investment properties under development to completed properties	109,185	(109,185)	–	–	–	–
Exchange differences	(69,168)	(55,658)	(124,826)	(38,268)	(32,189)	(70,457)
Balance at the end of the year	25,508,859	3,021,026	28,529,885	24,185,781	2,031,761	26,217,542

7.1.1 The transfer during the year 2024 represents transfer from investment properties to property, plant and equipment due to portion of asset being occupied by the Group.

7.1.2 The transfer during the year 2024 represents transfer due to change in use as these properties are under development for lease and the management intent is to lease these properties on completion.

7.2 The major additions during the year mainly pertains to:

- Aldar Commercial 2 Property Management FZ-LLC (a subsidiary of the Group) signed an agreement to acquire a newly built Grade A office building located in Dubai for consideration of AED 255,000 thousand.
- The Group acquired various plots of land for development as investment properties for a total consideration amounted to AED 178,858 thousand.

(iii) The Group acquired two plots of land on Al Maryah Island for a total consideration of AED 92,119 thousand through a 60% owned SPV, AMI Properties Holding Limited (“AMI”). The transaction also result in recognition of AED 36,848 thousand of non-controlling interest.

(iv) The remaining additions primarily represent cost incurred on the construction of properties under development including land acquired for development as investment properties and redevelopment of completed properties.

7.3 Investment properties include right-of-use assets mainly with respect to leases of land plots amounting to AED 415,135 thousand (2023: AED 303,888 thousand). The additions during the year amounted to AED 136,270 thousand (year ended 2023: AED 35,065 thousand). The average lease term is 20 years. There are no extension or termination options on these leases except one lease which has a termination option.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

7 Investment properties continued

7.4 Except for certain investment properties of the Group which were pledged as security against bank borrowings at the beginning of the year, the Group has no restrictions on the realisability of its investment properties (note 20).

7.5 Investment properties under development comprise of land and buildings under construction where the Group has approved plan to develop commercial, retail, residential and logistic properties. The fair values of these properties are determined using residual value method.

7.6 Investment properties represent the Group's interest in land and buildings situated in the UAE amounting to AED 28,309,017 thousand (2023: AED 25,902,573 thousand) and outside UAE amounting to AED 220,868 thousand (2023: AED 314,970 thousand).

7.7 The fair values of the investment properties including properties under development are arrived at on the basis of a valuation carried out by accredited independent valuers not connected with the Group. The valuers are members of professional valuers' associations and have appropriate qualifications and experience in the valuation of properties at the relevant locations. In estimating the fair value of the investment properties, the highest and best use of the properties is their current use. The valuations were mainly determined by using the income capitalisation method. The valuation has been conducted as at 30 November 2024. Management believes which is also supported by the external valuer that there have been no significant changes to the fair values of investment properties between 30 November 2024 and 31 December 2024. There has been no material change to the valuation techniques during the year. Refer to note 4 for the key assumptions used in determination of fair value of investment properties and significant estimation uncertainty related to determination of the fair value.

The valuation models in accordance with those recommended by the International Valuation Standards Committee have been applied and are consistent with the principles in IFRS 13. The investment properties are categorised under Level 3 in the fair value hierarchy. There were no transfers between Levels 1, 2 or 3 during 2024 or 2023.

The Group conducted a sensitivity analysis for the 26 (2023: 20) largest assets in its investment property portfolio with an aggregate value of AED 25,981,152 thousand (2023:

AED 21,864,277 thousand). The sensitivity has been conducted on the capitalisation rates and rental rates. Based on this sensitivity analysis:

- a decrease in the capitalisation rates by 50bps would result in a AED 1,600,439 thousand (2023: AED 1,251,616 thousand) or 6.2% (2023: 5.7%) increase in the valuation, whilst an increase in the capitalisation rates by 50bps would result in AED 1,399,257 thousand (2023: AED 1,082,066 thousand) or 5.4% (2023: 4.9%) decrease in the valuation; and
- an increase in the rental rates by 10% would result in an AED 1,919,246 thousand (2023: AED 1,590,274 thousand) or 7.4% (2023: 7.3%) increase in the valuation, whilst a decrease in the rental rates by 10% would result in AED 1,919,288 thousand (2023: AED 1,590,325 thousand) or 7.4% (2023: 7.3%) decrease in the valuation.

Discount rates and capitalisation rates are different than interest rates as commonly applied to borrowing rates or cost of short term and long-term debt. Discount rates and capitalization rates are carefully derived by professional valuers in determining the fair market value of properties by using multiple valuation factors. There are interrelationships between the unobservable inputs which are generally determined by market conditions. The valuation may be affected by the interrelationship between the two noted unobservable inputs; for example, an increase in rent may be offset by an increase in the capitalisation rate, thus resulting in no net impact on the valuation. Similarly, an increase in rent in conjunction with a decrease in the capitalisation rate would amplify an increase in the value.

7.8 The rental income earned by the Group from its investment properties, all of which is leased out under operating leases, amounted to AED 2,266,939 thousand (2023: AED 2,138,680 thousand) and direct operating cost relating to these properties amounted to AED 494,959 thousand (2023: AED 494,152 thousand).

7.9 The completed investment properties consist of the following broad categories:

- Retail properties: comprising of malls and community retail spaces
- Commercial properties: comprising of properties leased as offices
- Residential properties: comprising of properties leased as residential units
- Logistics: comprising of warehouses, industrial, and office complex

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

7 Investment properties continued

7.10 The net fair value gain amounting to AED 841,477 thousand (2023: AED 600,157 thousand) recorded during the year resulted mainly from a fair value loss amounting to AED 59,589 thousand (2023: AED 57,498 thousand) recorded on buildings held on leasehold land, netted against a fair value gain of AED 901,066 thousand (2023: AED 657,655 thousand) relates to the net fair value gain recorded on major investment properties based on valuation carried out by the accredited independent valuers not connected with the Group. The valuers are members of professional valuers' associations and have appropriate qualifications and experience in the valuation of properties at the relevant locations. Fair value gain or loss on investment properties are presented under the line item 'gain/(loss) on revaluation of investment properties, net' in the consolidated statement of profit or loss. The investment properties are categorised under Level 3 in the fair value hierarchy.

7.11 During the year, Aldar Investment Properties LLC (a subsidiary of the Group) entered into a sale and purchase agreement to exchange a property with plots of land. The fair value of the plots of land received amounted to AED 180,400 thousand while the carrying values of the net assets given were AED 124,166 thousand (of which investment properties carrying value amounted to AED 123,600 thousand) and cash consideration given were AED 5,000 thousand, resulting in a gain of AED 51,234 thousand which was recorded in the consolidated income statement under "gain on disposal of investment properties".

7.12 During the year, the Group sold investment properties for AED 364,746 thousand (2023: AED 176,059 thousand) and realised a net gain of AED 30,052 thousand (2023: AED 23,962 thousand) which is recorded in consolidated statement of profit or loss under "gain on disposal of investment properties".

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

8 Investment in associates and joint ventures

	2024 AED '000	2023 AED '000
Investment in associates	37,164	32,888
Investments in joint ventures	167,018	118,279
	204,182	151,167

Details of each of the Group's material associates and joint ventures as at 31 December 2024 are as follows:

Investee	Place of incorporation (registration) and operation	Principal activity	Percentage holding	Voting power
Associates				
Abu Dhabi Finance PJSC ("ADF") (liquidated)	Abu Dhabi, UAE	Finance company	32%	32%
Al Sdeirah Real Estate Investment LLC ("Al Sdeirah")	Abu Dhabi, UAE	Real estate	30%	30%
Bunya Enterprises LLC ("Bunya")	Abu Dhabi, UAE	Project management	33%	33%
Iskandar Holdings Limited ("Iskandar Holdings") (note 8.1)	Cayman Islands	Real estate	19%	19%
Royal Gardens for Investment Property Co.	Egypt	Real estate development	20%	20%
Joint ventures				
Al Raha International Integrated Facilities Management LLC ("Al Raha IFM") (under liquidation)	Abu Dhabi, UAE	Facilities Management	50%	50%
Royal House LLC ("Royal House")	Abu Dhabi, UAE	Hotel operations	50%	50%
Palmyra SODIC Real Estate Development	Syria	Real estate development	50%	50%
Avobar Restaurant – Sole Proprietorship L.L.C. ("Avobar")	Abu Dhabi, UAE	Restaurant	30%	30%
South Development One DWC-LLC	Dubai, UAE	Warehousing	50%	50%
Richmond Hill Developments (Jersey) Limited	Jersey	Real estate development	15%	15%
Vulcan Wharf Holdings LLP ("Vulcan Wharf")	England & Wales	Real estate development	50%	50%
South Development One DWC-LLC	Dubai, UAE	Warehousing	50%	50%
South Development Two DWC-LLC	Dubai, UAE	Warehousing	50%	50%
South Development Three DWC-LLC	Dubai, UAE	Warehousing	50%	50%
Richmond College	England & Wales	Real estate development	50%	50%

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

8 Investment in associates and joint ventures continued

All of the above associates and joint ventures are accounted for using the equity method in these consolidated financial statements.

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements:

	ADF AED '000	Al Sdeirah AED '000	Iskandar Holdings AED '000	Total AED '000
As at 1 January 2023	52,468	25,453	6,086	84,007
Share of profit	–	1,349	–	1,349
Redemptions (note 8.2)	(52,468)	–	–	(52,468)
As at 31 December 2023	–	26,802	6,086	32,888
Share of profit	–	2,838	–	2,838
Additions	–	–	1,438	1,438
As at 31 December 2024	–	29,640	7,524	37,164

Summarised financial information in respect of each of the Group's material joint ventures is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements:

	Al Raha IFM AED '000	Avobar AED '000	South Developments AED '000	Royal House (note 8.3) AED '000	Richmond Hill AED '000	Vulcan Wharf AED '000	Richmond College AED '000	Total AED '000
As at 1 January 2023	655	–	–	–	–	–	–	655
Recognised as part of business combination (note 47.6)	–	–	–	–	232	107,000	–	107,232
Additions	–	529	10,000	–	–	280	–	10,809
Share of profit/(loss)	–	(416)	–	(8,348)	(1)	–	–	(8,765)
Allocated to current account	–	–	–	8,348	–	–	–	8,348
As at 31 December 2023	655	113	10,000	–	231	107,280	–	118,279
Additions	–	–	48,776	–	–	–	–	48,776
Share of profit/(loss)	–	94	(877)	(6,290)	81	(235)	2,486	(4,741)
Allocated to current account	–	–	–	6,290	–	–	–	6,290
Exchange differences	–	–	–	–	(2)	(1,615)	31	(1,586)
As at 31 December 2024	655	207	57,899	–	310	105,430	2,517	167,018

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

8 Investment in associates and joint ventures continued

8.1 Iskandar Holdings Limited is classified as an associate of the Group although the Group owns a 19% ownership interest, as the Group has significant influence by virtue of its contractual right to appoint two out of six directors to the board of directors of the investee.

8.2 During 2023, Abu Dhabi Finance PJSC (ADF), an associate of the Group is liquidated and the Group has accordingly received total distribution of AED 52,468 thousand and is recognised as a reduction in investment in associate which resulted in the Group's investment in ADF amounting to AED nil.

8.3 The Group considers that its amount receivable from one of the joint ventures is part of the Group's interest in the joint venture and, accordingly, loss recognised using the equity method in excess of the Group's investment in ordinary shares amounting to AED 6,290 thousand (2023: AED 8,348 thousand) was applied to the Group's receivable from the joint venture.

Available financial information in respect of the Group's associates is summarised below:

	2024 AED '000	2023 AED '000
Total assets	114,643	103,475
Total liabilities	(8,318)	(14,137)
Net assets	106,325	89,338
Group's share of net assets of joint ventures	37,164	32,888
Total revenue	6,978	5,287
Net profit for the year	5,331	4,507

Latest available financial information in respect of the Group's joint ventures is summarised below:

	2024 AED '000	2023 AED '000
Total assets	432,563	265,083
Total liabilities	(133,455)	(14,187)
Net assets	299,108	250,896
Group's share of net assets of joint ventures	167,018	118,279
Total revenue	55,657	18,877
Net profit/(loss) for the year	6,515	(18,087)
Share of losses		
The unrecognised share of loss of associates for the year	(420)	(52,163)
Cumulative share of loss of associates	(118,362)	(117,942)

The associates and joint ventures had not commitments or contingent liabilities as at 31 December 2024 and 31 December 2023.

The Group has discontinued recognising share of losses from few associates as the Company does not have any legal or constructive obligation.

Associates and joint ventures are accounted for using the equity method in the consolidated financial statements as set out in the Group's accounting policies in note 3.6.

Others

During 2018, the Group sold an investment in joint venture. As per the agreement, the Group is entitled to further compensation which is contingent based on performance of the buyer and market conditions not within the control of the Group. As of 31 December 2024 and 31 December 2023, the fair value of the contingent consideration amounted to nil since the inflow of economic benefits are not certain. The total contracted amount of the contingent consideration is AED 82,000 thousand.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

9 Investment in financial assets

	2024 AED '000	2023 AED '000
Non-current		
Financial assets at fair value through other comprehensive income ("FVTOCI") (9.1)	24,882	23,317
Financial assets at fair value through profit or loss ("FVTPL") (9.2)	894,670	695,652
	919,552	718,969
Current		
Financial assets at amortised cost (9.3)	4,013	93,147
	923,565	812,116

9.1 Financial assets at FVTOCI

	2024 AED '000	2023 AED '000
Investment in UAE quoted securities	24,880	23,315
Investment in UAE unquoted securities	2	2
	24,882	23,317
Movement during the year is as follows:		
At 1 January	23,317	29,797
Fair value gain/(loss)	1,565	(6,480)
At 31 December	24,882	23,317

During the years 2024 and 2023, no dividend income received from these investments.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

9 Investment in financial assets continued

9.2 Financial assets at FVTPL

	2024 AED '000	2023 AED '000
Investment in international unquoted funds	894,670	695,652
Movement during the year is as follows:		
At 1 January	695,652	68,837
Additions	243,504	624,213
Distributions	(81,786)	–
Fair value gain/(loss), net	48,972	(2,456)
Exchange (loss)/gain, net	(11,672)	5,058
At 31 December	894,670	695,652

(i) During 2023, the Group signed an agreement with Carlyle Europe Realty Fund II, S. C. Sp. committing to AED 242,584 thousand into an investment vehicle. As at 31 December 2024, the Group made contributions to capital calls amounting to AED 209,005 thousand for investments in the warehousing and logistics sector in the UK. The investment is recorded at FVTPL and is categorised under Level 3 in the fair value hierarchy. Given the Group's representation on the Board of the company, the investment was classified as an Associate. However, since the investment is carried as part of the Group's alternative investment activities, it is accounted for as investment carried at FVTPL.

(ii) During 2023, Aldar Holding 2 Limited (a subsidiary) invested via a subscription to shares of the Co-Investment platform (CER French Self Storage Co-Investment-B, S. C. Sp.). Aldar Holding 2 has committed AED 160,204 thousand holding 29% equity stake and 42.6% of the total Co-Investor equity contribution, that will capitalise on the growing market opportunity in private real estate across Europe. As at 31 December 2024, Aldar Holding 2 made contribution to the capital call amounting to AED 97,092 thousand. Given the holding of 29% equity stake in the Limited partnership and representation on the Board of Directors, the investment was classified as an Associate. However, since the investment is carried as part of the Group's alternative investment activities, it is accounted for as investment carried at FVTPL.

(iii) During 2023, the Group entered into partnerships with Mubadala (a related party – major shareholder in the Group) and Ares Management, where the Group has committed AED 1,514,907 to be deployed in medium term, that will capitalise on the growing market opportunity in private real estate credit in the United Kingdom and across Europe. As at 31 December 2024, Aldar Holding 2 made contribution to the capital call amounting to AED 497,220 thousand. The investment is recorded at FVTPL and is categorised under Level 3 in the fair value hierarchy. Given the Group's holding in the partnership and representation on the Board of the partnership, the investment was classified as an Associate. However, since the investment is carried as part of the Group's alternative investment activities, it is accounted for as investment carried at FVTPL.

9.3 Financial assets at amortised cost

	2024 AED '000	2023 AED '000
Investment in treasury bills*	4,013	93,147

* This represents investment in treasury bills made by the Egypt subsidiary in Egypt and carried at amortised cost.

The Group's exposure to market and interest risk related to the financial assets is disclosed in note 40.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

10 Contract assets and contract liabilities

Contract assets represents unbilled revenue arising from contracts for sale of properties and other services which pertains to the Group's right to consideration in exchange for goods or services that the Group has transferred to the customers. Where payments from customers are received after the associated performance obligations being met and therefore revenue recognised in the profit or loss account, contract assets are recognised. Contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

Contract liabilities represents deferred revenue arising from construction contracts and property development under off-plan sales projects. These arise if a particular milestone payment exceeds the related revenue recognised to date. These contracts have performance obligations (unsatisfied or partially unsatisfied) which is expected to be recognised as revenue over the remaining tenor of these contracts. Where payments from customers are received in advance of the associated performance obligations being met and therefore revenue being recognised in the profit or loss, contract liabilities are recognised and these include buyer deposits.

10.1 Contract assets

	2024 AED '000	2023 AED '000
Contract assets: gross amounts due from customer on contracts for sale of properties	4,355,012	1,737,975
Contract assets: gross amounts due from customer on contracts to construct assets	–	101,046
Others	93,810	36,723
	4,448,822	1,875,744

The above amount mainly represents unbilled revenue arising from contracts for sale of properties. These contracts have remaining performance obligations (unsatisfied or partially unsatisfied) with aggregated value of AED 15,170,327 thousand (2023: AED 7,764,250 thousand) which is expected to be recognised as revenue over the remaining tenor of these contracts.

The majority of the amount allocated to remaining performance obligations is expected to be recognised as revenue in the next 2 years and the remaining spread over 3 to 5 years. These contract assets are fully secured against the underlying property units.

10.2 Contract liabilities

	2024 AED '000	2023 AED '000
Contract liabilities: gross amount due to customers on contracts for sale of properties	(6,527,189)	(4,607,892)
Contract liabilities: gross amount due to customers on contracts to construct assets	(1,128,959)	(1,821,111)
	(7,656,148)	(6,429,003)

The above amount mainly represents deferred revenue arising from construction contracts, property development under off-plan sales projects and property management. These contracts have performance obligations (unsatisfied or partially unsatisfied) having aggregated value of AED 43,660,955 thousand (2023: AED 30,348,850 thousand) which is expected to be recognised as revenue over the remaining tenor of these contracts. Majority of the amount allocated to remaining performance obligations is expected to be recognised as revenue in the next 2 years and the remaining spread over 3 to 5 years.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

11 Trade receivables and other assets

	2024 AED '000	2023 AED '000
Non-current portion		
Trade receivables (note 11.1)	383,187	474,366
Due from associates and joint ventures (note 11.5)	270,849	214,179
Receivables relating to project finance (note 11.3)	126,884	131,940
Others	86,774	121,605
	867,694	942,090
Less: allowance for expected credit loss (note 11.6)	(218,174)	(217,100)
	649,520	724,990
Current portion		
Trade receivables (note 11.1)	5,214,968	5,033,135
Advances and prepayments (note 11.9)	5,067,010	1,985,829
Refundable deposits (note 11.10)	264,884	305,293
Refundable costs (note 11.2)	426,881	236,474
Due from associates and joint ventures (note 11.5)	25,698	25,665
Accrued interest	15,762	56,813
Receivables from the Government of Abu Dhabi (note 11.4)	5,734	5,734
Receivables relating to project finance (note 11.3)	8,180	8,323
VAT recoverable	86,584	74,066
Others	1,144,251	759,685
	12,259,952	8,491,017
Less: allowance for expected credit loss (note 11.6)	(215,761)	(255,345)
	12,044,191	8,235,672

11.1 Trade receivables

Trade receivables mainly represent the amounts due in respect of sales of plots of land, properties, rental receivables, property and facilities management services, education fee and revenue from construction contracts. As at 31 December 2024, 6% of the trade receivables (2023: 6% of the trade receivables) are due from its top five customers (2023: five customers). Concentration of credit risk is mitigated in some cases by the fact that the customers have already made instalment payments, in some cases substantial, on the plots, which the Group would contractually be entitled to retain in the event of non-completion of the remaining contractual obligations in order to cover losses incurred by the Group.

	2024 AED '000	2023 AED '000
Trade receivables	5,598,155	5,507,501
Less: allowance for expected credit loss (note 11.6)	(193,923)	(234,634)
	5,404,232	5,272,867

Interest is charged at 12% per annum on the past due amounts in respect of sales of plots and properties.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

11 Trade receivables and other assets (continued)

11.1 Trade receivables (continued)

Ageing of trade receivables

The ageing of non-impaired receivables is as follows:

	2024 AED '000	2023 AED '000
Not past due	3,014,106	3,390,461
Past due (up to 180 days)	929,469	1,065,767
Past due (more than 180 days)	1,460,657	816,639
	5,404,232	5,272,867

11.2 Refundable costs

Refundable costs mainly comprise of amounts receivable from the Government of Abu Dhabi in relation to costs incurred on ongoing development projects managed by the Group and which are funded by the Government of Abu Dhabi.

11.3 Receivables relating to project finance

	Minimum payments		Present value of minimum payments	
	2024 AED '000	2023 AED '000	2024 AED '000	2023 AED '000
Amounts receivable from project finance:				
Within one year	15,024	14,950	8,180	8,323
In the second to fifth year	76,533	79,840	27,170	20,691
After five years	144,644	160,061	99,714	111,249
	236,201	254,851	135,064	140,263
Less: unearned finance income	(101,137)	(114,588)	–	–
Present value of minimum payments receivable	135,064	140,263	135,064	140,263

11.4 Receivable from the Government of Abu Dhabi

Receivables from the Government of Abu Dhabi represent the amounts receivable against infrastructure handed over and land plots sold.

11.5 Due from associates and joint ventures

	Non-current		Current	
	2024 AED '000	2023 AED '000	2024 AED '000	2023 AED '000
Gross receivables	270,849	214,179	25,698	25,665
Less: allowance for expected credit loss (note 11.6)	(215,155)	(212,972)	(24,857)	(24,839)
	55,694	1,207	841	826

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

11 Trade receivables and other assets (continued)

11.6 Allowance for expected credit loss

Movement during the year in allowance of expected credit loss:

Trade receivables

	2024 AED '000	2023 AED '000
Balance at the beginning of the year	234,634	209,511
Charge for the year (note 31)	8,442	45,152
Write off of provision, net	(49,153)	(20,029)
Balance at the end of the year (note 11.1)	193,923	234,634

Due from associates and joint ventures

	2024 AED '000	2023 AED '000
Balance at the beginning of the year	237,811	235,553
Charge for the year	2,201	2,258
Balance at the end of the year (note 11.5)	240,012	237,811

The Group recognises lifetime expected credit loss ("ECL") for trade and other receivables using the simplified approach. To determine the expected credit losses all debtors were classified into four categories and the ECL rate for each category was determined using a provision matrix:

- Category I – government related companies (0%);
- Category II – private companies with low credit risk (1% to 20%);
- Category III – private companies with high credit risk (20% to 60%); and
- Category IV – debtors at default (100%)

These were adjusted for factors that are specific to the debtors and general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money, where appropriate. If the ECL rates on each time bucket had been 5% higher or lower as of 31 December, the loss allowance on trade receivables would have been higher or lower as follows:

	2024 AED '000	2023 AED '000
Not past due	92	363
Past due (up to 180 days)	921	1,371
Past due (more than 180 days)	8,683	9,998
	9,696	11,732

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

11 Trade receivables and other assets (continued)

11.7 Deferred tax asset

The following are the major deferred tax liabilities and assets recognised by the Group. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

	2024 AED '000	2023 AED '000
Deferred tax asset		
Provisions	43,091	62,857
Carried forward tax losses	21,638	24,671
Trade and other payables	6,675	10,970
Property, plant and equipment	–	225
Intangible assets	14,594	–
Investment properties	19,718	–
Others	–	1,385
Deferred tax liabilities		
Investment properties	–	(11,052)
Development work in progress	–	(4,636)
Foreign exchange differences	(5,016)	(3,434)
Property, plant and equipment	(449)	(213)
Others	(30,549)	–
Net deferred tax asset	69,702	80,773

Unrecognised deferred tax asset

	2024 AED '000	2023 AED '000
Deductible temporary differences	17,865	28,424
Tax losses carried forward	228	375
Corporate interest restriction disallowances carried forward	14,714	76,951
	32,807	105,750

Deferred tax asset has not been recognised in respect of the above-mentioned items due to uncertainties over the timing and recoverability in the foreseeable future.

11.8 Deferred tax liability

	2024 AED '000	2023 AED '000
Investment properties	107,456	31,451
Intangible assets	83,316	51,928
Others	21,387	–
	212,159	83,379

11.9 Advances and prepayments

This represents mainly advances given to the contractors and suppliers against future work. Additionally, the balance include:

- (i) AED 1,885,858 thousand given as advances during 2024 for the acquisition of investment properties under development
- (ii) AED 350,000 thousand paid during 2022 as part of purchase of Nurai Island Hotel for two development islands where the seller will procure the dredging and reclamation of these islands.

11.10 Refundable deposits

This represents mainly maintenance deposits.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

11 Trade receivables and other assets (continued)

11.11 Contingent asset

During 2020, the Company sold its district cooling operations (the “Cooling Entities”) comprising the Group’s entire interest in Saadiyat Cooling LLC (a 85% owned subsidiary) and Saadiyat District Cooling LLC (a wholly-owned subsidiary). As per the Sale Purchase Agreements and earn out agreement, the Group is also entitled to earn out consideration in the form of additional fee for each additional load for which the buyer contracts from these cooling operations. At 31 December 2024 and 31 December 2023, management assessed that the deferred consideration is a contingent asset as its existence will be confirmed by occurrence of future uncertain events not within the control of the Group and is accordingly not recognised as asset.

12 Plots of land held for sale

Plots of land held for sale represent plots of land intended to be sold in the normal course of business. If management determines to use these plots of land for development, these plots of land are transferred either to development work in progress or to investment properties under development on launch of the respective projects. Movement in plots of land held for sale during the year was as follows:

	2024 AED '000	2023 AED '000
Balance at beginning of the year	7,787,308	4,822,121
Additions during the year (note 12.1, 12.2)	1,070,250	3,866,520
Borrowing cost capitalised (note 12.3)	138,089	145,207
Recognised in costs of properties sold (direct costs)	(145,771)	(358,601)
Transfer to development work in progress during the year (note 13)	(1,689,387)	(687,939)
Exchange differences	(9,098)	–
Balance at the end of the year	7,151,391	7,787,308

As at 31 December 2024, the Group determined net realisable value of its plots of land held for sale. The estimates of net realisable values are based on the most reliable evidence available at the reporting date of the amount that the Group is expected to realise from the sale of these properties in its ordinary course of business. These estimates also take into consideration the purpose for which the inventory is held. The determination of net realisable value of plots of land held for sale is based on external valuations using various valuation methodologies and techniques (note 4).

Plots of land held for sale are located as:

	2024 AED '000	2023 AED '000
Within UAE	6,557,470	7,787,308
Outside UAE	593,921	–
	7,151,391	7,787,308

12.1 The additions during the year 2024 mainly relates to various plots land acquired by the Group subsidiary in United Kingdom.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

12 Plots of land held for sale continued

12.2 Additions during the year 2023

- During 2023, the Group acquired 3.4 million square meters of plots of land on Al Fahid Island (“Al Fahid Land”). Al Fahid Land is classified as a “qualifying asset” as it will take a substantial period of time to get it ready for its intended use.
- On 2 February 2023, the Group signed a subscription and shareholders’ agreement with DH 3 FZ-LLC and DH Real Estate and Infra LLC to establish a special purpose vehicle in Abu Dhabi Global Market, Abu Dhabi “Aurora Holding Company Limited” (“Aurora”), a private company limited by shares for the acquisition, development and sale of development work on 3 parcels of land in Dubai, UAE. The Group holds 51% shares in Aurora. The Group controls Aurora since it is exposed, or has rights, to variable returns from its involvement with Aurora and has the ability to affect those returns through its power over Aurora. During the year, as part of the transaction, the Group acquired the above plots of lands (“DH Lands”). DH Lands are classified as a “qualifying assets” as it will take a substantial period of time to get these ready for their intended use.

Total consideration for the above lands amounts to AED 4.58 billion payable over 5 years. The plots of land are initially recognised at cost which is the present value of consideration payable over the period of 5 years discounted using the Group incremental borrowing rate. The discounted value of the lands is equal to its fair value on the date of purchase amounting to AED 3.86 billion.

12.3 Borrowing costs included in the cost of the above lands during the year, amounting to AED 138,089 thousand (year ended 31 December 2023: AED 145,207 thousand), arose on the unwinding of liability and are calculated by applying a capitalisation rate of Group incremental borrowing rate to expenditure on such assets.

The Group recognises the financial liabilities in relation to the purchase of land on deferred purchase consideration in accordance with IFRS 9. These financial liabilities are recorded and carried at “amortised cost” using the effective interest method described under IFRS 9. Subsequent measurement of the above financial liabilities results in finance cost (interest expense) being incurred on the unwinding of discount. As per IAS 23, borrowing cost that can be capitalised on a qualifying assets includes any interest expense calculated using the effective interest method on remeasurement of financial liabilities carried at amortised cost as “borrowing cost”. The finance costs incurred on the financial liabilities recorded in relation to land acquired on deferred consideration basis meets the definition of “borrowing cost” under the definition of IAS 23 and accordingly capitalised as part of plots of land held for sale.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

13 Development work in progress

Development work in progress represents land cost, development and construction costs incurred on properties being constructed for sale in the ordinary course of business. Movement during the year is as follows:

	2024 AED '000	2023 AED '000
Balance at beginning of the year	6,243,802	3,835,682
Development costs incurred during the year	9,025,139	4,845,162
Recognised as part of business combination (note 47)	–	1,152,558
Recognised in costs of properties sold	(8,216,760)	(3,345,423)
Write-off of project costs (note 13.1, 13.2, 31)	(18,329)	(133,216)
Reversal/(provision) for impairment (note 13.2, 31)	29,564	(480)
Transfers from/(to):		
Inventories (note 14)	(148,921)	(38,209)
Property, plant and equipment (note 5)	(33,129)	–
Investment properties (note 7)	(12,934)	(316,531)
Plots of land held for sale (note 12)	1,689,387	687,939
Exchange differences	(953,649)	(443,680)
Balance at the end of the year	7,604,170	6,243,802

Development properties are located as:

	2024 AED '000	2023 AED '000
Within UAE	5,177,609	2,790,457
Outside UAE	2,426,561	3,453,345
	7,604,170	6,243,802

13.1 This represents project costs relating to projects which are either non-viable design/uses and other costs relating to projects under planning which management considers not feasible to continue and accordingly written off.

13.2 As at 31 December 2024 and 31 December 2023, the Group determined net realisable value of its development work in progress and concluded that the carrying value is higher than the net realisable value resulting in reversal of provision for impairment AED 11,235 thousand (2023: provision for impairment of AED 133,696 thousand). The estimates of net realisable values are based on the most reliable evidence available at the reporting date, of the amount that the Group is expected to realise in its ordinary course of business. These estimates also take into consideration the purpose for which the asset is held.

14 Inventories

	2024 AED '000	2023 AED '000
Completed properties	399,618	504,616
Other operating inventories	93,942	101,718
	493,560	606,334

During the year, completed properties with an aggregate value of AED 148,921 thousand (2023: AED 38,209 thousand) were transferred to inventories from development work in progress upon completion (note 13). During the year, an amount of AED 213,197 thousand was recognised as direct costs (2023: AED 321,412 thousand).

Inventories are located as follows:

	2024 AED '000	2023 AED '000
Within UAE	291,337	474,245
Outside UAE	202,223	132,089
	493,560	606,334

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

14 Inventories continued

During the year, in line with terms of sale purchase agreements for development projects, the Group reacquired properties with a fair value of AED 72,059 thousand (2023: AED 172,128 thousand) due to contractual non-performance of counter parties. These properties were classified as inventories based on their nature.

As at 31 December 2024 and 31 December 2023, the Group determined net realisable value of its inventories and concluded that no additional adjustment is needed in respect of bringing the carrying amount of inventories to their net realisable value.

15 Cash and cash equivalents

	2024 AED '000	2023 AED '000
Cash and bank balances	13,930,833	9,336,005
Short term deposits held with banks	1,205,160	2,382,153
Cash and bank balances	15,135,993	11,718,158

Cash and cash equivalents

	2024 AED '000	2023 AED '000
Cash and bank balances	15,135,993	11,718,158
Short term deposits with original maturities greater than three months	(228,027)	(116,572)
Restricted bank balances	(4,685,314)	(6,638,490)
Cash and cash equivalents	10,222,652	4,963,096
Cash and cash equivalents:		
Within UAE	9,878,827	4,625,006
Outside UAE	343,825	338,090
	10,222,652	4,963,096

As at 31 December 2024, cash at banks amounting to AED 302,919 thousand (2023: AED 270,255 thousand) are not included in the Group's bank balances as it is held by the Group on behalf of third parties since the Group is not acting as a principal.

Restricted bank balances include balances amounting to AED 3,363,870 thousand (2023: AED 5,627,422 thousand) which are deposited into escrow accounts representing cash received from customers against sale of development properties. The remaining balance of restricted bank balances mainly represents cash balances designated against government projects and dividend payables for which separate bank accounts are maintained.

Cash and cash equivalents include balances amounting to AED 8,040,823 thousand (2023: nil) which are deposited into escrow accounts representing cash received from customers against sale of development properties, which include certain balances against which the Group has provided performance bonds and are available to the Group on demand. The interest rate on term deposits during the year ranges between 3.50% and 5.20% (for the year ended 31 December 2023: between 0.20% and 5.72%) per annum for UAE and between 5.00% and 23.05% (for the year ended 31 December 2023: between 4.75% and 15.20%) for Egypt. Bank deposits relating to UAE operations are placed with banks in the UAE.

Cash and cash equivalents include an amount of AED 1,825,995 thousand (2023: AED 2,181,852 thousand) received from one of the customers against the development of certain projects. As of 31 December 2024, these balances are deposited with the local banks in the UAE and are available for the use of the development of those projects at the discretion of the Company.

16 Share capital

Share capital comprises 7,862,629,603 (31 December 2023: 7,862,629,603) authorised, issued and fully paid-up ordinary shares with a par value of AED 1 each.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

17 Hybrid equity instrument

During 2022, Aldar Investment Properties LLC (a subsidiary of the Company) issued USD 500,000 thousand (AED 1,837,663 thousand) Reset Subordinated Perpetual Notes (the "Notes") to an investor (the "Noteholder") in two tranches.

As per the terms of the agreement, the Notes do not have maturity date and the Group may elect at its sole discretion not to pay interest on the Notes and Noteholder does not have a right to claim such interest. Such event will not be considered an Event of Default. Pursuant to the terms and conditions of the agreement, the instrument is classified as hybrid equity instrument in line with the requirements of IAS 32 Financial Instruments: Presentation.

Transaction costs amounting to AED 22,016 thousand related to issuance of the Notes were recorded directly in equity.

Issuance period	Issued amount	Coupon rate
March 2022	USD 310,500 thousand (AED 1,141,189 thousand)	Fixed interest rate of 5.625% with a reset after 15 years
April 2022	USD 189,500 thousand (AED 696,474 thousand)	Fixed interest rate of 5.625% with a reset after 15 years

During the year, the Group paid coupons amounting to AED 103,289 thousand (year ended 31 December 2023: AED 103,289 thousand).

18 Reserves

Statutory reserve

In accordance with Articles of Association of the Company and the UAE Federal Law No. (32) of 2021, 10% of the annual profits are transferred to the statutory reserve that is non-distributable. Transfers to this reserve may be suspended whenever the reserve reaches 50% of the paid-up share capital of the Company. As the reserves reaches 50% of the paid-up capital, the Company has suspended further transfer.

Hedging reserve

This represents the effective portion of fair value movements of the interest rate swaps contracts that are designated by the Group as hedging instruments for hedges (note 24).

Investment revaluation reserve

This represents the cumulative unreleased gains or losses that are recognised on the financial assets at FVTOCI, net of cumulative gain/loss transferred to retained earnings on disposal.

The movement of the reserve is as follows:

	2024 AED'000	2023 AED'000
Balance at the beginning of the year	(8,790)	(2,310)
Fair value gain/(loss) on revaluation through FVTOCI (note 9.1)	1,565	(6,480)
Balance at the end of the year	(7,225)	(8,790)

Assets revaluation reserve

This represents surplus raised on the fair valuation of certain property, plant and equipment upon transfer to investment properties due to change in use.

Foreign currency translation reserve

This represents exchange difference arising from translation of the financial statements of foreign subsidiaries, associates and joint ventures. The movement during the year is given below:

	2024 AED'000	2023 AED'000
Balance at the beginning of the year	(536,624)	(385,312)
Exchange differences on translating the net assets of foreign Operations	(496,343)	(252,741)
Relating to non-controlling interests	197,968	101,429
Balance at the end of the year	(834,999)	(536,624)

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

19 Non-convertible sukuk

	Current AED '000	Non-current AED '000	Total AED '000
Sukuk No. 1	1,394,664	–	1,394,664
Sukuk No. 2	13,836	1,827,397	1,841,233
Sukuk No. 3	9,200	1,806,112	1,815,312
Sukuk No. 4	12,624	1,797,329	1,809,953
At 31 December 2024	1,430,324	5,430,838	6,861,162
Sukuk No. 1	23,260	1,828,885	1,852,145
Sukuk No. 2	13,638	1,825,463	1,839,101
Sukuk No. 3	9,200	1,802,508	1,811,708
Sukuk No. 4	–	–	–
At 31 December 2023	46,098	5,456,856	5,502,954

Sukuk No. 1:

On 24 September 2018, Aldar Sukuk Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Island and a wholly owned subsidiary of the Group issued non-convertible sukuk (“Sukuk No. 1”) for a total value of AED 1,836,750 thousand (USD 500,000 thousand). Sukuk No. 1 is listed on Euronext Dublin and Abu Dhabi Securities Exchange (“ADX”) and has a profit rate of 4.750% per annum payable semi-annually and is due for repayment in September 2025.

	2024 AED'000	2023 AED'000
Proceeds from issue	1,380,872	1,836,750
Unamortised issue costs	(3,146)	(7,865)
Accrued profit	16,938	23,260
Carrying amount	1,394,664	1,852,145
Less: current portion	(1,394,664)	(23,260)
Non-current portion	–	1,828,885

During the year ended 31 December 2024, the Group initiated an early redemption of Sukuk No. 1, with original maturity in September 2025. As at 31 December 2024, USD 124,133 thousand (AED 455,878 thousand) of Sukuk No. 1 was redeemed at discount on the face value resulting in a gain of AED 4,559 thousand recognised as other income in the condensed consolidated statement of profit or loss.

Sukuk No. 2:

On 15 October 2019, Aldar Sukuk (No. 2) Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Island and a wholly owned subsidiary of the Group issued non-convertible sukuk (“Sukuk No. 2”) for a total value of AED 1,836,750 thousand (USD 500,000 thousand). Sukuk No. 2 listed on Euronext Dublin and ADX and has a profit rate of 3.875% per annum payable semi-annually and is due for repayment in October 2029.

	2024 AED'000	2023 AED'000
Proceeds from issue	1,836,750	1,836,750
Unamortised issue costs	(9,352)	(11,287)
Accrued profit	13,835	13,638
Carrying amount	1,841,233	1,839,101
Less: current portion	(13,836)	(13,638)
Non-current portion	1,827,397	1,825,463

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

19 Non-convertible sukuk continued

Sukuk No. 3:

During the year ended 31 December 2023, Aldar Investment Properties Sukuk Limited (the "Issuer"), an exempted company incorporated with limited liability under the laws of the Cayman Islands, a subsidiary of the Group, has established a trust certificate issuance programme (the "Programme") pursuant to which the Issuer may issue from time to time up to USD 2,000,000 thousand (AED 7,345,000 thousand) of trust certificates in series. On 17 May 2023, the Issuer had issued the first series of the trust certificates (the "Sukuk 3") amounting to USD 500,000 thousand (AED 1,836,250 thousand) under the Programme. The Sukuk 3 is listed on Euronext Dublin and ADX, carries a profit rate of 4.875% per annum and is due for repayment in May 2033. An amount equivalent to the net proceeds of the Sukuk 3 are allocated to refinance certain "Eligible Green Projects", as set out in the Green Framework, which specifies certain eligibility criteria for Eligible Green Projects. This framework supports investments in sustainable projects, including green buildings, energy-efficient property upgrades, sustainable water management, pollution control measures, and renewable energy sources. In addition, the Company has appointed an independent firm to assess the validity of the Green Framework and its alignment with the Green Bond Principles 2021.

	2024 AED'000	2023 AED'000
Gross value of issue	1,836,250	1,836,250
Discount on issue	(21,731)	(21,731)
Net proceeds from issue	1,814,519	1,814,519
Unamortised issue costs	(8,407)	(12,011)
Accrued profit	9,200	9,200
Carrying amount	1,815,312	1,811,708
Less: current portion	(9,200)	(9,200)
Non-current portion	1,806,112	1,802,508

Sukuk No. 4:

During the year ended 31 December 2024, Aldar Investment Properties Sukuk Limited (the "Issuer"), a subsidiary of the Group registered as an exempted company with limited liability under the laws of the Cayman Islands, issued a USD 500,000 thousand (AED 1,836,250 thousand) green sukuk as part of its USD 2,000,000 thousand (AED 7,345,000 thousand) Trust Certificate Issue Programme, established in 2023. Under this Programme, the Issuer is authorised to periodically issue trust certificates in series, with a total value of up to USD 2,000,000 thousand (AED 7,345,000 thousand). On May 8, 2024, the Issuer issued the second series of trust certificates "Sukuk 4", amounting to USD 500,000 thousand (AED 1,836,250 thousand). This issuance, with a ten-year term, represents the Issuer's second green sukuk, following its inaugural USD 500,000 thousand (AED 1,836,250 thousand) sukuk issued in May 2023. Sukuk 4 is listed on Euronext Dublin and ADX, carries an annual profit rate of 5.50%, and is due for repayment in May 2034.

Consistent with Aldar's initial green sukuk, the proceeds from this issuance will be allocated in accordance with Aldar's Green Finance Framework

	2024 AED'000	2023 AED'000
Gross value of issue	1,836,250	–
Discount on issue	(11,697)	–
Unamortised issue costs	(9,611)	–
Accrued profit	12,624	–
FV movement on hedge	(18,393)	–
Discount unwinding	780	–
Carrying amount	1,809,953	–
Less: current portion	(12,624)	–
Non-current portion	1,797,329	–

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

20 Bank borrowings

	Outstanding amount			Security	Maturity	Purpose
	Current AED '000	Non-current AED '000	Total AED '000			
31 December 2024:						
Term loan 1	–	1,000,000	1,000,000	Unsecured	September 2029	General Corporate Purpose
Revolving Credit Facility 1	–	550,000	550,000	Unsecured	March 2028	General Corporate Purpose
Revolving Credit Facility 2	–	500,000	500,000	Unsecured	September 2027	General Corporate Purpose
Revolving Credit Facility 5	500,000	–	500,000	Unsecured	December 2025	General Corporate Purpose
Revolving Credit Facility 7	57,823	–	57,823	Secured	December 2030	Project Finance
Term loan 4	–	1,000,000	1,000,000	Unsecured	September 2029	General Corporate Purpose
Term loan 6	8,147	77,981	86,128	Secured	December 2031	Project Finance
Term loan 8	25,288	–	25,288	Secured	September 2027	Project Finance
Term loan 10	–	200,000	200,000	Unsecured	June 2029	General Corporate Purpose
Term loan 11	–	33,235	33,235	Secured	December 2030	Project Finance
Revolving Credit Facility 9	–	1,000,000	1,000,000	Unsecured	December 2028	General Corporate Purpose
Revolving Credit Facility 10	–	1,500,000	1,500,000	Unsecured	July 2029	General Corporate Purpose
Revolving Credit Facility 11	–	1,000,000	1,000,000	Unsecured	May 2029	General Corporate Purpose
Term loan 13	–	1,340,871	1,340,871	Unsecured	April 2028	General Corporate Purpose
Revolving Credit Facility 12	–	275,000	275,000	Unsecured	December 2029	General Corporate Purpose
Revolving Credit Facility 13	–	415,000	415,000	Unsecured	July 2029	General Corporate Purpose
Term loan 14	–	65,026	65,026	Secured	December 2032	Project Finance
Receivables discounting facility	7,060	–	7,060	Secured	September 2027	Receivables discounting
Unamortised borrowing cost	(117)	(52,263)	(52,380)			
Accrual for interests and profits	22,244	–	22,244			
	620,445	8,904,850	9,525,295			

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

20 Bank borrowings continued

	Outstanding amount			Security	Maturity	Purpose
	Current AED '000	Non-current AED '000	Total AED '000			
31 December 2023:						
Ijarah facility	-	420,000	420,000	Unsecured	March 2025	General corporate purpose
Term loan 1	-	1,000,000	1,000,000	Unsecured	September 2026	General corporate purpose
Revolving credit facility 2	-	500,000	500,000	Unsecured	September 2027	General corporate purpose
Revolving credit facility 3	-	469,500	469,500	Unsecured	March 2025	General corporate purpose
Revolving credit facility 5	300,000	-	300,000	Unsecured	December 2024	General corporate purpose
Revolving credit facility 6	-	500,000	500,000	Unsecured	March 2026	General corporate purpose
Revolving credit facility 7	55,935	-	55,935	Secured	December 2030	Project finance
Revolving credit facility 8	529,415	-	529,415	Secured	March 2024	General corporate purpose
Term loan 2	-	500,000	500,000	Secured	November 2027	General corporate purpose
Term loan 3	-	300,000	300,000	Secured	June 2026	General corporate purpose
Term loan 4	-	1,000,000	1,000,000	Unsecured	September 2028	General corporate purpose
Term loan 5	-	400,000	400,000	Unsecured	September 2028	General corporate purpose
Term loan 6	9,181	141,541	150,722	Secured	December 2031	Project finance
Term loan 8	26,122	39,183	65,305	Secured	September 2027	Project finance
Term loan 9	22,777	9,821	32,598	Secured	June 2027	Project finance
Term loan 10	-	200,000	200,000	Secured	June 2028	Project finance
Term loan 11	-	54,619	54,619	Unsecured	December 2030	General corporate purpose
Term loan 12	111,793	-	111,793	Secured	March 2026	Project finance
Receivables discounting facility	26,429	-	26,429	Secured	September 2027	Receivables discounting
Unamortised borrowing cost	(1,292)	(46,106)	(47,398)			
Accrual for interest and profits	7,294	-	7,294			
	1,087,654	5,488,558	6,576,212			

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

20 Bank borrowings continued

The above loans carry margins ranging from 0.70% to 2.00% (2023: 0.50% to 2.95%) above the base lending rate. For loans obtained in the UAE, the base lending rate used is EIBOR and for overseas subsidiaries is the relevant base lending rates.

During the year ended 31 December 2024, the Group signed committed revolving facility agreements with local banks for a total commitment of AED 4,000,000 thousand with a maturity of 5 years out of which AED 3,190,000 thousand was utilised till 31 December 2024. In addition, the Group refinanced and upsized the term loan for an international subsidiary with GBP 325,000 thousand (AED 1,495,355 thousand) unsecured term loan with a maturity of 4 years.

As at 31 December 2024, the Group had AED 8,106,117 thousand of undrawn, committed term and revolving credit facilities in the form of bilateral agreements (2023: AED 7,465,489 thousand). Bank borrowings drawn during the year amounted to AED 10,310,525 thousand (2023: AED 5,055,639 thousand) and repaid during the year amounted to AED 7,189,238 thousand (2023: AED 5,641,850 thousand).

At the beginning of the year, certain bank borrowings were secured in the form of mortgage over certain immovable properties. As of 31 December 2024, mortgage over operating assets under investment properties are valued at nil (2023: AED 1,073,281 thousand).

Term loans 6, 8, 11, 14, receivables discounting facility and revolving Credit Facility 7 are secured against the following and relates to the Group's Egypt subsidiary only:

- Pledge to deposit all proceeds from the sales of units in the designated accounts with the lenders;
- Assignment right of the first degree on the projects account in favour of the lenders;
- Mortgage on the leased assets/units and buildings and pledge over unsold units; and
- Various development work in progress

The split of bank borrowings by location are:

	2024 AED'000	2023 AED'000
Within UAE	7,910,650	5,552,133
Outside UAE	1,614,645	1,024,079
	9,525,295	6,576,212

21 Retentions payable

	2024 AED'000	2023 AED'000
Retentions payable within 12 months	815,939	723,756
Retentions payable after 12 months	591,339	542,998
	1,407,278	1,266,754

This represents amounts retained by the Group from third party contractors for construction projects.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

22 Lease liabilities

Group as a lessee

The Group has entered into leases for land on which certain of the Group's buildings and investment properties are constructed. Refer to notes 5 and 7 for further information. The Group's obligations under its leases are secured by the lessor's title to the leased plots of land. Generally, the Group's leases also include restrictions on assigning and subleasing the leased assets.

Set out below are the carrying amounts and maturity analysis of lease liabilities as at 31 December:

	2024 AED '000	2023 AED '000
Maturity analysis:		
Year 1	99,248	96,673
Year 2	90,296	100,901
Year 3	85,767	92,618
Year 4	74,758	74,476
Year 5	74,189	62,351
Onwards	1,491,668	1,057,813
Balance at the end of the year	1,915,926	1,484,832
Less: finance cost	(906,752)	(557,962)
	1,009,174	926,870

The Group does not face a liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

The following are the amounts recognised in the consolidated statement of profit or loss:

	2024 AED '000	2023 AED '000
Depreciation expense of right-of-use assets	42,664	38,961
Unwinding of interest expense on lease liabilities during the year (note 33)	44,177	23,845

The movement for the lease liability is as follows:

	2024 AED '000	2023 AED '000
Balance at the beginning of the year	926,870	485,533
Acquired as part of business combinations (note 47)	–	428,514
Additions*	173,814	89,437
Payments	(111,859)	(74,765)
Terminations	(20,729)	(25,458)
Finance cost	44,177	23,845
Exchange differences	(3,099)	(236)
Balance at the end of the year	1,009,174	926,870

	2024 AED '000	2023 AED '000
Analysed as:		
Non-current	919,301	848,365
Current	89,873	78,505
Total	1,009,174	926,870

*Include AED 8,926 thousand capitalised during the year (2023: nil).

The Group did not have major non-cash additions to right-of-use assets and lease liabilities during the year ended 31 December 2024 and year ended 31 December 2023.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

23 Employee benefits

	2024 AED '000	2023 AED '000
Employees' end-of-service benefits	310,666	285,012
Long term incentive scheme	93,582	54,470
Balance at the end of the year	404,248	339,482

End-of-service benefits

Movements in the provision for employees' end of service benefits are as follows:

	2024 AED '000	2023 AED '000
Balance at the beginning of the year	285,012	237,208
Charge for the year – net of reversal (note 30.2)	113,195	55,157
Acquired in business combination (note 47)	–	42,213
Paid during the year	(87,541)	(49,566)
Balance at the end of the year	310,666	285,012

Long term incentive scheme

The Group's Board of Directors has approved a Long-Term Incentive ("LTI") scheme for certain employees of the Company and its subsidiaries. The LTI scheme is designed to provide long-term incentives for certain senior management team to deliver long-term shareholder returns. Under the LTI scheme, the eligible employee contributes 30% of their performance bonus towards the LTI fund and the Company matches the same percentage as an additional contribution. The contribution of both the employees and the Company are invested in Restricted Share Units ("RSU"). Participants will receive an amount based on the combined contributions which will be invested and generate a return in accordance with the investment policy set under the Discretionary Investment Portfolio Management Agreement ("DIPMA"), as mentioned below, if vesting requirements are met at the end of a 3-year retention period. A cash amount representing the value of vested portion is paid upon completion of the service condition over three years. Carrying value of LTI scheme is computed based on the relevant share price as of 31 December 2024 and 31 December 2023.

Movements in the provision for long term incentive scheme are as follows:

	2024 AED '000	2023 AED '000
Balance at the beginning of the year	54,470	59,685
Charge for the year – net of reversal	21,334	3,482
Fair value and other movement	1,771	12,842
Transfer from bonus accrual and employee contribution	39,534	–
Paid during the year	(23,527)	(21,539)
Balance at the end of the year	93,582	54,470

The Company entered into a DIPMA with a local bank whereby the Company has appointed the local bank to manage funding of distributions to be made by the Company to the beneficiaries under the LTI scheme. The amount funded in line with DIPMA is recorded under trade receivables and other assets (note 11). The Company remains the primary obligor to the beneficiaries in line with their entitlement under the employee agreements.

24 Derivative financial (liabilities)/assets

The movement in derivative financial instruments is given below:

	2024 AED '000	2023 AED '000
Balance at beginning of the year	8,311	207,045
Recognised as part of business combination	–	12,093
Net fair value changes (i)	(15,083)	(27,165)
Realised during the year	(11,621)	(183,662)
Balance at the end of the year	(18,393)	8,311

(i) This includes an amount of AED 18,393 thousand (2023: nil) netted off against the non-convertible sukuk.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

24 Derivative financial (liabilities)/assets continued

During the year ended 31 December 2024, the Group entered into a forward starting interest rate swap ("IRS") having notional value of USD 500,000 thousand (AED 1,836,250 thousand), under which fixed interest rate is received semi-annually and floating interest rate is paid semi-annually by the Group. The fair value movements on fixed leg of the swap is designated as a hedge of fair value movements in the 10-year Sukuk attributable to movements in USD SOFR coupon curve.

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of its issued fixed rate debt and the cash flow exposures on its issued variable rate debt. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at the reporting date and the credit risk inherent in the contract and is disclosed below. The average interest rate is based on the outstanding balances at the end of the financial year.

As the critical terms of the IRS and its corresponding hedged item is the same, the Group performed a qualitative assessment of effectiveness and it is expected that the value of the IRS and the value of the corresponding hedged item will systematically change in opposite direction in response to movements in the underlying interest rates. This qualitative assessment resulted in no hedge ineffectiveness.

The fair value of interest rate derivatives at the reporting date is based on a discounted future cash flows using the applicable yield curves derived from observable interest rates. The fair values are presented below:

	31 December 2024		31 December 2023	
	Gross carrying amount AED '000	Fair value hierarchy AED '000	Gross carrying amount AED '000	Fair value hierarchy
Derivative financial assets:				
• interest rate cap	–	–	8,311	Level 2
• forward starting interest rate swaps	(18,393)	Level 2	–	–

The fair value of interest rate swaps at the reporting date is based on discounted future cash flows using the applicable yield curves derived from observable interest rates. The Group has a derivative exposure linked to overnight USD SOFR interest rates for USD 500,000 thousand (AED 1,836,250 thousand) where it receives a fixed rate in exchange for bank receiving overnight USD SOFR. The fair values of these interest rate swaps is USD 5,008 thousand (AED 18,393 thousand) against the Group.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

24 Derivative financial (liabilities)/assets continued

The following table summarises information regarding interest rate swap and interest rate cap contracts outstanding, where the Group receives variable interest rate, at the reporting date:

Maturity profile	Average contracted fixed interest rate		Notional amount		Carrying amount of the derivative financial asset/ (liability)	
	2024	2023	2024 AED '000	2023 AED '000	2024 AED '000	2023 AED '000
Less than 1 year	–	2.52%	–	360,098	–	5,761
1 to 2 years	–	3.00%	–	66,247	–	2,070
2 to 5 years	–	3.00%	–	15,319	–	480
More than 5 years	5.50%	–	1,836,250	–	(18,393)	–
Total			1,836,250	441,664	(18,393)	8,311

Movement in the hedging reserve was as following:

	2024 AED '000	2023 AED '000
Balance at the beginning of the year	165,130	190,248
Cumulative fair value loss arising on hedging instruments during the year classified under cash flow hedges	–	(20,713)
Cumulative loss arising on hedging instruments reclassified to profit or loss on maturity	(18,366)	(7,787)
Attributable to non-controlling interest	2,181	3,382
Balance at the end of the year	148,945	165,130

25 Advances from customers

Advances from customers represent mainly security deposits, advances from customers and advances received on project management business.

26 Trade and other payables

	2024 AED '000	2023 AED '000
Non-current portion		
Payable to a government authority for purchase of land (note 26.1)	384,876	638,007
Other land acquisition creditors and payable (note 12)	2,815,216	3,197,385
Grant liability (note 26.4)	127,186	102,513
Payable against acquisition of subsidiary (note 47.6)	66,366	–
	3,393,644	3,937,905

	2024 AED '000	2023 AED '000
Current portion		
Trade payables	2,361,905	1,721,104
Accrual for contractors' costs	4,630,796	3,268,051
Deferred income	440,784	698,270
Provisions and accruals	1,197,013	847,120
Advances from the Government of Abu Dhabi (note 38.1)	319,835	250,072
Dividends payable	22,258	17,360
Payable to a government authority for purchase of land (note 26.1)	58,494	57,822
Due to the Government of Abu Dhabi	371,364	97,532
Other land acquisition creditors (note 12)	439,685	404,691
Payable against acquisition of subsidiary (note 47.6)	46,011	106,080
Grant liability (note 26.3)	6,492	2,343
Other liabilities (note 26.2)	1,474,409	1,393,520
	11,369,046	8,863,965

The Group has financial and risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

26 Trade and other payables continued

26.1 Payable to a government authority for purchase of land

	Plot of land I AED '000	Plot of land II AED '000	Plot of land III AED '000
Total par value of the checks issued to the Egyptian New Urban Communities Authority ("NUCA")	44,702	384,603	37,306
Unamortised interest	(6,426)	(5,580)	(11,235)
	38,276	379,023	26,071
Less: current portion	12,743	38,459	7,292
Non-current portion	25,533	340,564	18,779

Plot of land I

In May 2022 an agreement was signed between Egyptian New Urban Communities Authority ("NUCA") and one of the Group's indirect subsidiaries to purchase a plot of land covering an area of 115.34 acres with a total value of EGP 1,156,000 thousand (AED 83,522 thousand). The remaining purchase price and any associated interest are to be paid in semi-annual instalments concluding on 8 September 2027, by this agreement the total land area allocated to the Company increased to 265.34 acres.

Plot of land II

In June 2022 a co-development agreement was signed between a subsidiary of the Group and NUCA to establish an integrated urban project with an area of 464.81 acres with a total value of EGP 11,357,000 thousand (AED 820,555 thousand).

Plot of land III

On 1 August 2023, a subsidiary of the Group signed a contract with the NUCA to acquire a plot of land area approximately 180 acres with a total amount of EGP 807,500 thousand (AED 58,343 thousand), the down payment amount was paid, and the rest of the price and interest will be paid over 10 consecutive semi-annual instalments.

26.2 Other liabilities include net contingent consideration payable of AED 60,990 thousand at 31 December 2024 (2023: AED 60,990 thousand). The aggregate amount of contingent consideration shall not exceed AED 75,000 thousand. The fair value of the contingent consideration is estimated at AED 60,990 thousand. There are no changes in the fair value of contingent consideration payable as at 31 December 2024 as there were no significant changes in the range of outcomes or the assumptions used to develop the estimate. The fair value of the contingent consideration was estimated by applying an income approach. The fair value measurement is based on significant inputs that are not observable in the market therefore this is a Level 3 measurement in the fair value measurement hierarchy as at 31 December 2024 and 31 December 2023. Key assumptions include a discount rate of 9.7% and probable outflow of AED 60,990 thousand.

26.3 Grant liability represent grant received by a foreign subsidiary of the Group from a regional governance body to support the development of projects in the specified areas which is recognised as per the terms of the relevant agreement.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

27 Revenue and rental income

	2024 AED '000	2023 AED '000
Revenue		
Property development	13,055,994	6,868,073
Development management	2,290,466	1,201,552
Fee and related income from schools	862,212	686,579
Property and facilities management	2,294,099	1,614,651
Hospitality and leisure	1,110,748	1,116,189
Construction contracts	1,123,464	717,272
Rental income		
Rental income on investment properties	2,261,399	1,956,622
	22,998,382	14,160,938

Rental income on investment properties includes contingent rental income of AED 62,933 thousand (2023: AED 49,218 thousand) and revenue from service charges of AED 132,445 thousand (2023: AED 130,979 thousand).

28 Direct costs

	2024 AED '000	2023 AED '000
Property development	8,893,950	4,426,692
Development management	1,580,851	692,820
Property and facilities management	1,621,853	1,370,663
Direct cost of investment properties	585,119	305,560
Hospitality and leisure	723,881	705,090
Construction contracts	1,102,488	691,113
Direct cost related to schools	445,099	395,627
	14,953,241	8,587,565

29 Selling and marketing expenses

	2024 AED '000	2023 AED '000
Projects marketing	47,138	31,901
Corporate advertising and events	39,953	39,448
Exhibitions and sponsorships	42,309	43,537
	129,400	114,886

30 General and administrative expenses

30.1 Others in general and administrative expenses include the following:

	2024 AED '000	2023 AED '000
Professional fees	85,665	140,836
Board of Directors' remuneration	41,900	34,181
General office expenses	64,197	70,960
Business travel	6,293	10,674
IT maintenance	51,114	40,572
Others	291,558	191,627
	540,727	488,850

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

30 General and administrative expenses continued

30.2 Staff costs consist of the following:

	2024 AED '000	2023 AED '000
Salaries, bonuses and other benefits	2,681,438	2,482,242
Employees' end of service benefits (note 23)	113,195	55,157
Staff training and development	8,931	6,596
	2,803,564	2,543,995
Staff costs are allocated to:		
Direct costs	2,051,842	1,948,593
General and administrative expenses	679,322	545,245
Projects under development (capitalised)	72,400	50,157
	2,803,564	2,543,995

31 Provisions, impairments and write-downs, net

	2024 AED '000	2023 AED '000
Provision for expected credit losses, net (note 11.6)	8,442	45,152
Provision for impairment on due from associates and joint ventures (note 11.6)	2,201	2,258
Release of provision for onerous contracts	–	(11,601)
Write-down of development work in progress (note 13)	18,329	133,216
(Reversal)/provision for impairment of development work in progress (note 13)	(29,564)	480
Provision against other assets	100,000	–
Provisions against future commitments	50,000	–
Others	49,778	56,440
	199,186	225,945

32 Finance income

	2024 AED '000	2023 AED '000
Interest/profit earned on:		
Sharia compliant deposits	46,058	106,342
Bank fixed deposits	81,297	66,132
Call and current accounts	447,482	194,956
Total interest/profit earned	574,837	367,430
Financing income earned on receivables*	123,112	104,578
Other finance income	17,447	26,765
	715,396	498,773

* This mainly represents significant financing component implicit in the contracts with customers which provides the customer with a significant benefit of financing the transfer of properties sold.

Finance income earned on financial assets, analysed by category of asset is as follows:

	2024 AED '000	2023 AED '000
Financial assets at amortised cost		
Loans and receivables	140,560	131,343
Bank balances and deposits	574,836	367,430
	715,396	498,773

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

33 Finance costs

	2024 AED '000	2023 AED '000
Finance costs on bank borrowings and non-convertible sukuk	873,266	583,593
Unwinding of finance cost on operating lease liabilities (note 22)	44,177	23,845
Others	44,338	5,941
	961,781	613,379
Cumulative (gain)/loss arising on hedging instruments reclassified to profit or loss (note 24)	(18,366)	7,787
	943,415	621,166

34 Other income

	2024 AED '000	2023 AED '000
Reversal of accruals and provisions (i)	77,003	157,716
Cooling connection fees (ii)	36,551	–
Exchange gain on bank deposits	26,689	16,826
Non-tuition education income	25,890	15,894
Gain on disposal of property, plant and equipment	1,763	133
Insurance claim	–	17,136
Others	31,734	77,992
	199,630	285,697

- (i) This represents reversal of provisions which were no longer required following management's assessment at reporting date of the estimated cash flows required based on latest information which highlighted that it is no longer probable that a transfer of economic benefits will be required to settle the obligation.
- (ii) This represents earn-out consideration recognized as an additional fee for each additional connection load in relation to cooling operations sold by the Group in 2020.

35 Income tax

The Group recognised income tax expense based on management's estimate. Effective 1 January 2024, the Group operations in UAE are subject to income tax. The average annual effective tax rate (ETR) used relating to UAE operations for the year ended 31 December 2024 is 4.33%. The lower ETR than headline tax rate of 9% is due to the benefit from transitional relief issued by UAE Ministry of Finance, mainly Ministerial decision 120 for immovable properties, in relation to development projects sold before year 2024 and are still under progress and 0% tax relief for free zone commercial building related qualifying income. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. The major components of income tax expense in the condensed consolidated statement of profit or loss are:

	2024 AED '000	2023 AED '000
Current income tax:		
Current income tax charge	242,942	67,095
Tax expense on dividends	51	75
Deferred income tax:		
Relating to origination and reversal of temporary differences	112,185	(12,548)
Relating to enactment of UAE corporate income tax	–	57,345
Income tax expense recognised in statement of profit or loss	355,178	111,967

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

35 Income tax continued

Reconciliation of tax expense and the accounting profit for 2024 and 2023:

	2024 AED '000	2023 AED '000
Accounting profit for the year before income tax	6,859,117	4,528,373
UAE profit not subject to income tax in year 2023	–	(4,324,014)
Profit subject to income tax	6,859,117	204,359
Income tax using the domestic corporate tax rate @ 9%	617,321	45,686
Step up cost for properties sold under UAE CIT law	(257,271)	–
Profit taxed at zero rate	(19,619)	–
Tax effect of expenses/income not considered in determining taxable profit	(11,684)	66,281
Tax effect of share of results of associates and joint ventures	365	–
Effect of different tax rates of subsidiaries operating in other jurisdictions	26,066	–
Income tax expense	355,178	111,967

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (UAE CT Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The Corporate Tax Law is applicable to Tax Periods commencing on or after 1 June 2023 (where the Tax Period is generally aligned with the financial accounting period).

The UAE CT Law is applicable to the Group with effect from 1 January 2024.

Decision No. 116 of 2022 (published in December 2022 and considered to be effective from 16 January 2023) specifies that taxable income not exceeding AED 375,000 would be subject to the 0% UAE CT rate, and taxable income exceeding AED 375,000 would be subject to the 9% UAE CT rate.

The movement in the income tax payable is given below:

	2024 AED '000	2023 AED '000
Income tax payable		
Balance at the beginning of the year	115,479	127,159
Charge for the year	242,942	67,095
Paid during the year	(40,242)	(43,273)
Foreign exchange differences	(49,920)	(35,502)
Balance at the end of the year	268,259	115,479

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

35 Income tax continued

International Tax Reform – Pillar Two model rules

The Organisation for Economic Co-operation and Development (“OECD”) has published the Pillar Two Anti Global Base Erosion Rules (“GloBE Rules”), which includes a minimum 15% tax rate by jurisdiction (“Pillar Two”). Various countries have enacted or intend to enact tax legislation to comply with Pillar Two rules. Pillar Two Legislation has not been substantively enacted at the reporting date where the Parent company is incorporated, the UAE.

The Group have conducted an assessment of the potential exposure to Pillar Two income taxes if the rules had been in effect in the current reporting period. Based on this assessment the Group does not expect the top up tax to be considered material.

The Group is continuing to assess the impact of Pillar Two income taxes legislation on future financial performance for the remaining jurisdictions in which the Group operates.

The Group will be conducting a comprehensive assessment to analyse the potential impact of the Pillar Two income tax. The assessment will be completed during the year 2025.

The Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

36 Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2024	2023
Earnings (AED’000)		
Earnings for the purposes of basic and diluted earnings per share:		
Profit for the year attributable to owners of the Company	5,596,252	3,922,263
Less: distributions to the Noteholder (hybrid equity instrument – note 17)	(103,289)	(103,289)
	5,492,963	3,818,974
Weighted average number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	7,862,629,603	7,862,629,603
Basic and diluted earnings per share attributable to Owners of the Company in AED	0.699	0.486

37 Dividends

At the annual general meeting held on 19 March 2024, the shareholders approved distribution of cash dividends of AED 1,336,648 thousand for the year ended 31 December 2023, being 17 fils per share. The Board of Directors, in their meeting held on 10 February 2025, proposed a cash dividend of 18.5 fils per share for the year ended 31 December 2024. The proposed dividend is subject to approval of the Shareholders at the annual general assembly.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

38 Transactions and balances with related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Related parties comprise of the Parent Company and its affiliates, major shareholders, associated companies, directors, key management personnel of the Group and their related entities. The terms of the major transactions are approved by the Group's management and are made on terms agreed by the Board of Directors or management.

Major Shareholders represent Alpha Dhabi Holding PJSC (the "Parent Company") and its affiliated entities and Mubadala Investment Company PJSC (the "Major Shareholder") and its affiliated entities. Government of Abu Dhabi is an indirect major shareholder of the Company through an entity controlled by it. The balances and transactions disclosed below with reference to Government of Abu Dhabi also include the entities controlled by Government of Abu Dhabi.

38.1 Related party balances

Balances and transactions between entities in the Group have been eliminated on consolidation and are not disclosed in this note. Significant related party balances (and the consolidated statement of financial position captions within which these are included) are as follows:

	2024 AED '000	2023 AED '000
(1) Government of Abu Dhabi		
Trade and other receivables	1,028,304	868,053
Trade and other payables	(646,096)	(330,254)
Contract liabilities	(1,016,329)	(1,053,509)
Advances received (note 26)	(45,110)	(30,292)
Bank balances	3,154,982	4,608,438
Bank borrowings	(4,325,000)	(2,700,000)
Letter of credits and bank guarantees	(7,733,204)	(4,825,916)
(2) Major shareholder and its affiliates		
Trade and other receivables	86,956	59,912
Retentions payable	(113,190)	(113,190)
Trade and other payables	(12,214)	(3,764)
(3) Parent Company and its affiliates		
Trade and other receivables	677,823	100,334
Retentions payable	(356,210)	(450,485)
Trade and other payables	(170,438)	(33,974)
(4) Associates and joint ventures		
Due from joint ventures	1,729	826

38.2 Transactions with related parties

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. Other than as disclosed in note 11, allowance of expected credit losses against due from associates and joint ventures, no provision has been made for doubtful debts in respect of the amounts owned by related parties. Certain receivables from joint ventures carry interest of 9% per annum and are repayable within 2 to 5 years.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

38 Transactions and balances with related parties continued

38.2 Transactions with related parties continued

During the year, the following were the significant related party transactions, which were carried out in the normal course of business on terms agreed between the parties:

	2024 AED '000	2023 AED '000
(1) Government of Abu Dhabi		
Revenue	2,325,491	1,591,411
Other income	32,334	2,678
Finance income on bank deposits	461,808	206,028
Finance cost on bank borrowings	(261,084)	(170,216)
Finance income from project finance	8,088	8,301
(2) Major shareholder and its affiliates		
Revenue	133,252	73,370
(3) Parent Company and its affiliates		
Revenue	126,086	53,799
Cost incurred on projects under development (i)	(31,861)	(122,284)
Other costs	(48,372)	(39,899)
(4) Associates and joint ventures		
Finance income	15,106	15,106
(5) Key management compensation		
Salaries, bonuses and other benefits	47,828	39,475
Post-employment benefits	1,350	1,072
Long term incentives	13,259	6,576
	62,437	47,123
(6) Directors' remuneration – expense (ii), (iii)	41,900	34,181

(i) This represents costs incurred during the year which is recognised as development work in progress for projects under development.

(ii) During the year, the Company paid Directors' remunerations amounting to AED 31,560 thousand (2023: AED 19,804 thousand).

(iii) In line with the approved remuneration during 2022 AGM, the Company has set up a deferred remuneration scheme ("DRS") for the Directors. Under the DRS scheme, the directors contribute 30% of their remuneration towards the DRS scheme and the Company matches the same percentage (30%) as an additional contribution. The contribution of both the directors and the Company are invested in Restricted Share Units ("RSU") and payment will be made in line with Aldar Group Board Remuneration Policy. The directors will be paid in cash on the earlier of three years or end of tenure based on the value of the RSU at that time. The Group has accrued AED 9,000 thousand for this scheme related to year 2024 (2023: AED 7,200 thousand).

(iv) During the year, the Group acquired two plots of land from the major shareholder (refer note 7.2.1 iii).

39 Contingencies and commitments

39.1 Capital commitments

Capital expenditure contracted but not yet incurred at the end of the year is as follows:

	2024 AED '000	2023 AED '000
Projects under development	19,115,398	11,033,316
Projects management	5,595,392	6,528,144
Others	1,186,995	285,216
	25,897,785	17,846,676

Projects under management represent remaining contractual amounts relating to projects managed by the Group, of which the related agreements with contractors were entered by and continued to be under the name of the Group on behalf of the Government of Abu Dhabi. This includes AED 5,484,575 thousand (2023: AED 6,309,600 thousand) of commitment of Aldar Projects LLC (a subsidiary of the Company) which will be funded in advance by the Government of Abu Dhabi. The above commitments are spread over a period of one to five years.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

39 Contingencies and commitments continued

39.2 Operating lease commitments

The Group as lessor

The Group has entered into operating leases on its investment property portfolio owned by the Group and have terms of between 1 and 32 years. The lessees do not have an option to purchase the property at the expiry of the lease period. The commercial property lease arrangements include clauses to enable periodic upward revision of the rental charge according to prevailing market conditions. Some leases contain options to break before the end of the lease term.

The future minimum rentals receivable under non-cancellable operating leases contracted as at 31 December are as follows:

	2024 AED '000	2023 AED '000
Buildings:		
Within one year	1,635,693	1,429,281
In the second to fifth year	4,305,620	3,705,289
After five years	2,314,266	2,146,437
	8,255,579	7,281,007

In addition to the above lease commitments, the Group also have lease contracts where it is entitled to receive rent based on turnover of tenants and service charges.

39.3 Contingencies

	2024 AED '000	2023 AED '000
Bank guarantees for land purchase (i)	3,102,166	3,390,111
Other letter of credits and performance bonds (ii)	5,211,236	1,802,894
	8,313,402	5,193,005

(i) This represent bank guarantees provided for various lands acquired on deferred payment plan.

(ii) This pertains to letters of credit and performance bonds issued for various business segments within the Group in the normal course of business for operational purposes. Majority of these are provided to government authorities in line with standard business practices.

40 Financial instruments

40.1 Material accounting policy information

Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the consolidated financial statements.

40.2 Categories of financial instruments

	2024 AED '000	2023 AED '000
Financial assets		
Investment in financial assets at FVTOCI	24,882	23,317
Investment in financial assets at FVTPL	894,670	695,652
Derivative financial assets	–	8,311
Financial assets at amortised cost	4,013	93,147
Receivables, other assets and cash and bank balances (at amortised cost)	27,211,515	20,568,732
	28,135,080	21,389,159
Financial liabilities		
Financial liabilities measured at amortised cost	32,553,194	25,936,531
Derivative financial liabilities	18,393	–
	32,571,587	25,936,531

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

40 Financial instruments continued

40.3 Financial risk

The Group's principal financial liabilities, other than derivatives are non-convertible sukuk, bank borrowings, contract liabilities and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables and other assets, contract assets, and cash and short-term deposits that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and approves policies for managing each of these risks.

The Group's Corporate Finance and Treasury function provides services to the business, coordinates access to domestic and international capital and financial markets, monitors and manages financial risks relating to operations of the Group based on internally developed models, benchmarks and forecasts which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group seeks to minimise the effects of financial risks by using appropriate risk management techniques including using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by management's analysis of market trends, liquidity position and expected movements in interest rate and foreign currency rates which are reviewed by the management on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

40.4 Capital risk

The Group manages its capital structure to ensure that entities in the Group will be able to continue as a going concern while maximising return to shareholders through the optimisation of the debt and equity balance. No major changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 31 December 2023.

The capital structure of the Group comprises non-convertible Sukuk, bank borrowings, cash and bank balances and equity attributable to equity holders of the Company, comprising share capital, all other equity reserves, hybrid equity instrument and retained earnings as disclosed in the consolidated statement of changes in equity.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of financial covenants with a view to promote the long-term success of the business while maintaining sustainable returns for shareholders. This is achieved through a combination of risk management actions including monitoring solvency, maintaining ample liquidity, minimising financing costs, rigorous investment appraisals and maintaining high standards of business conduct.

Key financial measures that are subject to regular review include cash flow projections and assessment of their ability to meet contracted commitments, projected leverage levels and compliance with borrowing covenants. The Group's policy is to maintain the leverage of the Aldar Development operating segment at less than 25 per cent and that of Aldar Investment operating segment at less than 40 per cent.

The Group monitors its cost of debt on a regular basis. At 31 December 2024, the weighted average cost of debt was 5.55% (2023: 5.15%). Investment and development opportunities are evaluated against an appropriate weighted average cost of capital to ensure that long-term shareholder value is created.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

40 Financial instruments continued

40.4 Capital risk continued

The covenants of eighteen (2023: seventeen) borrowing arrangements require maintaining a minimum tangible net worth. Two loans require a minimum tangible net worth of AED 10 billion, Seven loans require a minimum tangible net worth of AED 6 billion and nine loans require a minimum tangible net worth of AED 4 billion.

40.5 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include bank borrowings, investment in financial assets and derivative financial instruments.

a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rate.

The Group may be exposed to currency and translation related risks on its borrowings denominated in US Dollars and its investments in foreign subsidiaries. In respect of the Group's transactions and balances denominated in US Dollars and Saudi Riyal, the Group is not exposed to the currency risk as the UAE Dirham and Saudi Riyal are currently pegged to the US Dollar.

The table below summarises the sensitivity of the Group's monetary and non-monetary assets and liabilities to changes in foreign exchange movements at year end. The analysis is based on the assumptions that the relevant foreign exchange rate increased/decreased by 5% with all other variables held constant:

	Assets AED '000	Liabilities AED '000	Net exposure AED '000	Effect on net equity for +/- 5% sensitivity AED '000
2024				
Egyptian pound	4,083,188	(3,157,023)	926,165	+/-46,308
Pound sterling	2,092,926	(2,152,106)	(59,180)	+/-2,959
2023				
Egyptian pound	4,836,316	(3,609,646)	1,226,670	+/-61,334
Pound sterling	1,573,795	(1,093,314)	480,481	+/-24,024

b) Interest rate risk

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

The Group is exposed to interest rate risk as the Group borrow funds at both floating and fixed interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The Group's exposures to interest rates on financial assets and financial liabilities are detailed in notes 9, 15 and 20.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis is prepared assuming the amount of asset or liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's net profit for the year ended 31 December 2024 would increase/decrease by AED 83,429 thousand (2023: increase/decrease by AED 42,388 thousand).

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

40 Financial instruments continued

40.5 Market risk continued

Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rate on the fair value of issued fixed rate debt and the cash flow exposures on the issued variable rate debt.

Cash flow hedges

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the payments on the loan occur simultaneously.

Interest rate cap contracts

The Group is exposed to interest rate risk on interest bearing debt and manages its exposure to interest rate risk through the proportion of fixed and variable rate debt in its debt portfolio.

40.6 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Key areas where the Group is exposed to credit risk is from its operating activities (primarily trade and other receivables) and from its financing activities mainly bank balances, bank deposits and derivative financial assets (liquid assets).

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group attempts to control credit risk by

monitoring credit exposures, limiting transactions with specific non-related counterparties, and continually assessing the creditworthiness of such non-related counterparties.

Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue amounts. Furthermore, the Group reviews the recoverable amount of each trade receivables and other receivables on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, management considers that the Group's credit risk is significantly reduced. Trade receivables consist of a large number of customers. Ongoing credit evaluation is performed on the financial condition of trade receivables and other receivables.

Credit risk from balances with banks is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Concentration of credit risk

Concentration of credit risk arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location. Details on concentration of trade receivable balances are disclosed in note 11.1. Management believes that the concentration of credit risk is mitigated by having received instalment payments, in some cases substantial, which the Group would contractually be entitled to retain in the event of non-completion of the remaining contractual obligations in order to cover the losses incurred by the Group.

At 31 December 2024, 100% (2023: 100%) of the deposits were placed with 14 local banks, 1 foreign branch of a local bank and 15 foreign banks in Egypt, United Kingdom, KSA and Oman. Balances with banks are assessed to have low credit risk of default since these banks are among the major banks operating in the UAE, Egypt, United Kingdom and KSA and are regulated by the Central bank of the respective countries.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

40 Financial instruments continued

40.6 Credit risk continued

The amount that best represents maximum credit risk exposure on financial assets at the end of the reporting period, in the event counter parties fail to perform their obligations generally approximates their carrying value.

Collateral held as security and other credit enhancements

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risk associated with receivables related to property development is mitigated because they are secured over the underlying property units. The Group is not permitted to sell or repledge the underlying properties in the absence of default by the counterparty. There have not been any significant changes in the quality of the underlying properties.

40.7 Liquidity risk

The responsibility for liquidity risk management rests with the management of the Group, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and committed borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Group's financial liabilities at 31 December 2024 and 31 December 2023.

	<1 month AED '000	1 to 3 months AED '000	3 months to 1 year AED '000	1 to 5 years AED '000	>5 years AED '000	Total AED '000
31 December 2024						
Financial liabilities						
Non-interest bearing instruments (i)	265,471	4,839,274	7,289,167	3,984,983	–	16,378,895
Non-convertible sukuk	–	16,938	1,413,386	–	5,430,838	6,861,162
Variable interest rate instruments	4,746	115,699	500,000	8,904,850	–	9,525,295
Lease liability	5,597	15,788	77,863	325,010	1,491,668	1,915,926
Derivative financial liabilities	–	–	–	–	18,393	18,393
Total	275,814	4,987,699	9,280,416	13,214,843	6,940,899	34,699,671
31 December 2023						
Financial liabilities						
Non-interest bearing instruments (i)	261,277	3,639,531	5,661,548	4,378,388	–	13,940,744
Non-convertible sukuk	–	–	46,098	1,783,856	3,673,000	5,502,954
Variable interest rate instruments	16,450	654,939	416,265	5,381,208	107,350	6,576,212
Lease liabilities	10,461	5,830	80,382	330,346	1,057,813	1,484,832
Derivative financial liabilities	–	–	–	–	–	–
Total	288,188	4,300,300	6,204,293	11,873,798	4,838,163	27,504,742

(i) Including security deposits from customers.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

40 Financial instruments continued

40.7 Liquidity risk continued

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as disclosed in the following table, management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the consolidated financial statements approximate their fair values.

	2024		2023	
	Gross carrying amount AED '000	Fair value AED '000	Gross carrying amount AED '000	Fair value AED '000
Financial liabilities at amortised cost				
Sukuk No. 1 (note 19)	1,394,664	1,372,007	1,852,145	1,820,844
Sukuk No. 2 (note 19)	1,841,233	1,731,670	1,839,101	1,722,890
Sukuk No. 3 (note 19)	1,815,312	1,792,933	1,811,708	1,782,319
Sukuk No. 4 (note 19)	1,809,953	1,866,824	–	–

The non-convertible sukuk are categorised under Level 1 in the fair value hierarchy.

41 Fair value of financial instruments

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about the fair values of these financial assets as at 31 December 2024 and 31 December 2023:

	Level 1 AED '000	Level 2 AED '000	Level 3 AED '000	Total AED '000
31 December 2024				
Investments in financial assets at FVTOCI				
Equities (note 9)	24,880	–	2	24,882
Investments in financial assets at FVTPL				
Funds (note 9)	–	–	894,670	894,670
31 December 2023				
Investments in financial assets at FVTOCI				
Equities (note 9)	23,315	–	2	23,317
Investments in financial assets at FVTPL				
Funds (note 9)	–	–	695,652	695,652

There were no transfers between level 1, level 2 or level 3 during the current or prior year.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

42 Segment information

42.1 Operating segments

Segment information about the Group's continuing operations is presented below.

Year ended 31 December 2024

	Aldar Development			Aldar Investment					Unallocated/ eliminations	Consolidated
	Property development and sales AED '000	Project management services AED '000	International AED '000	Investment properties AED '000	Hospitality and leisure AED '000	Education AED '000	Estates AED '000	Others AED '000	AED '000	AED '000
Revenue and rental income from external customers										
• Over a period of time	11,004,582	1,971,529	840,163	–	597,670	862,212	1,227,905	1,128,658	(10,085)	17,622,634
• At a point in time	470,052	280,411	846,178	–	513,078	–	1,087,736	–	–	3,197,455
• Leasing	–	–	10,152	2,144,563	–	–	–	23,578	–	2,178,293
Inter-segments	286,745	–	–	122,376	–	–	306,365	88,065	(803,551)	–
Gross revenue	11,761,379	2,251,940	1,696,493	2,266,939	1,110,748	862,212	2,622,006	1,240,301	(813,636)	22,998,382
Cost of revenue excluding service charge	(7,849,450)	(1,552,541)	(1,334,369)	(362,514)	(726,437)	(488,351)	(1,983,811)	(1,187,091)	663,768	(14,820,796)
Service charge expenses	–	–	–	(132,445)	–	–	–	–	–	(132,445)
Gross profit	3,911,929	699,399	362,124	1,771,980	384,311	373,861	638,195	53,210	(149,868)	8,045,141

(i) Gross revenue of investment properties includes AED 132,445 thousand (31 December 2023: AED 130,979 thousand) of revenue from service charges

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

42 Segment information continued

42.1 Operating segments continued

Segment information about the Group's continuing operations is presented below.

Year ended 31 December 2024

	Aldar Development			Aldar Investment					Unallocated/ eliminations	Consolidated
	Property development and sales AED '000	Project management services AED '000	International AED '000	Investment properties AED '000	Hospitality and leisure AED '000	Education AED '000	Estates AED '000	Others AED '000	AED '000	AED '000
Gross profit	3,911,929	699,399	362,124	1,771,980	384,311	373,861	638,195	53,210	(149,868)	8,045,141
Selling and marketing expenses	(66,497)	(421)	(18,111)	(8,566)	(2,612)	(7,272)	(11,402)	(6,435)	(8,084)	(129,400)
Staff costs	(127,927)	(34,519)	(93,744)	(90,154)	(14,602)	(82,374)	(123,837)	(68,152)	(44,013)	(679,322)
Depreciation and amortisation	(81,816)	(5,568)	(13,144)	(33,741)	(258,115)	(109,629)	(120,964)	(18,779)	62,924	(578,832)
Provisions, impairments and write downs, net	(168,884)	–	(1,837)	(1,116)	–	(2,841)	(12,325)	–	(12,183)	(199,186)
Other general and administrative expenses	(162,245)	(19,107)	(76,579)	(56,854)	(19,074)	(49,097)	(103,973)	(53,485)	(313)	(540,727)
Gain on revaluation of investment properties, net	–	–	–	841,477	–	–	–	–	–	841,477
Share of results of associates and joint ventures	(877)	–	2,332	–	–	–	–	(3,358)	–	(1,903)
Gain on disposal of investment properties	–	–	–	81,286	–	–	–	–	–	81,286
Profit/(loss) from financial assets at fair value through profit or loss	–	–	–	–	–	–	–	56,233	(7,261)	48,972
Finance income	351,478	153,623	135,610	110,222	38,365	24,776	32,607	2,374	(133,659)	715,396
Finance costs	(213,803)	–	(125,666)	(494,852)	(101,633)	(28,149)	(5,242)	(7,329)	33,259	(943,415)
Other income	66,099	5,735	33,721	5,984	1,598	33,760	5,394	41,884	5,455	199,630
Income tax expense	(66,847)	(65,111)	(66,538)	(138,070)	(11,393)	(15,633)	(25,802)	11,420	22,796	(355,178)
Profit for the year	3,440,610	734,031	138,168	1,987,596	16,845	137,402	272,651	7,583	(230,947)	6,503,939

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

42 Segment information continued

42.1 Operating segments continued

Year ended 31 December 2023

	Aldar Development			Aldar Investment						
	Property development and sales AED '000	Project management services AED '000	International AED '000	Investment properties AED '000	Hospitality and leisure AED '000	Education AED '000	Estates AED '000	Others AED '000	Unallocated/ eliminations AED '000	Consolidated AED '000
Revenue and rental income from external customers										
• Over a period of time	4,695,793	1,002,900	91,657	–	592,087	686,579	1,469,902	793,849	–	9,332,767
• At a point in time	872,739	205,505	1,163,955	–	524,102	–	–	–	–	2,766,301
• Leasing	–	–	7,625	2,054,245	–	–	–	–	–	2,061,870
Inter-segments	221,174	–	–	84,435	–	–	270,974	–	(576,583)	–
Gross revenue	5,789,706	1,208,405	1,263,237	2,138,680	1,116,189	686,579	1,740,876	793,849	(576,583)	14,160,938
Cost of revenue excluding service charge	(3,612,175)	(695,900)	(919,720)	(363,173)	(730,702)	(395,625)	(1,370,664)	(742,391)	373,764	(8,456,586)
Service charge expenses	–	–	–	(130,979)	–	–	–	–	–	(130,979)
Gross profit	2,177,531	512,505	343,517	1,644,528	385,487	290,954	370,212	51,458	(202,819)	5,573,373

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

42 Segment information continued

42.1 Operating segments continued

Year ended 31 December 2023

	Aldar Development			Aldar Investment					Unallocated/ eliminations AED '000	Consolidated AED '000
	Property development and sales AED '000	Project management services AED '000	International AED '000	Investment properties AED '000	Hospitality and leisure AED '000	Education AED '000	Estates AED '000	Others AED '000		
Gross profit	2,177,531	512,505	343,517	1,644,528	385,487	290,954	370,212	51,458	(202,819)	5,573,373
Selling and marketing expenses	(70,824)	(1,157)	(10,820)	(10,994)	(2,041)	(4,867)	(4,180)	(5,909)	(4,094)	(114,886)
Staff cost	(135,965)	(20,929)	(63,901)	(66,405)	(12,934)	(65,014)	(98,981)	(57,639)	(23,477)	(545,245)
Depreciation and amortisation	(64,176)	(15,831)	(4,068)	(30,420)	(244,267)	(75,037)	(63,376)	(11,718)	61,268	(447,625)
Provisions, impairments and write downs, net	(153,387)	–	(33,120)	(21,661)	–	(5,341)	(4,076)	(2,286)	(6,074)	(225,945)
Other general and administrative expenses	(174,347)	(36,896)	(45,732)	(62,497)	(6,762)	(36,381)	(67,199)	(32,429)	(26,607)	(488,850)
Gain on revaluation of investment properties, net	–	–	27,944	567,913	4,300	–	–	–	–	600,157
Share of results of associates and joint ventures	–	–	(1)	–	–	–	–	(7,415)	–	(7,416)
Gain on disposal of investment properties, net	–	–	–	23,962	–	–	–	–	–	23,962
Profit/(loss) from financial assets at fair value through profit or loss	–	–	–	–	–	–	–	4,405	(6,861)	(2,456)
Finance income	212,852	86,619	104,201	91,146	24,745	15,960	17,649	2,659	(57,058)	498,773
Finance costs	(20,189)	(1,069)	(68,136)	(478,625)	(51,906)	(6,275)	(1,769)	(9,597)	16,400	(621,166)
Other income	134,622	9,232	17,474	58,045	18,843	15,894	3,543	8	28,036	285,697
Income tax expense	–	–	(53,166)	(31,454)	–	(912)	(9,460)	–	(16,975)	(111,967)
Profit for the year	1,906,117	532,474	214,192	1,683,538	115,465	128,981	142,363	(68,463)	(238,261)	4,416,406

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

42 Segment information continued

42.1 Operating segments continued

The segment assets and capital and project expenditures are as follows:

	Aldar Development			Aldar Investment					Unallocated/ eliminations	Consolidated
	Property development and sales AED '000	Project management services AED '000	International AED '000	Investment properties AED '000	Hospitality and leisure AED '000	Education AED '000	Estates AED '000	Others AED '000	AED '000	AED '000
As at 31 December 2024										
Total assets	31,413,863	3,199,253	6,089,274	29,948,310	4,249,496	2,302,793	4,048,566	1,774,338	2,709,811	85,735,704
Capital expenditures	21,190	28,733	27,767	484	198,110	303,094	8,637	66,311	9,304	663,630
Project expenditures	6,555,150	–	2,539,487	2,023,262	–	–	–	–	–	11,117,899
As at 31 December 2023										
Total assets	23,334,070	2,801,555	6,020,300	28,845,459	4,362,778	2,065,190	3,461,347	1,483,501	483,868	72,858,068
Capital expenditures	4,039,680	3,509	21,481	41,392	102,279	980,790	52,797	111,287	2,298	5,355,513
Project expenditures	3,743,063	–	1,104,043	1,614,917	–	–	–	–	–	6,462,023

The Group's operating segments are established on the basis of those components that are evaluated regularly by the Chief Executive Officer, considered to be the Chief Operating Decision Maker ("CODM"). The CODM monitors the operating results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenues, gross profit, net profit and a broad range of key performance indicators in addition to segment profitability and is measured consistently with profit or loss in the consolidated financial statements.

For internal management reporting purposes, the Group's operations are aggregated into segments with similar economic characteristics. Management considers that this is best achieved with property development and sales, project management services, International subsidiaries under Aldar Development and investment properties, hospitality and leisure, education, estates and others under Aldar Investments as operating segments.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

42 Segment information continued

42.1 Operating segments continued

Consequently, the Group has presented 2 segments bifurcated into eight reportable sub-segments for the current and comparative year which are as follows:

Aldar Development

- Property development and sales – develop and sell properties
- Project management services – dedicated project delivery arm and the manager of the Group project management businesses including land sales and property development
- International – real estate development subsidiaries operating in Egypt and United Kingdom that mainly develop and sell real estate properties

Aldar Investment

- Investment properties – owns, manages and lease residential, commercial, logistics and retail properties
- Hospitality and leisure – owns, manage and operate hotels and leisure assets
- Education – owns, manage and operates schools offering a wide range of curriculum and ancillary services
- Estates – includes mainly property and facilities management operations, landscaping, security and advisory services
- Others – mainly includes construction business, coworking and ventures businesses

Based on the information reported to the Group's senior management for the allocation of resources, marketing strategies, management reporting lines and measurement of performance of business, the reportable segments under IFRS 8 were identified according to the structure of investment activities and services to customer groups.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than cash and bank balances, investment in associates and joint ventures, investment in financial assets and derivative financial instruments. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
- finance costs, finance income, other gains and losses are allocated to the individual segments.

Capital expenditure consists of additions of property, plant and equipment, plots of land held for sale and intangible assets while project expenditure consists of additions to investment properties and properties under development. Inter-segment revenues are eliminated upon consolidation and reflected in the 'eliminations' column. Transfer prices between operating segments are on an arm's-length basis in a manner similar to transactions with third parties.

42.2 Geographical segments

The Group operates in the UAE and a few countries outside the UAE (including Egypt and United Kingdom). The domestic segment includes business activities and operations in the UAE and the international segment include business activities and operations outside the UAE.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

42 Segment information continued

42.2 Geographical segments continued

	31 December 2024			31 December 2023		
	UAE AED '000	International AED '000	Total AED '000	UAE AED '000	International AED '000	Total AED '000
Total assets	79,569,149	6,166,555	85,735,704	66,809,799	6,048,269	72,858,068
Consolidated statement of profit or loss						
Revenue and rental income from external customers						
• Over a period of time	16,755,862	866,772	17,622,634	9,222,726	110,041	9,332,767
• At a point in time	2,351,277	846,178	3,197,455	1,602,346	1,163,955	2,766,301
• Leasing	2,168,141	10,152	2,178,293	2,054,245	7,625	2,061,870
Gross revenue	21,275,280	1,723,102	22,998,382	12,879,317	1,281,621	14,160,938
Cost of revenue excluding service charge	(13,468,557)	(1,352,239)	(14,820,796)	(7,521,214)	(935,372)	(8,456,586)
Service charge expenses	(132,445)	–	(132,445)	(130,979)	–	(130,979)
Gross profit	7,674,278	370,863	8,045,141	5,227,124	346,249	5,573,373
Selling and marketing expenses	(111,275)	(18,125)	(129,400)	(104,066)	(10,820)	(114,886)
Staff costs	(584,136)	(95,186)	(679,322)	(481,344)	(63,901)	(545,245)
Depreciation and amortisation	(565,203)	(13,629)	(578,832)	(443,557)	(4,068)	(447,625)
Provisions, impairments and write downs, net	(197,383)	(1,803)	(199,186)	(192,825)	(33,120)	(225,945)
Other general and administrative expenses	(461,397)	(79,330)	(540,727)	(443,579)	(45,271)	(488,850)
Gain on revaluation of investment properties, net	841,477	–	841,477	572,213	27,944	600,157
Share of results of associates and joint ventures	(4,235)	2,332	(1,903)	(7,415)	(1)	(7,416)
Gain on disposal of investment properties	81,286	–	81,286	23,962	–	23,962
Profit/(loss) from financial assets at fair value through profit or loss	48,972	–	48,972	(2,456)	–	(2,456)
Finance income	579,786	135,610	715,396	394,572	104,201	498,773
Finance costs	(817,611)	(125,804)	(943,415)	(553,030)	(68,136)	(621,166)
Other income	165,391	34,239	199,630	268,209	17,488	285,697
Income tax expense	(288,103)	(67,075)	(355,178)	(57,346)	(54,621)	(111,967)
Profit for the year	6,361,847	142,092	6,503,939	4,200,462	215,944	4,416,406

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

42 Segment information continued

42.2 Geographical segments continued

The major geographical areas of total assets, gross revenue and income tax expense and paid under "International" segment are given below:

	2024 AED '000	2023 AED '000
Egypt	4,031,132	4,755,317
United Kingdom	2,058,141	1,264,984
Others	77,282	27,968
Total assets	6,166,555	6,048,269
	2024 AED '000	2023 AED '000
Egypt	700,955	1,182,039
United Kingdom	995,538	81,198
Others	26,609	18,384
Gross revenue	1,723,102	1,281,621
	2024 AED '000	2023 AED '000
Egypt	64,096	52,821
United Kingdom	2,442	345
Others	537	1,455
Income tax expense	67,075	54,621
	2024 AED '000	2023 AED '000
Egypt	38,964	43,517
United Kingdom	–	–
Others	–	–
Income tax expense paid	38,964	43,517

43 Other general and administrative expenses

Other general and administrative expenses include social contributions amounting to AED 8,651 thousand (2023: AED 13,495 thousand).

44 Non-cash transactions

The following were significant non-cash transactions relating to investing and financing activities of consolidated statement cash flows:

	2024 AED '000	2023 AED '000
Transfer between investment properties and development work in progress (note 13)	12,934	316,531
Transfer between investment properties and property, plant and equipment (note 5)	33,129	26,477
Additions to right-of-use assets under property, plant and equipment and investment properties	164,888	89,437
Fair value of derivative adjusted against hedge	18,394	–

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

45 Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Balance at 1 January 2024 AED '000	Financing cash flows (i) AED '000	Others (ii) AED '000	Balance at 31 December 2024 AED '000
Bank borrowings and sukuk (i)	12,079,166	3,617,084	690,207	16,386,457
Lease liabilities	926,870	(111,859)	194,163	1,009,174
	13,006,036	3,505,225	884,370	17,395,631

	Balance at 1 January 2023 AED '000	Financing cash flows (i) AED '000	Others (ii) AED '000	Balance at 31 December 2023 AED '000
Bank borrowings and sukuk (i)	10,295,559	487,390	1,296,217	12,079,166
Lease liabilities	485,533	(74,765)	516,102	926,870
	10,781,092	412,625	1,812,319	13,006,036

- (i) The cash flows from bank borrowings and sukuk make up the net amount of proceeds from bank borrowings and sukuk and repayments of borrowings and sukuk (inclusive of finance cost paid) in the consolidated statement of cash flows.
- (ii) Others mainly include additions due to acquisitions of businesses, finance costs incurred, lease disposal/ additions and exchange gain and losses.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

46 Partly-owned subsidiaries

46.1 Financial information of subsidiaries that have material non-controlling interests is provided below:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit/(loss) allocated to non- controlling interests for the year		Accumulated non-controlling interests	
		2024 (%)	2023 (%)	2024 AED '000	2023 AED '000	2024 AED '000	2023 AED '000
Aldar Hansel SPV Restricted Limited (Hansel)	UAE	49.00	49.00	124,383	123,942	1,778,509	1,808,396
Aldar Investment Holding Restricted Limited (AIHR)	UAE	11.87	11.87	235,294	196,972	1,866,918	1,712,096
Six October for Development and Investment Co. S.A.E. (SODIC)	Egypt	40.14	40.14	71,785	91,254	341,820	468,510
Al Maryah Property Holdings Limited ("Al Maryah")	UAE	47.14	47.14	104,419	27,685	402,881	236,285
Twafq Projects Development Property – Sole Proprietorship L.L.C. (Twafq)	UAE	30.00	30.00	16,607	6,241	182,998	166,391
Pivot Engineering & General Contracting Co. (WLL) (PIVOT)	UAE	34.80	34.80	(18,391)	790	32,974	93,542
Seih Sdeirah Real Estate LLC (Seih Sdeirah-1)	UAE	8.60	8.60	–	–	37	37
Al Seih Real Estate Management LLC (Seih Sdeirah-2)	UAE	8.60	8.60	–	–	37	37
Mustard and Linen (M&L)	UAE	25.00	25.00	3,299	2,850	8,228	4,929
Aldar Estate Holding Limited (Estate)	UAE	34.90	34.90	103,101	49,746	854,461	751,870
Aurora Holding Company Limited (Aurora)	UAE	49.00	49.00	21,189	(5,337)	15,853	(5,337)
AMI Properties Holding Limited (AMI)	UAE	40.00	40.00	284	–	132,897	65,542
Sustainability City (SC)	UAE	42.00	42.00	245,717	–	469,717	–
Total				907,687	494,143	6,087,330	5,302,298

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

46 Partly-owned subsidiaries continued

46.2 The movement in the non-controlling interests is given below.

	2024 AED '000	2023 AED '000
Balance at the beginning of the year	5,302,298	4,380,218
Share of profit for the year	907,687	494,143
Share of other comprehensive loss for the year	(200,149)	(104,811)
Total comprehensive income for the year	707,538	389,332
Dividends paid by a subsidiary against preference and common equity (note 46.3)	(78,291)	(101,957)
Dividends paid by a subsidiary to non-controlling interests (note 46.4)	(154,775)	(151,040)
Non-controlling interest arising on business combination and assets acquisition (note 7 and 47)	(510)	92,469
Additional contribution from non-controlling interests (note 46.5)	311,070	18,000
Change in equity attributable to owners of the company due to partial disposal of a subsidiary (note 47 and 46.3)	–	675,276
Balance at the end of the year	6,087,330	5,302,298

46.3 During 2022, Aldar Investment Holding Restricted Limited (“AIHR” – a subsidiary of the Company and 100% shareholder of Aldar Investment Properties LLC “AIP”) entered into a subscription agreement with Apollo Gretel Investor, L.P. (“Apollo”) relating to AIHR, where Apollo subscribed to common equity of USD 100,000 thousand and preferred equity of USD 300,000 thousand of AIHR. The preferred equity will be mandatory convertible into fixed number of shares at the third anniversary of the closing date and will carry a fixed rate of interest. The above results in Aldar disposing 11.121% of its shareholding in AIHR for a total cash consideration of USD 400,000 thousand (AED 1,469,000 thousand). The above transaction does not result in the Group’s loss of control over AIHR. The difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration received is recognised in equity.

The schedule below shows the effects on the equity attributable to owners that resulted from the transaction:

	AED '000
Carrying amount of the interest disposed	1,568,080
Consideration received	(1,469,000)
Change in equity attributable to owners of the Company	99,080

Transaction cost is charged against the retained earnings and non-controlling interest. The difference of AED 99,000 thousand represents 0.75% ownership in AIHR (the “Additional Interest”). The ultimate beneficial owner of this 0.75% will be determined pursuant to terms of a side letter agreed with Apollo and based on the final status of Corporate Income tax in UAE when implemented. Consequently, this has resulted in the recognition of a financial asset and a financial liability which are reported net as the Company has a legally enforceable right to set off and it intends to settle the asset and liability simultaneously. During the year, the Group determined the fair value of Additional Interest as of the reporting date and determined that the fair value is equal to the fair value at initial recognition of the Additional Interest.

The Company has no contractual obligation relating to the above subscription and therefore classified as equity and recorded under “non-controlling interests” in the consolidated financial statements in accordance with the requirements of IAS 32 *Financial Instruments: Presentation*.

During the year, AIHR paid preference dividend amounted to AED 78,291 thousand (2023: AED 101,957 thousand).

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

46 Partly-owned subsidiaries continued

46.4 During 2022, the Company established a 100% owned subsidiary Aldar Hansel SPV Restricted Limited ("Hansel"), a restricted scope company incorporated in Abu Dhabi Global Market, Abu Dhabi, UAE, comprising 51% of class A shares and 49% of class B shares. Subsequent to this, the Company entered into a 20 year Deferred Land Sale and Purchase Agreement ("DLSPA") with Hansel where the cash flow rights over 2.6 million sqm of land was transferred to Hansel. The Company further disposed of its class B shares in Hansel against consideration of USD 500,000 thousand (AED 1,836,000 thousand) to AP Hansel SPV LLC, a 100% owned company of Apollo Capital Management L.P ("Apollo Capital"). Apollo Capital's returns will not be predetermined and will be subject to movement in land valuations or gain from sale of land, if any, over the period of the DLSPA.

The Company has no contractual obligation attached to class B shares and therefore classified as equity and recorded under "non-controlling interests" in the consolidated financial statements in accordance with the requirements of IAS 32 Financial Instruments: Presentation.

During the year, Hansel paid dividend of AED 154,775 thousand (2023: AED 150,040 thousand).

Subsequent to the reporting period, on 30 January 2025 the Group entered into class B shares repurchase deed and termination of deferred transfer of land sale and purchase agreement, to re-transfer the class B shares from AP Hansel SPV LLC to the Group pursuant to a share transfer instrument for a consideration of USD 493,226 thousand (AED 1,811,373 thousand) which is effective from 5 February 2025.

46.5 The additional contribution during the year includes an amount of AED 311,070 thousand (year ended 31 December 2023: AED 18,000 thousand) received from a non-controlling interest of the Group. As per the shareholder's agreement, the shareholder has no right to call for repayment and the amount will be repaid from the residual profits of the entity and there is no fixed repayment term nor interest payable on this contribution and hence classified as equity.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

46 Partly-owned subsidiaries continued

46.6 The summarised financial information in respect of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intergroup eliminations.

2024	Hansel AED '000	AIHR AED '000	Estates AED '000	SODIC AED '000	Al Maryah AED '000	Pivot AED '000	Twafq AED '000	M&L AED '000	Aurora AED '000	SC AED '000	AMI AED '000
Total assets	2,787,834	29,948,310	4,048,566	4,054,858	892,213	850,472	972,830	36,832	4,452,342	1,103,694	288,340
Total liabilities	(2,755,957)	(10,300,105)	(1,655,674)	(3,157,023)	(29,138)	(822,032)	(364,439)	(3,880)	(4,422,231)	(257,414)	(56,669)
Net assets	31,877	19,648,205	2,392,892	897,835	863,075	28,440	608,391	32,952	30,111	846,280	231,671
Revenue	190,532	2,259,400	2,622,006	700,955	241,964	1,123,464	75,758	26,529	409,308	1,213,153	749
Profit/(loss) for the year	189,587	1,982,090	272,651	177,900	221,508	(52,848)	55,357	13,213	44,403	327,622	713
Other comprehensive income/(loss) for the year	–	(18,366)	(5,152)	(197,969)	–	–	–	–	–	–	–
Total comprehensive income/(loss) for the year	189,587	1,963,724	267,499	(20,069)	221,508	(52,848)	55,357	13,213	44,403	327,622	713
Attributable to the owners of the company	65,204	1,728,430	164,398	(91,853)	117,089	(34,457)	38,750	9,914	23,214	81,905	428
Attributable to the non-controlling interests	124,383	235,294	103,101	71,785	104,419	(18,391)	16,607	3,299	21,189	245,717	285
Dividends paid to non-controlling interest	154,270	78,291	–	505	–	–	–	–	–	–	–
Net cash inflows/(outflows) from operating activities	189,587	1,788,318	144,625	70,485	40,642	10,558	64,290	19,322	1,726,016	(197,217)	–
Net cash inflows/(outflows) from investing activities	(191,229)	(1,744,200)	(46,971)	44,569	(96,273)	(19,279)	(42,094)	(3,763)	(1,705,003)	(299,146)	–
Net cash inflows/(outflows) from financing activities	4,611	(1,875,350)	(22,184)	8,104	50,000	(1,083)	(15,716)	2,583	(20,613)	518,358	–
Contingencies and commitments	–	–	357,145	1,035,589	–	690,188	–	–	2,249,538	351,525	–

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

46 Partly-owned subsidiaries continued

2023	Hansel AED '000	AIHR AED '000	Estates AED '000	SODIC AED '000	Al Maryah AED '000	Pivot AED '000	Twafq AED '000	M&L AED '000	Aurora AED '000
Total assets	2,835,246	27,708,662	3,461,347	4,782,808	599,015	787,233	582,629	45,779	2,311,151
Total liabilities	(2,784,502)	(10,646,735)	(1,344,283)	(3,609,646)	(8,303)	(707,425)	(359,024)	(1,299)	(2,325,280)
Net assets	50,744	17,061,927	2,117,064	1,173,162	590,712	79,808	223,605	44,480	(14,129)
Revenue	–	2,128,511	1,740,875	1,182,039	77,763	717,272	74,046	18,741	–
Profit/(loss) for the year	194,560	1,659,270	142,363	226,332	69,212	2,269	20,802	11,401	(10,890)
Other comprehensive income/(loss) for the year	–	(28,501)	–	(252,741)	–	–	–	–	–
Total comprehensive income/(loss) for the year	194,560	1,630,769	142,363	(26,409)	69,212	2,269	20,802	11,401	(10,890)
Attributable to the owners of the company	70,618	1,437,180	92,617	(16,236)	41,527	1,479	14,561	8,551	(5,554)
Attributable to the non-controlling interests	123,942	193,589	49,746	(10,173)	27,685	790	6,241	2,850	(5,336)
Dividends paid to non-controlling interest	(150,299)	(101,957)	–	(741)	–	–	–	–	–
Net cash inflows/(outflows) from operating activities	(11)	1,750,970	1,218,533	(52,956)	19,431	(12,569)	60,847	7,277	464,473
Net cash inflows/(outflows) from investing activities	–	(354,416)	(340,963)	72,748	(34,020)	(27,233)	(118,274)	(118)	–
Net cash inflows/(outflows) from financing activities	3,665	(708,435)	(5,568)	2,562	62,500	(1,038)	18,403	7,573	–
Contingencies and commitments	–	–	208,379	791,177	–	558,211	–	–	–

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

47 Business combinations

Acquisitions in 2023

47.1 Kent College and Nursery

On 3 May 2023, Aldar Education – Sole Proprietorship LLC (“Aldar Education” a subsidiary of the Company) signed an agreement to purchase Kent College LLC – FZ and Kent Nursery LLC – FZ (“Kent”), registered with Meydan Freezone Authority, Dubai, UAE for a total consideration of AED 120,000 thousand. On 1 September 2023, all the major conditions precedent to completion were completed and the Group acquired control over Kent. Kent’s principal activity is to provide education services under British curriculum. Kent was acquired as part of the growth and expansion of Aldar Education business in the education field along with expansion to outside Abu Dhabi. The acquisition has been accounted for using the acquisition method of accounting, and accordingly, the identifiable assets acquired and liabilities assumed, have been recognised at their respective fair values.

The amounts recognised in respect of the fair values at the date of acquisition of the identifiable assets acquired and liabilities assumed are set out in the table below:

	AED '000
Assets	
Property, plant and equipment*	411,044
Intangible assets	39,904
Trade and other receivables	12,500
Cash and bank balances	5,037
Total assets	468,485
Liabilities	
Employees benefits	3,474
Lease liabilities	411,006
Advances from customers	14,650
Trade and other payables	8,472
Total liabilities	437,602
Total identifiable net assets at fair value	30,883
Non-controlling interest	–
Group’s share of net assets acquired	30,883
Less: purchase consideration	(120,000)
Goodwill	(89,117)
Analysis of cashflow on acquisition	
Cash paid for the acquisition	(117,782)
Net cash acquired on business combination	5,037
Net cash outflows on acquisition (included in cash flows from investing activities)	(112,745)
Transaction costs of the acquisition (included in cash flows from operating activities)	(1,668)
Net cash outflow on acquisition	(114,413)

** Include Right of Use Asset of AED 410,174 thousand.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

47 Business combinations continued

47.2 Basatin Landscaping

On 28 May 2023, Aldar Estates Investment – Sole Proprietorship LLC (“Aldar Estates” a subsidiary of the Company) signed an agreement to acquire 75% of the issued share capital of Basatin Holding SPV Ltd. (“Basatin”), a limited liability company registered in Abu Dhabi, UAE for a total consideration of AED 138,822 thousand. Basatin was acquired as part of Aldar plan to further scale up and broaden its integrated property and facilities management platform, Aldar Estates. The acquisition has been accounted for using the acquisition method of accounting, and accordingly, the identifiable assets acquired and liabilities assumed, have been recognised at their respective fair values.

The amounts recognised in respect of the fair values at the date of acquisition of the identifiable assets acquired and liabilities assumed are set out in the table below:

	AED '000
Assets	
Property, plant and equipment	8,336
Intangible assets	38,275
Contract assets	20,638
Trade and other receivables	65,197
Inventories	1,377
Cash and bank balances	36,960
Total assets	170,783
Liabilities	
Employees benefits	5,245
Retentions payable	3,709
Advances from customers	1,842
Trade and other payables	69,516
Total liabilities	80,312
Total identifiable net assets at fair value	90,471
Non-controlling interest	(22,618)

	AED '000
Group's share of net assets acquired	67,853
Less: purchase consideration	(138,822)
Goodwill	(70,969)
Cash paid for the acquisition	(138,822)
Net cash acquired on business combination	36,960
Net cash outflows on acquisition (included in cash flows from investing activities)	(101,862)
Transaction costs of the acquisition (included in cash flows from operating activities)	(3,017)
Net cash outflow on acquisition	(104,879)

47.3 Merger of property and facilities management businesses

On 4 July 2023, the Group entered into a shareholders' agreement and contribution agreement (the “Agreement”) to consolidate and merge the facilities management (“FM”) and the property management (“PM”) platform of Aldar, IHC Real Estate Holding LLC (IHC) and Abu Dhabi National Exhibitions Company PJSC (ADNEC) (together, the “Stakeholders”) into Aldar Estates Holding Limited (“Aldar Estates”), a subsidiary of Aldar (the “Transaction”).

As part of the Transaction, Eltizam Asset Management LLC (Eltizam), a property and facilities management services company, previously jointly owned by IHC and ADNEC Group, acquired by Aldar Estates. The Transaction was undertaken via a share transfer mechanism whereby Aldar Estates has acquired entire shares in Eltizam in exchange of 17.45% shares each issued to IHC and ADNEC.

At the date of the Transaction, Aldar Estates issued 4,854 number of shares to IHC and ADNEC that represented 34.9% of the number of shares of Aldar Estates. The fair value of Aldar Estates at the date of the Transaction was AED 2,902,579 thousand (AED 208,684 thousand per share).

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

47 Business combinations continued

47.3 Merger of property and facilities management businesses continued

The following table summarises the acquisition date fair value of the consideration transferred:

	AED '000
Fair value of Aldar Estates (pre-Transaction)	1,889,579
Fair value of Eltizam	1,013,000
Fair value of Aldar Estates (post-Transaction)	2,902,579
Consideration transferred for the Transaction (34.9% of Aldar Estates post-Transaction)	1,013,000

The acquisition has been accounted for using the acquisition method of accounting, and accordingly, the identifiable assets acquired and liabilities assumed, have been recognised at their respective fair values. The amounts recognised in respect of the fair values at the date of acquisition of the identifiable assets acquired and liabilities assumed are set out in the table below:

	AED '000
Assets	
Property, plant and equipment	15,683
Intangible assets	167,810
Contract assets	12,700
Trade and other receivables	316,658
Inventories	5,813
Cash and bank balances	75,075
Total assets	593,739

	AED '000
Liabilities	
Employees benefits	28,096
Lease liabilities	3,860
Advances from customers	552
Trade and other payables	248,688
Total liabilities	281,196
Total identifiable net assets at fair value	312,543
Non-controlling interest	(4,230)
Group's share of net assets acquired	308,313
Less: purchase consideration	(1,013,000)
Goodwill	(704,687)

Analysis of cashflow on acquisition

	AED '000
Cash paid for the acquisition	–
Cash acquired on business combination	75,075
Net cash inflows on acquisition (included in cash flows from investing activities)	75,075
Transaction costs of the acquisition (included in cash flows from operating activities) (iv)	(2,257)
Net cash inflow on acquisition	72,818

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

47 Business combinations continued

47.4 Virginia International Private School LLC

On 2 August 2023, Aldar Education acquired 100% shares of Virginia International Private School – Sole Proprietorship LLC, a limited liability company (“Virginia”) registered in Abu Dhabi, UAE for a total consideration of AED 210,509 thousand. The Company is licensed to operate Nurseries, Kindergartens, Public Elementary Education, Preliminary (Intermediate) Education and Secondary Education. The acquisition has been accounted for using the acquisition method of accounting, and accordingly, the identifiable assets acquired, and liabilities assumed, have been recognised at their respective fair values. Virginia was acquired as part of growth and expansion of Aldar Education business in the education industry.

The amounts recognised in respect of the fair values at the date of acquisition of the identifiable assets acquired and liabilities assumed are set out in the table below:

	AED '000
Assets	
Property, plant and equipment	152,007
Intangible assets	13,244
Trade and other receivables	10,609
Inventories	1,003
Cash and bank balances	4,991
Total assets	181,854
Liabilities	
Employees benefits	1,142
Lease liabilities	5,314
Advances from customers	7,467
Trade and other payables	6,342
Total liabilities	20,265
Total identifiable net assets at fair value	161,589
Less: purchase consideration	(210,509)

	AED '000
Goodwill	(48,920)
Cash paid for the acquisition	(188,586)
Net cash acquired on business combination	4,991
Net cash outflows on acquisition (included in cash flows from investing activities)	(183,595)
Transaction costs of the acquisition (included in cash flows from operating activities)	(923)
Net cash outflow on acquisition	(184,518)

47.5 FAB Properties LLC

On 9 September 2023, Provis Real Estate Management – Sole Proprietorship LLC (“Provis” a subsidiary of the Company) signed an agreement to acquire 100% of the issued share capital of FAB Properties – Sole Proprietorship LLC (“FAB Properties”), a limited liability company registered in Abu Dhabi, UAE for a total consideration of AED 334,960 thousand. On 1 December 2023, all the substantive conditions precedent to completion were met and therefore 1 December 2023 is the date on which the Group acquired control over FAB Properties. FAB Properties was acquired to emerge as the largest player in property management market in Abu Dhabi. The acquisition has been accounted for using the acquisition method of accounting, and accordingly, the identifiable assets acquired and liabilities assumed, have been recognised at their respective fair values.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

47 Business combinations continued

47.5 FAB Properties LLC continued

The amounts recognised in respect of the fair values at the date of acquisition of the identifiable assets acquired and liabilities assumed are set out in the table below:

	AED '000
Assets	
Property, plant and equipment	30
Intangible assets	203,031
Trade and other receivables	10,416
Cash and bank balances	190,661
Total assets	404,138
Liabilities	
Employees benefits	3,555
Trade and other payables	181,217
Total liabilities	184,772
Total identifiable net assets at fair value	219,366
Non-controlling interest	–
Group's share of net assets acquired	219,366
Less: purchase consideration	(334,960)
Goodwill	(115,594)
Analysis of cashflow on acquisition	
Cash paid for the acquisition	(334,960)
Net cash acquired on business combination	190,661
Net cash outflows on acquisition (included in cash flows from investing activities)	(144,299)
Transaction costs of the acquisition (included in cash flows from operating activities)	(2,565)
Net cash outflow on acquisition	(146,864)

47.6 London Square Development (Holdings) Limited and LSQ Management Limited

On 30 November 2023, Aldar Development (LSQ) Limited, a private limited company incorporated in United Kingdom (a subsidiary of the Company) entered into a sale and purchase agreement ("SPA") to acquire 100% of the shares in London Square Development (Holdings) Limited and LSQ Management Limited ("London Square"), private companies limited by shares incorporated in United Kingdom for a total consideration of GBP 120,000 thousand (AED 557,382 thousand). London Square was acquired as part of Aldar's growth and diversification strategy to bolster scale, broaden market reach, and diversify revenue streams. The acquisition has been accounted for using the acquisition method of accounting, and accordingly, the identifiable assets acquired and liabilities assumed have been recognised at their respective fair values.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

47 Business combinations continued

47.6 London Square Development (Holdings) Limited and LSQ Management Limited continued

The amounts recognised in respect of the fair values at the date of acquisition of the identifiable assets acquired and liabilities assumed are set out in the table below:

	AED '000
Assets	
Property, plant and equipment	14,436
Intangible assets	10,436
Development work in progress	1,152,558
Investment in joint ventures	107,232
Contract assets	127,144
Trade and other receivables	160,778
Derivative financial assets	12,093
Cash and bank balances	215,525
Total assets	1,800,202
Liabilities	
Lease liabilities	8,334
Retentions payable	41,893
Bank borrowings	634,558
Contract liabilities	80,302
Advances from customers	54,970
Trade and other payables	486,667
Total liabilities	1,306,724
Total identifiable net assets at fair value	493,478
Less: purchase consideration	(497,685)
Goodwill	(4,207)

AED '000

Analysis of cashflow on acquisition

Cash paid for the acquisition	(417,014)
Net cash acquired on business combination	215,525

Net cash outflows on acquisition (included in cash flows from investing activities)	(201,489)
Transaction costs of the acquisition (included in cash flows from operating activities)	(23,022)

Net cash outflow on acquisition	(224,511)
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48 Reclassification of prior year balances

Certain comparative figures have been reclassified/regrouped, wherever necessary, to conform to the presentation adopted in these consolidated financial statements. These reclassifications do not materially change the presentation of the consolidated financial statements.

49 Events after the reporting period

49.1 On 30 December 2024, Aldar Investment Properties LLC (a subsidiary of the Group) signed an agreement with effective date of 1 January 2025 to acquire 60% of the shares of Masdar Green REIT (CEIC) Limited ("MGR") (major shareholder – a related party) for a consideration of AED 1.34 billion subject to adjustments as per the terms of the agreement. MGR is a private company limited by shares incorporated in the Abu Dhabi Global Market ("ADGM"), Abu Dhabi, UAE and is involved in the ownership, management and leasing of various real estate assets located in Masdar City, Abu Dhabi comprised predominantly of offices and residential properties. At the date of issuance of these consolidated financial statements, the initial acquisition accounting of this transaction is not complete.

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 continued

49 Events after the reporting period continued

49.2 On 30 December 2024, Aldar Properties PJSC signed an agreement with effective date of 6 January 2025 with Confluence Partners Real Estate Rsc Ltd (“Confluence”) (major shareholder – a related party), to acquire 60% shares of a private company limited by shares as a special purpose vehicle to be incorporated by Confluence in ADGM, UAE (“SPV”) for a consideration of AED 150,000 thousand while the remaining 40% shares will be owned by Confluence. SPV will be involved in the business of developing, managing and owning real estate assets on two land plots with a total area of 2.3 million sqm located in Al Falah, Abu Dhabi. At the date of issuance of these consolidated financial statements, the initial acquisition accounting of this transaction is not complete.

49.3 On 10 January 2025, Aldar Properties PJSC finalised an AED 9 billion equivalent sustainability-linked syndicated senior unsecured committed multi-tranche revolving credit facility. The five-year facility comprises conventional and Islamic tranches denominated in AED and USD and is linked to a floating rate and sustainability related key performance indicators.

49.4 On 15 January 2025, Aldar Properties PJSC issued USD denominated conventional dated hybrid notes “Dated Hybrid 1”, amounting to USD 1,000,000 thousand (AED 3,672,500 thousand) with a 30.25-year term and a non-call period of 7.25-year. Dated Hybrid 1 is listed on Euronext Dublin, carries an annual interest rate of 6.6227%, and is due for repayment in April 2055.

49.5 On 5 February 2025, Aldar Properties PJSC issued resettable subordinated hybrid notes private placement amounting to USD 500,000 thousand (AED 1,836,250 thousand) with a 30.25-year term and a non-call period of 10.25 years, carries an annual interest rate of 7.0%, and is due for repayment in May 2055.

49.6 On 24 January 2025, Aldar Development LLC (a subsidiary of the Group) signed an agreement with Confluence Partners Real Estate Rsc Ltd (“Confluence”) (major shareholder – a related party), to acquire 60% shares of Libra Property Holding Rsc Limited, a restricted scope company organised and existing under the laws of the ADGM, UAE (“Libra”), while the remaining 40% shares will be owned by Confluence. Libra will be involved in the business of developing and selling of real estate on a land plot with a total area of 333 thousand sqm located between Saadiyat Island and Reem Island in Abu Dhabi. At the date of issuance of these consolidated financial statements, the initial acquisition accounting of this transaction is not complete.

50 Approval of consolidated financial statements

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 10 February 2025.



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